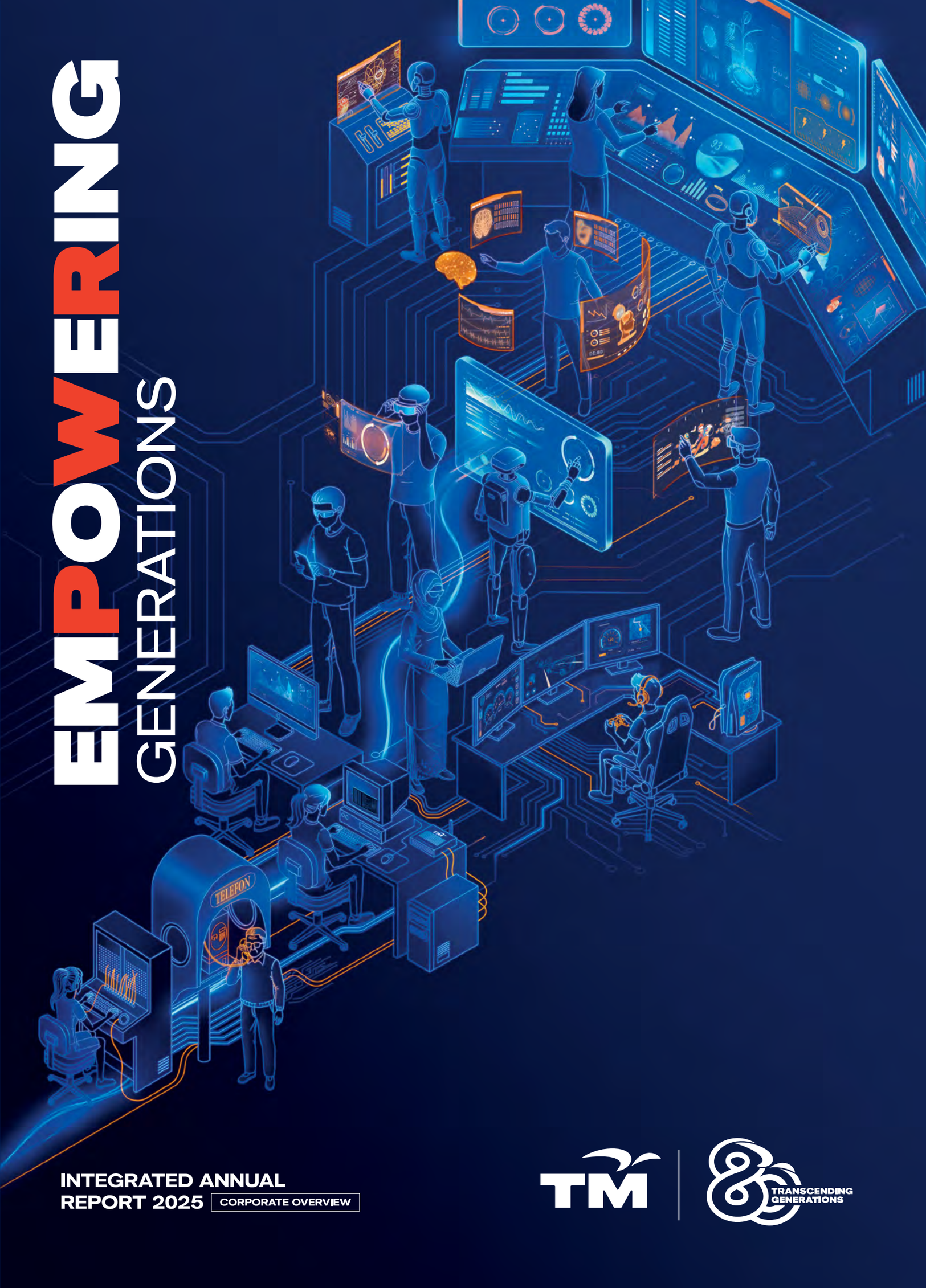
EMPOWERING GENERATIONS

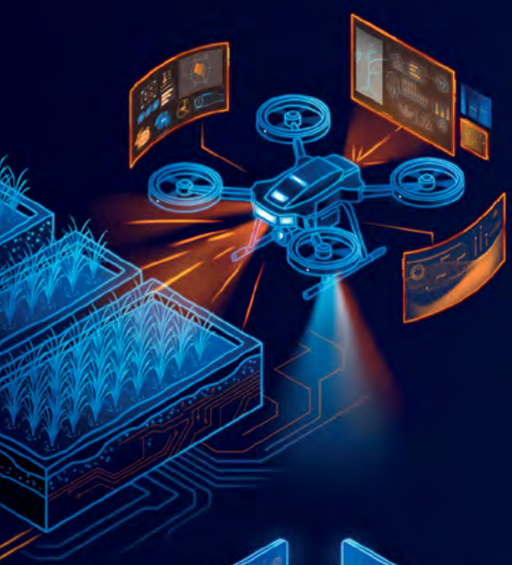


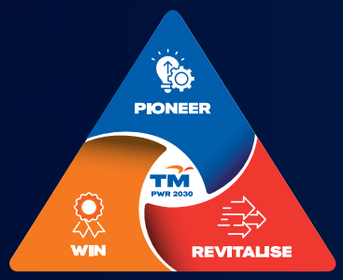
INTEGRATED ANNUAL REPORT 2025 CORPORATE OVERVIEW

TM | TRANSCENDING GENERATIONS

SUMMARY

As TM marks 80 years of empowering generations, we advance in our journey to become a Digital Powerhouse by 2030. Anchored on our PWR 2030 strategy and sustainability philosophy — Prosperity, Planet and People — we serve as a catalyst powering inclusive and sustainable progress for Malaysia and the region.





PIONEER

Pioneering Industry Growth through Digitalisation and Sustainability

As Malaysia's largest digital infrastructure provider, we pioneer the digital backbone that powers the next era of growth. Our superior 5G backhaul, AI-ready data centres and expanding international submarine cable systems are strengthening Malaysia's position as the digital hub for ASEAN, connecting Malaysia to the world and the world to Malaysia. Built on this strong foundation, we unlock advanced digital solutions — from cloud and smart services to AI-powered GPU-as-a-Service — positioning TM as a catalyst for sustainable innovation.

WIN

Winning Infrastructure Leadership Position in High-Impact Areas (Communities, Businesses, Government)

We lead the market as Malaysia's Convergence Champion, delivering the country's only quad-play services while serving as a trusted Digital Partner for MSMEs through a comprehensive solutions portfolio. Across enterprises and the public sector, we enable transformation through advanced solutions spanning AI, smart services, cloud and cybersecurity. This is where our role as a digital orchestrator comes to life, bringing together technologies and solutions that empower communities, businesses and the Government to unlock new opportunities in the vibrant digital ecosystem.

REVITALISE

Revitalising Talent and Innovation Ecosystem for Malaysia and the Region

People and innovation are at the heart of our transformation. Through Multimedia University (MMU), we nurture the next generation of digital talents for Malaysia. Initiatives such as Jangkau Digital TM and TM Future Skills, alongside programmes supporting the neurodivergent community and national sepak takraw development, reflect our commitment to empowering communities and fostering greater inclusion. Together, these efforts strengthen Malaysia's innovation ecosystem that will power the nation's digital future.

PROSPERITY
Innovative and sustainable solutions towards creating long-term value

PLANET
Environmental stewardship towards achieving net-zero

PEOPLE
Creating positive impact to communities, businesses and the nation through inclusive nation-building efforts

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41ST ANNUAL GENERAL MEETING

19 May 2026 (Tuesday) **10:00 a.m.**

Multi Purpose Hall
Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur

or virtually via the Boardroom Smart Investor Portal (BSIP) at
https://investor.boardroomlimited.com

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ABOUT THIS REPORT

This year's Integrated Annual Report 2025 (IAR 2025) presents the principal activities, strategic priorities and operational performance of Telekom Malaysia Berhad (TM or the Group). It provides a comprehensive overview of our business progress, detailing both financial and non-financial achievements, the value created for stakeholders, as well as the key risks and opportunities that shape our journey. The IAR 2025 outlines the outcomes of our initiatives for the year, offering shareholders an objective, transparent and holistic view of TM's performance and long-term sustainability.

OUR REPORTING SUITE

Our reporting suite is presented in two comprehensive publications:

Corporate Overview

Financial Statements

Corporate Overview aligns with Bursa Malaysia Securities Berhad's Main Market Listing Requirements and the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards. By adopting the IFRS Sustainability Disclosure Standards this year, the Corporate Overview enhances reporting practices and incorporates our Sustainability Statement, providing an integrated narrative of our strategy, business and sustainability progress and performance. This combined approach demonstrates how we embed integrated thinking into our operations to deliver sustainable outcomes for our stakeholders.

Financial Statements comprise the Group's complete financial report including the audited financial statements.

Corporate Overview

The Corporate Overview comprises the following:

1 Setting the Context

Operating Landscape

What is happening in the market?

Market trends, emerging technologies, economic conditions and regulatory developments are among the key factors shaping our operating landscape. Successfully navigating these dynamics is essential to sustaining our growth and creating long-term value for our stakeholders.

For more information, please refer to pages 54 to 57.

Stakeholder Engagement

What do our stakeholders need?

Our long-term success depends on the trust and support of our stakeholders. We engage with them regularly to understand and address their evolving needs, encompassing both financial and non-financial considerations.

For more information, please refer to pages 40 to 44.

Risks and Opportunities

What may impact our growth and value?

Our business is exposed to various risks and opportunities that may influence long-term value creation. We systematically identify and assess these factors to guide decision-making in alignment with our strategic objectives and risk appetite.

For more information, please refer to pages 58 to 64.

2 Strategy in Action

Strategic Direction

Where are we heading?

We aim to become a Digital Powerhouse by 2030 while positioning Malaysia as the digital hub for the region. Our commitment to driving digital innovation aligns with the nation's aspiration for a fully integrated digital society.

For more information, please refer to pages 65 to 71.

3 Sustainability Statement: Empowering the Future Together

"Empowering the Future Together" reflects our continued commitment to strengthening the sustainability reporting as we advance our transition to the IFRS Sustainability Disclosure Standards. In 2025, we further enhanced our approach by conducting a comprehensive Double Materiality Assessment, building our ongoing efforts in driving greater transparency, accountability and value-based decision-making.

This enhanced double materiality assessment enables us to evaluate systematically:

- Financial Materiality: how sustainability-related risks and opportunities influence our financial performance and long-term enterprise value;
- Impact Materiality: how our operations create value across Prosperity, Planet and People, reflecting the value we create through responsible and sustainable practices.

For the materiality assessment process, please refer to pages 121 to 123
For the list of material matters and priority ranking, please refer to page 107

Financial Statements

The Financial Statements present the Group's financial performance and position as at the reporting date.

ABOUT THIS REPORT

SCOPE AND BOUNDARIES

TM's IAR is published annually, covering the full calendar year from 1 January to 31 December 2025 for financial information and extending to 9 March 2026 for non-financial updates.

It encompasses all our operations and activities, detailing key strategic plans, the outcomes of implemented initiatives and insights into our financial and non-financial performance. This report also highlights the material matters within our sustainability pillars, the associated risks and opportunities and our efforts in creating value for stakeholders.

REPORTING PRINCIPLES

Our disclosures are guided by the following principles to:

Transparency
Provide accurate and reliable information for stakeholder assessment.

Stakeholder Inclusiveness
Address the evolving needs and expectations of stakeholders.

Materiality
Focus on economic, environmental, social and governance (EESG) matters.

Balance
Provide a fair representation of positive and negative aspects for fair decision-making.

Comparability
Enable performance tracking through historical data.

Potential
Highlight the current performance and potential future growth of TM.

REPORTING FRAMEWORKS

This IAR is prepared in accordance with the following global and local standards, guidelines and best practices:

- Integrated Reporting (IR) Framework
- Bursa Malaysia Securities Berhad's Main Market Listing Requirements (Main LR)
- Malaysian Code on Corporate Governance (MCCG)
- Companies Act 2016
- Malaysian Financial Reporting Standards (MFRS)
- Bursa Malaysia Sustainability Reporting Guide (3rd Edition)
- Global Reporting Initiative (GRI) Standards 2021
- United Nations Sustainable Development Goals (UN SDGs)
- ISO 26000:2010 Guidance on Social Responsibility
- International Financial Reporting Standards (IFRS) S1 and S2
- National Sustainability Reporting Framework (NSRF)

INDEPENDENT ASSURANCE

To enhance the credibility and reliability of this report, the data and disclosures have been independently reviewed and verified, covering financial information up to 31 December 2025 and non-financial information up to 9 March 2026.

FORWARD-LOOKING STATEMENTS

This IAR contains forward-looking statements relating to our future priorities, strategies and growth prospects. These statements are based on current expectations and assumptions and subject to risks and uncertainties beyond our control. Therefore, they should not be regarded as conclusive and have not been reviewed by auditors.

LEADERSHIP ROLE

The integrated reporting process at TM is governed by the Board of Directors, led by Management and supported through group-wide collaboration. This governance structure ensures the integrity, consistency and quality of the report.

Reach Out to Us

We are committed to continuously improving our reporting practices and welcome your feedback on our integrated annual report. Please share your questions or suggestions via:

Email: stratcomms@tm.com.my

STATEMENT FROM THE BOARD OF DIRECTORS

The Board of TM acknowledges its responsibility for ensuring the integrity and accuracy of TM's IAR 2025. We confirm that, to the best of our knowledge, this report comprehensively addresses all issues material to our business and stakeholders. It provides a balanced and fair assessment of TM's integrated performance, encompassing both financial and non-financial aspects during the reporting period.

COMMITMENT TO SUSTAINABILITY

In line with our environmental responsibility, we are committed to reducing the carbon footprint associated with the production of our printed IAR. We encourage shareholders to access our digital reports at www.tm.com.my/iar2025.

Dato' Zainal Abidin Putih
Chairman (on behalf of the Board of Directors)

HOW TO NAVIGATE THIS REPORT

Throughout this IAR, icons are used to illustrate the relationship between different elements of our business, including:

CAPITALS

- Financial
- Manufactured
- Intellectual
- Human
- Social & Relationship
- Natural

STAKEHOLDERS

- E — Employees
- G&R — Government & Regulators
- S&I — Shareholders & Investors
- BP — Business Partners
- M — Media
- CO — Communities
- U — Unions
- C — Customers
- S — Suppliers

SUSTAINABILITY PILLARS

- Prosperity
- Planet
- People

STRATEGIC PILLARS

P — PIONEER

W — WIN

R — REVITALISE

MATERIAL MATTERS

PROSPERITY

- M1 Innovation & Technology
- M2 Customer Experience
- M3 Network Stability & Quality
- M4 Sustainable Value Chain
- M5 Responsible Communication
- M6 Cyber Resilience
- M7 Good Governance

PLANET

- M8 Environmental Management
- M9 Climate Change

PEOPLE

- M10 Labour Practices & Human Rights
- M11 Learning & Development
- M12 Health & Safety
- M13 Digital Inclusion
- M14 Community Empowerment

RISK CATEGORIES

- Strategic
- Technology/System
- Sustainability
- Financial
- Operational

RELATED UN SDGs

Cross-references

Cross-references guide readers to relevant sections within the report. A QR code is provided to give readers access to downloadable materials from our website at www.tm.com.my

SUMMARY

We are pleased to present TM's Integrated Annual Report (IAR) 2025. This report is a testament to our commitment to providing stakeholders with a comprehensive understanding of our financial and non-financial achievements. It is designed to enable an assessment of the value we have created and delivered throughout the year.

TOTAL DIVIDEND PAYOUT

RM1.2 billion

31.0 sen per share

2025

FINANCIAL HIGHLIGHTS

TOTAL REVENUE
RM11.9 billion

PATAMI
RM1.7 billion

EBIT
RM2.0 billion

BUSINESS HIGHLIGHTS

>750,000 km
Domestic fibre cables

>400,000 km*
across 39 submarine cable systems

6 Data Centres
(5 in Malaysia and 1 in Hong Kong)

26
Points of Presence (PoPs)

Drove hybrid cloud-adoption for large-scale enterprises

* *Details of the submarine cable systems can be found on pages 16 to19.*

OUR CUSTOMERS

Business-to-Consumer (B2C)

3.2 million
Fixed broadband customers*

>400,000
MSME customers

>1.1 million
Fixed broadband customers subscribing to mobile and content services^

Business-to-Business (B2B)

>2,000
Government customers

>5,000
Enterprises

Carrier-to-Carrier (C2C)

194
Domestic customers

580
International customers

** Comprises B2C, B2B and C2C segments.*
^ Customers can opt to subscribe to mobile, content or both. This is in line with our market position as Malaysia's Convergence Champion.

SNAPSHOT

OUR PEOPLE

17,300
Warga TM

>1.1 million hours
Total training hours by employees

33%
Women on the Board

36%
Women in Senior Management

CORPORATE HIGHLIGHTS

ARTIFICIAL INTELLIGENCE

1st telco in Malaysia to receive SIRIM Artificial Intelligence Management System (AIMS) Certification

SUSTAINABILITY

S&P Global ESG 57/100
Highest in the telco industry

FTSE Russell 3.8

CDP C

MSCI A

FTSE4Good 4 out of 4 stars

RM3.6 billion
Spent on local suppliers

RM57.4 million
Invested in community impact programmes

WHO WE ARE AND WHERE WE ARE HEADING

As Malaysia's Convergence Champion and digital technology provider, TM remains at the forefront of Malaysia's digital transformation, advancing technology while strengthening the country's position on the global digital stage. As we mark our 80th anniversary, we continue to build on a legacy of nation-building, guided by a greater purpose to enable inclusive digital progress that benefits all Malaysians.

We were established in 1946 as the Malayan Telecommunications Department. Since then, we have played a pivotal role in shaping Malaysia's telecommunications landscape and accelerating the growth of the digital economy through future-ready digital infrastructure and advanced digital solutions, with a strong focus on customer experience.

Guided by our sustainability philosophy of Prosperity, Planet and People (3Ps), we create long-term value by balancing economic growth with environmental responsibility and positive social impact. Central to this is our commitment to *Warga TM's* growth and well-being, while strengthening a collaborative ecosystem of partners, suppliers and industry stakeholders across the value chain.

Guided by our greater purpose, we will continue to empower communities, businesses and the nation—while accelerating our journey to become a Digital Powerhouse by 2030.

VISION

To shape a Digital Malaysia through technology that empowers communities, businesses and the government.

MISSION

Humanising technology and making it accessible to all Malaysians in a sustainable manner.

For Communities

We enrich everyday moments by enabling converged lifestyle solutions.

For Businesses

We drive growth through integrated solutions and strategic partnerships that accelerate transformation.

For the Government

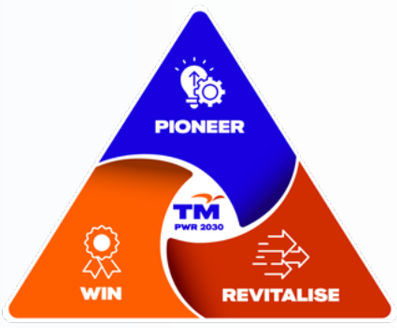
We accelerate the nation's journey towards becoming a Digital Malaysia, providing comprehensive connectivity, platforms and digital solutions.

VALUES

We are guided by our KRISTAL values:

- Total commitment to customers
- Uncompromising integrity
- Respect and care

STRATEGY



We are driven by our PWR 2030 strategy to achieve our aspiration of becoming a Digital Powerhouse by 2030. It is anchored in three (3) strategic pillars:

P Pioneer

W Win

R Revitalise

SUSTAINABILITY

Our journey is guided by our Triple Bottom Line of Prosperity, Planet and People (3Ps) to ensure long-term value for all stakeholders:

Prosperity

Planet

People

DIGITAL INFRASTRUCTURE AND SOLUTIONS

DIGITAL INFRASTRUCTURE

- Domestic Fibre Cables
- Submarine Cables
- Data Centres
- 4G/5G Mobile Backhaul
- Content Delivery Network (CDN)
- Edge Data Centres
- Points of Presence (PoPs)

CONVERGED SOLUTIONS

- Fixed Broadband
- Mobile
- TV Content
- Lifestyle Solutions (Smart Home and Smart Devices)
- Unifi Business Solutions
- Voice and Messaging

DIGITAL SOLUTIONS

- Cloud
- Cybersecurity
- Smart Services
- GPU-as-a-Service (GPUaaS)
- AI Solutions
- ICT Solutions

ARTICLE:

TM 80TH ANNIVERSARY

EMPOWERING GENERATIONS: EIGHT DECADES OF CONNECTING MALAYSIA

Since its beginnings in 1946 as the Telecommunications Department of Malaya, TM has grown alongside the nation it serves. From the early years of rebuilding communications infrastructure after the war, the network began to stretch across towns, cities and rural communities, quietly weaving connections that would bring Malaysians closer together.

Across the decades, those connections became part of everyday life. The first telephone calls carried voices across distance, linking families, businesses and government offices. Later, broadband networks opened doors to new knowledge and opportunity, enabling students to learn beyond the classroom, workers to collaborate across borders, and small businesses to reach customers far from their neighbourhoods.

As Malaysia's economy expanded and industries modernised, connectivity became more than a convenience. It became an essential foundation for national progress. Enterprises built new capabilities around digital networks, government services moved increasingly online, and entire sectors of the economy emerged around information, technology and innovation. Today, this digital ecosystem is supported by fibre networks, submarine cables, data centres and cloud platforms, alongside emerging technologies such as artificial intelligence.

Along the way, the organisation itself has continually renewed and reinvented its role. From a government department to a corporatised entity and later a publicly listed company, each transformation reflected the changing needs and ambitions of the nation. The opening of Menara TM, inspired by the 'rebung' or bamboo shoot, stands as a symbol of that journey: growth, resilience and renewal reaching upward with every generation.

Today, as TM marks its 80th anniversary, its purpose remains rooted in the same aspiration that guided its earliest pioneers — connecting people and possibilities. Across eight decades, the networks built by generations past continue to empower the generations to come.

1946 - Telecommunications Department Established

The Telecommunications Department of Malaya is formed to rebuild and operate the nation's communications network.

1946

1957

1957 - Connecting a Newly Independent Nation

Telecommunications infrastructure expands rapidly following Merdeka, supporting administration, commerce and national integration.

1961

1961 - JT Emblem Introduced

The Jabatan Talikom (JT) emblem is introduced, reflecting localisation and the growing Malaysian leadership in telecommunications.

1986

1986 - Corporatisation of Telecommunications

Jabatan Telekom is corporatised as Syarikat Telekom Malaysia, marking the transition to a commercial telecommunications entity.

1990

1990 - Telekom Malaysia Listed on Bursa Malaysia

Telekom Malaysia Berhad is listed on Bursa Malaysia, strengthening its ability to invest in nationwide telecommunications.

2001 - Menara TM Opens

The iconic Menara TM, inspired by the rebung (bamboo shoot), symbolises growth, renewal and the company's forward-looking transformation.

2005

2005 - The New Brand Introduced

TM launches its new corporate identity, signalling its evolution into a broadband and digital services provider.

2022 - National Cloud Introduced

TM launches Credence - a cloud and digital services company delivering trusted cloud solutions to accelerate digital transformation and power a smarter, connected future.

2023

2023 - Single Operating Entity

Consolidates TM's core operations into one entity (TM Technology Services) to drive convergence, efficiency, operational excellence and enhance customer experience.

2025 - TM Nxera Established

Expanding TM's capabilities into next-generation data centres to support AI, cloud and the nation's digital future.

2026 - 80 Years of Connecting Malaysia

TM marks eight decades of connecting communities, businesses and institutions while advancing Malaysia's digital future.

2026

80th Anniversary

AWARDS AND ACCOLADES: CELEBRATING EXCELLENCE

2025

JANUARY 2025

17 January 2025

- **PUTRA BRAND AWARDS**
  - Platinum (Communication Networks) – Unifi
  - Gold (Education & Learning) – MMU

24 January 2025

- **MIP PLANNING EXCELLENCE AWARDS 2024**
  - Smart City Category

FEBRUARY 2025

20 February 2025

- **ASIAN TELECOM AWARDS 2025**
  - Telecom Company of the Year – Malaysia – TM Global
  - Infrastructure Initiative of the Year – Malaysia – TM Global
  - Customer Service Initiative of the Year – Malaysia – (Bill Verification Initiative)

MARCH 2025

20 March 2025

- **MALAYSIA TECHNOLOGY EXCELLENCE AWARDS 2025**
  - AI – Environmental Services category (TM R&D's Smart Urban Forestry innovation)

APRIL 2025

10 April 2025

- **ASIAN LEGAL BUSINESS (ALB) MALAYSIA LAW AWARDS 2025**
  - Technology, Media and Telecommunications In-House Team of the Year

22 April 2025

- **EMPLOYERS' CHOICE OF UNIVERSITY AWARDS**
  - Employers' Choice of University - MMU
    - Champion – Animation
    - 6-Star Ratings – Arts & Design
    - 6-Star Ratings – Communication & Broadcasting
    - 6-Star Ratings – Computing & IT
    - 6-Star Ratings – Economics
    - 6-Star Ratings – Engineering (Mechanical)
    - 6-Star Ratings – Law

MAY 2025

5 May 2025

- **MICROSOFT MALAYSIA COPILOT CHAT PROMPT-A-THON**
  - 1st Prize (Champion)

27 May 2025

- **ANUGERAH SYARIKAT HARMONI 2025**
  - Kategori Syarikat Besar – Anugerah Syarikat Harmoni 2025

JUNE 2025

13 June 2025

- **HASHTAG ASIA AWARDS**
  - Best Social Commerce Campaign – Silver
  - Best Use of Live Streaming – Bronze

16 June 2025

- **DTW IGNITE 2025**
  - TM Forum Open API Conformance

17 June 2025

- **CARRIER COMMUNITY GLOBAL AWARDS 2025**
  - Best Regional Internet Exchange Provider – TM Global

JUNE 2025

20 June 2025

- **MARKies**
  - Most Effective Use – Social Commerce – Gold
  - Most Creative – Social Commerce – Gold
  - Most Creative – Silver
  - Most Creative Interactive Storytelling – Silver
  - Most Creative – B2B Marketing – Bronze

JULY 2025

16 – 17 July 2025

- **ANUGERAH PENGIKTIRAFAN PASUKAN TINDAK BALAS KECEMASAN & BENCANA (ERDT) SEMPENA BENGKEL PASCA MONSUN TIMUR LAUT 2024/2025**

24 July 2025

- **ASEAN CORPORATE GOVERNANCE CONFERENCE AND AWARDS (ASEAN CGCA) 2025**
  - Recognised among the 250 ASEAN Asset Class companies based on the ASEAN Corporate Governance Scorecard (ACGS) assessment

AUGUST 2025

8 August 2025

- **ASIA HUMAN RESOURCE DEVELOPMENT (ASIA HRD) AWARDS 2025**
  - Movers & Shakers Award – Khaidhir Elias, Chief Human Capital Officer
- **AI HORIZON CONFERENCE 2025**
  - AI Talent Development Award

28 August 2025

- **THE MALAYSIA EDUCATION & TVET AWARDS 2025 (META 2025)**
  - Social Impact Award – Yayasan TM

SEPTEMBER 2025

10 September 2025

- **PIKOM DIGITAL EXCELLENCE AWARDS**
  - Outstanding Digital Transformation Project
- **DIGITAL EXCELLENCE AWARDS 2025**
  - Digital Infrastructure B2B2C Infrastructure

23 September 2025

- **THE EDGE BILLION RINGGIT CLUB 2025 AWARDS**
  - Highest Growth in Profit After Tax Over Three Years (Telecommunications & Media Category)

24 September 2025

- **PC.COM READERS' CHOICE AWARDS & BUSINESSTODAY INDUSTRY CHOICE AWARDS 2025**
  - PC.com Readers' Choice Awards 2025
    - Unifi Best Home Broadband Service Provider
  - BusinessToday Industry Choice Awards 2025
    - Unifi Business Best SME Connectivity Provider
    - TM One Best Digital Transformation Enabler

SEPTEMBER 2025

25 September 2025

- **MARKETING EXPERTS' CHOICE AWARDS**
  - Top 10 Merdeka TVC Edition 2025

OCTOBER 2025

10 October 2025

- **THE DRAGONS OF ASIA**
  - Virtual Intelligence Creator – Silver
  - Business – Bronze
  - Social Media – Merit
  - Brand Trial or Sales Generation – Merit

31 October 2025

- **MARKETING INTERACTIVE EXCELLENCE AWARD**
  - Excellence in Marketing Specific Audience – Gold
  - Excellence in AI-Powered Storytelling – Gold
  - Excellence in Integrated Marketing – Gold
  - Excellence in Live Streaming Marketing – Gold
  - Excellence in B2B Marketing – Bronze
  - Excellence in Loyalty Marketing – Bronze
  - Excellence in Performance Marketing – Bronze

NOVEMBER 2025

3 – 6 November 2025

- **50TH INTERNATIONAL CONVENTION ON QUALITY CONTROL CIRCLES (ICQCC)**
  - Gold Award for Quality Control Circle
  - Gold Award for TM VISE and eLOREX Initiatives

4 November 2025

- **QS ASIA UNIVERSITY RANKINGS 2026**
  - Ranked 148 in Asia (the highest standing in MMU's history)

12 November 2025

- **MALAYSIA'S LEADING GRADUATE EMPLOYERS' AWARDS 2025 (M100 AWARDS)**
  - Ranked among the Top 100 Most Popular Graduate Employers of 2025
- **CIO100 ASEAN AWARDS 2025**
  - Individual Award Winners – Ivan Chong, Chief Information Officer

20 November 2025

- **THE INTERDISCIPLINARY SCIENCE RANKINGS 2026**
  - Ranked 124th in the world (Top 3 in Malaysia; best among private universities)

27 November 2025

- **NATIONAL ANNUAL CORPORATE REPORT AWARDS (NACRA) 2024**
  - Excellence Award for Companies With a Market Capitalisation of Over RM10 billion (Silver)
  - Best Annual Report Design (Silver)

- **TOP EMPLOYER AWARD 2025**
  - Top HR Team of the Year (Silver)
  - Top Employer of the Year (Bronze)
  - Top Employer of Best Workplace (Bronze)
  - Top Employer of Graduate Choice (Bronze)

DECEMBER 2025

1 December 2025

- **THE FAST MODE AWARDS 2025**
  - Openness & Collaboration Leader – Performance (Telco | Global/ Wholesale)
  - Edge Tech Champion – Innovation (Solution Provider)
  - Woman Leader of the Year (APAC | Telco) – Khairul Liza Ibrahim, EVP TM Global

3 December 2025

- **GRADUAN BRAND AWARDS 2025**
  - Technology: Software Development – 1st Runner-up
  - Telecommunications – 2nd Runner-up

4 December 2025

- **HR ASIA BEST COMPANIES TO WORK FOR IN ASIA 2025**

5 December 2025

- **W.MEDIA CLOUD & DATACENTER AWARDS**
  - Innovation in Data Center Engineering for GPUaaS (Southeast Asia Region) - TM Global

2026

JANUARY 2026

8 January 2026

- **UN GLOBAL COMPACT NETWORK MALAYSIA & BRUNEI ESG Select List 2025**

  3-Star Lister 2025
  - **ESG Trailblazer** – Establishment of the Global Business Services (GBS) centre in Malaysia's East Coast
  - **ESG Breakthrough Innovation** – Deployment of D-RAN (Distributed Radio Access Network)
  - **Purposeful Partnership** – Smart Urban Forestry Solutions

22 January 2026

- **NATIONAL CORPORATE GOVERNANCE & SUSTAINABILITY AWARDS 2025 (NACGSA)**
  - 7th place in the Overall Excellence Award (Top 10) category
  - The Industry Excellence Award for Telecommunications & Media

23 January 2026

- **2025 PUTRA BRAND AWARDS**
  - Brand of the Year Award – Unifi
  - Platinum in Communications Network of the Year Award – Unifi
  - Gold in Education & Learning – MMU

26 January 2026

- **CISCO ASEAN PARTNER OF THE YEAR 2025 – TM ONE**

29 January 2026

- **FORWARD FASTER SUSTAINABILITY AWARDS (FFSA) BY UN GLOBAL COMPACT NETWORK MALAYSIA & BRUNEI (UNGCMYB)**
  - UNGCMYB Forward Faster Chief Sustainability Officer Award 2025 (Large Corporate) – Nor Fadhilah Mohd Ali, Chief Corporate Officer

FEBRUARY 2026

3 February 2026

- **GLOBAL SOCIAL PPP PROJECT OF THE YEAR**
  - NG MERS 999 – TM ONE

20 February 2026

- **RESPONSIBLE AI LEADERSHIP**
  - ISO/IEC 42001:2023 Artificial Intelligence Management System (AIMS) Certification
  - First Malaysian telco certified by SIRIM QAS International

OUR ROLE AS A THOUGHT LEADER

TM plays an active role in shaping Malaysia's digital and sustainability agenda by contributing strategic industry insights across policy platforms, regulatory dialogues and ASEAN-wide forums, in support of innovation and inclusive digital growth for the nation.

AI GOVERNANCE AND DIGITAL LEADERSHIP

NATIONAL AI OFFICE (NAIO), MALAYSIA

Panellist

- **Advancing National AI Leadership**

  As a member of the AI Advisory Working Group, we provided guidance on responsible AI adoption, governance alignment and cross-sector implementation to ensure secure and commercially viable AI deployment.

UN SDGs

PERSIDANGAN KETUA PEGAWAI DIGITAL SEKTOR AWAM 2025 (CDO CONVEX 2025)

- **Digital Leadership: A Deep Dive Into Strategy, Challenges and Transformation**

  We shared insights on digital leadership within the Whole-of-Government framework, focusing on enterprise transformation, cross-agency integration and data-driven governance.

UN SDGs

INTERNATIONAL DIGITAL ECONOMY CONFERENCE SARAWAK 2025 (IDEC 2025)

We shared insights on scaling smart and sustainable urban solutions, highlighting interoperable platforms, resilient backbone connectivity and citizen-centric infrastructure to support inclusive digital ecosystems.

UN SDGs

INTERNATIONAL CONFERENCE AND EXHIBITION ON POST-QUANTUM CRYPTOGRAPHY TECHNOLOGIES (ICE PQC) 2025

We provided perspectives on post-quantum migration strategies, emphasising proactive risk assessment, hybrid encryption models and long-term infrastructure readiness to safeguard national digital assets.

UN SDGs

TELECOMMUNICATIONS AND DIGITAL CONNECTIVITY LEADERSHIP

KL SUSTAINABILITY SUMMIT

Panellist

- **The Gigawatt Challenge: Ensuring Digital Growth Fuels Sustainability**

  We addressed the energy demands of digital growth, highlighting renewable sourcing, energy-efficient modernisation and green data centre strategies to balance expansion with climate commitments.

UN SDGs

CONVERGED TELECOMMUNICATIONS POLICY & REGULATIONS (CTPR) MASTERCLASS 2025

Panellist

- **The Evolution of Converged Services in Malaysia's Telecommunications Landscape**

  We shared regulatory and operational perspectives on converged services, emphasising agile policy frameworks that enable innovation while protecting consumers and sustaining investment.

UN SDGs

THE STAR ESG POSITIVE IMPACT AWARDS POWER BREAKFAST 2025

Speaker

- **Powering Responsible Innovation: Leveraging Malaysia's AI-Ready Infrastructure for a Green Digital Economy**

  We presented sustainable and AI-ready data centre strategies, highlighting resilient connectivity, ESG-aligned operations and responsible infrastructure development.

UN SDGs

INTERNATIONAL TELECOMS WEEK (ITW) US

Panellist

- **Ecosystem Powering Regional Expansion: Building Resilient, Scalable Digital Infrastructure for a Connected Southeast Asia**

  We shared perspectives on resilient cross-border connectivity, hyperscale readiness, investment trends and AI-driven infrastructure expansion to position Malaysia as a regional digital hub.

UN SDGs

JOHOR INTERCONNECT WORLD FORUM 2025

Panellist

- **The Future of Connectivity in Johor: Building a Robust Digital Infrastructure**

  We highlighted fibre expansion, peering ecosystems and hyperscaler partnerships, supporting Johor's emergence as a digital infrastructure hub.

UN SDGs

SCHNEIDER ELECTRIC INNOVATION DAY 2025

Panellist

- **Empowering Smart Cities and Connected Economies Through Sustainable Data Centres**

  We discussed sustainable data centre development, integrating energy efficiency, resilience and smart city enablement.

UN SDGs

DCD>CONNECT | APAC, BALI 2025

Panellist

- **APAC DC Deals: What's Driving M&A, JVs, Valuations & Strategy?**

  We shared insights on APAC data centre investment trends, partnerships and sustainable growth models amidst rising AI demand.

UN SDGs

DATA CENTRE WORLD ASIA, SINGAPORE 2025

Panellist

- **Beyond 5G: The Evolution in Data Centre Networking**

  We discussed advanced networking, intelligent automation and hyper-connected infrastructure supporting AI and edge workloads.

UN SDGs

MALAYSIA CLOUD & DATACENTER CONVENTION 2025

Panellist

- **From Overflow to Epicentre: Navigating Malaysia's Data Centre Investment Surge**

  We addressed Malaysia's data centre investment surge, emphasising scalable infrastructure, regulatory alignment and balanced growth.

UN SDGs

6TH ANNUAL BLOOMBERG ASEAN BUSINESS SUMMIT 2025

Panellist

- **Data Centre Operators: On the Front Lines**

  TM Nxera discussed expansion strategies and sustainable hyperscale operations to position Malaysia as a competitive regional hub.

UN SDGs

EMPOWERING SMES AND MSMES THROUGH DIGITALISATION

ASEAN SME ECONOMIC CONFERENCE 2025

Panellist

- **A Blueprint for SMEs of the Future: Building Brand Equity – What Is Your Brand Story?**

  We shared perspectives on strengthening SME competitiveness through structured digital adoption and future-ready infrastructure to enhance resilience, productivity and driving inclusive growth within ASEAN's evolving digital economy.

UN SDGs

MCMC CASHLESS SOCIETY SCALING UP PROGRAMME

Speaker

We supported nationwide digital payment adoption, contributing connectivity and trust infrastructure to advance financial inclusion.

UN SDGs

CTOS SME BIZ DAY 2025

Speaker

- **Financial Readiness & Digital Trust in the SME Ecosystem**

  We highlighted the role of secure connectivity and trusted infrastructure in strengthening SME financial readiness, compliance and investor confidence.

UN SDGs

BRAND AND DIGITAL ENGAGEMENT LEADERSHIP

DIGITAL MARKETING WORLD FORUM 2025, SINGAPORE

Panellist

- **The Keys to Creator and Influencer Success**

  We shared best practices in data-led marketing, creator partnerships and trust-driven digital engagement strategies, emphasising authenticity and measurable ROI to support sustainable digital brand growth.

UN SDGs

MARKETECH APAC 2025

Panellist

- **Global Conversations, Local Impact: Mastering Regional Communication Strategies**

  We discussed data-led regional communication strategies that drive meaningful engagement and business outcomes.

UN SDGs

TELECOMSWORLD ASIA 2025, BANGKOK

Panellist

- **Sitting on a Goldmine: Raw Data + Smart Insights = Big Revenue**

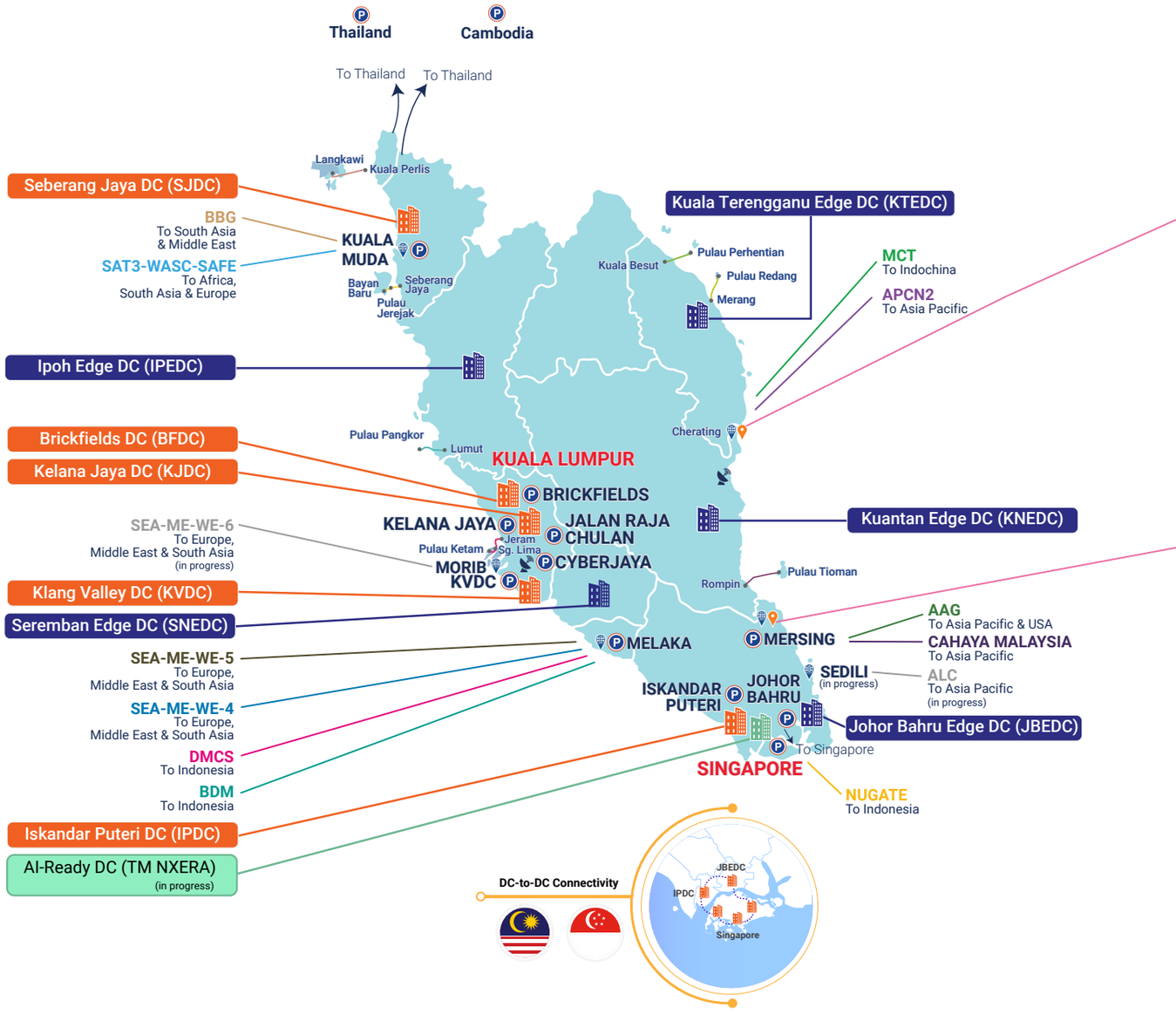
  We highlighted how AI-driven analytics and intelligent insights enhance customer experience, operational efficiency and revenue growth.

UN SDGs

WHERE WE OPERATE — TM'S DOMESTIC COVERAGE

TM has an extensive operational footprint across Malaysia and internationally, supported by a robust network of domestic and international submarine cable systems, data centres and edge data centres.

Intelsat 20 68.5°E | **ABS2** 75.0°E | **ABS2A** 75.0°E | **Apstar 7** 76.5°E | **Measat-3d** 91.5°E



LEGEND

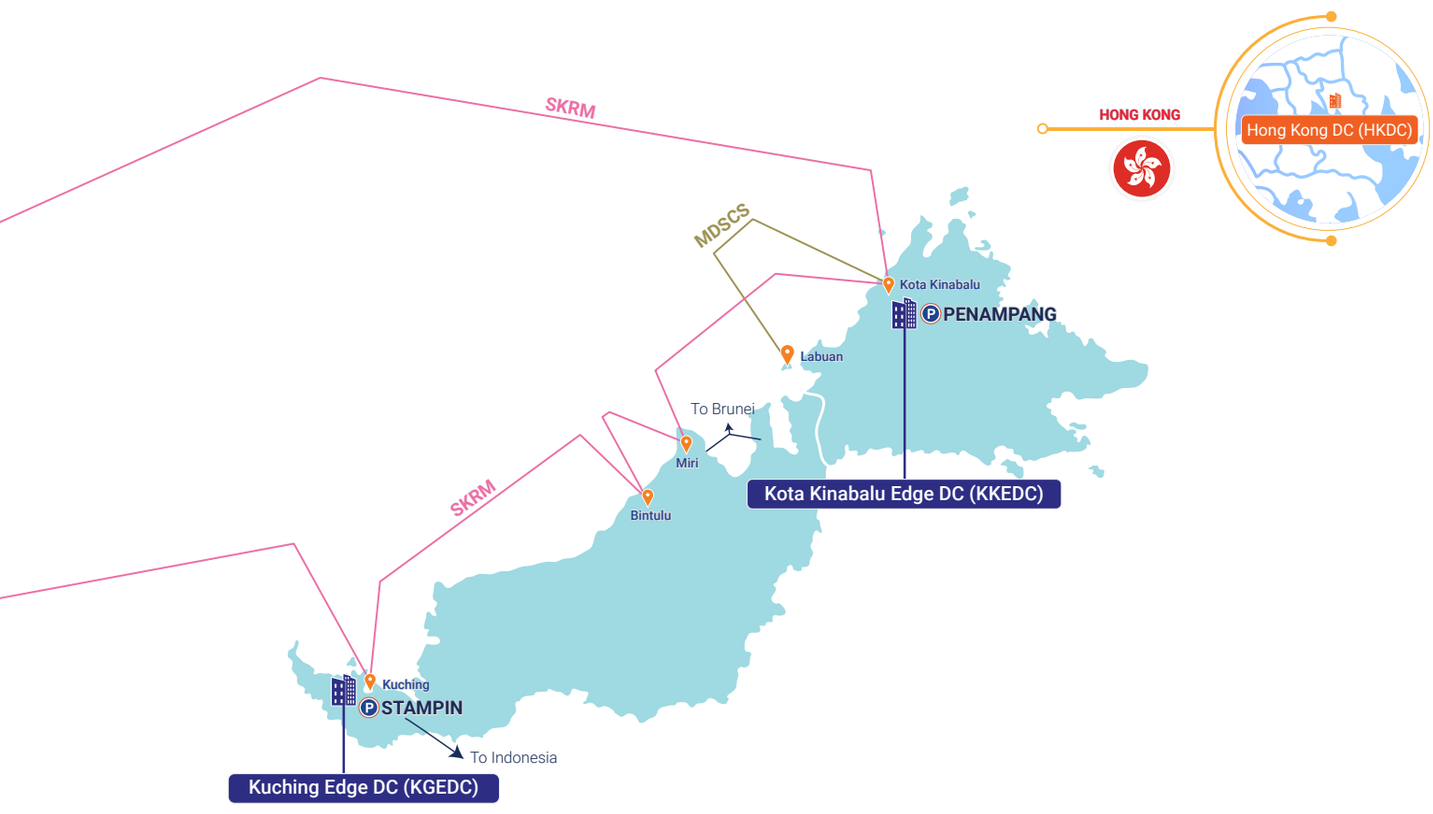
- Satellite
- Trunk Connectivity to International
- Earth Station
- Points of Presence (PoP)
- International Cable Landing Station
- Domestic Cable Landing Station
- Data Centre
- Edge Data Centre
- AI-Ready Data Centre

DOMESTIC SUBMARINE CABLE SYSTEMS*

- Bayan Baru to Pulau Jerejak to Seberang Jaya
- Kuala Besut to Pulau Perhentian
- Jeram to Sg. Lima to Pulau Ketam
- Langkawi to Kuala Perlis
- Lumut to Pulau Pangkor
- Malaysian Domestic Submarine Cable System (MDSCS)
- Merang to Pulau Redang
- Kuala Rompin to Pulau Tioman
- Sistem Kabel Rakyat Malaysia (SKRM)

WHERE WE OPERATE — TM'S DOMESTIC COVERAGE

Asiasat 5	Asiasat 7	Asiasat 9	Intelsat 18	Intelsat 19
100.5°E	105.5°E	122.0°E	138.0°E	166.0°E



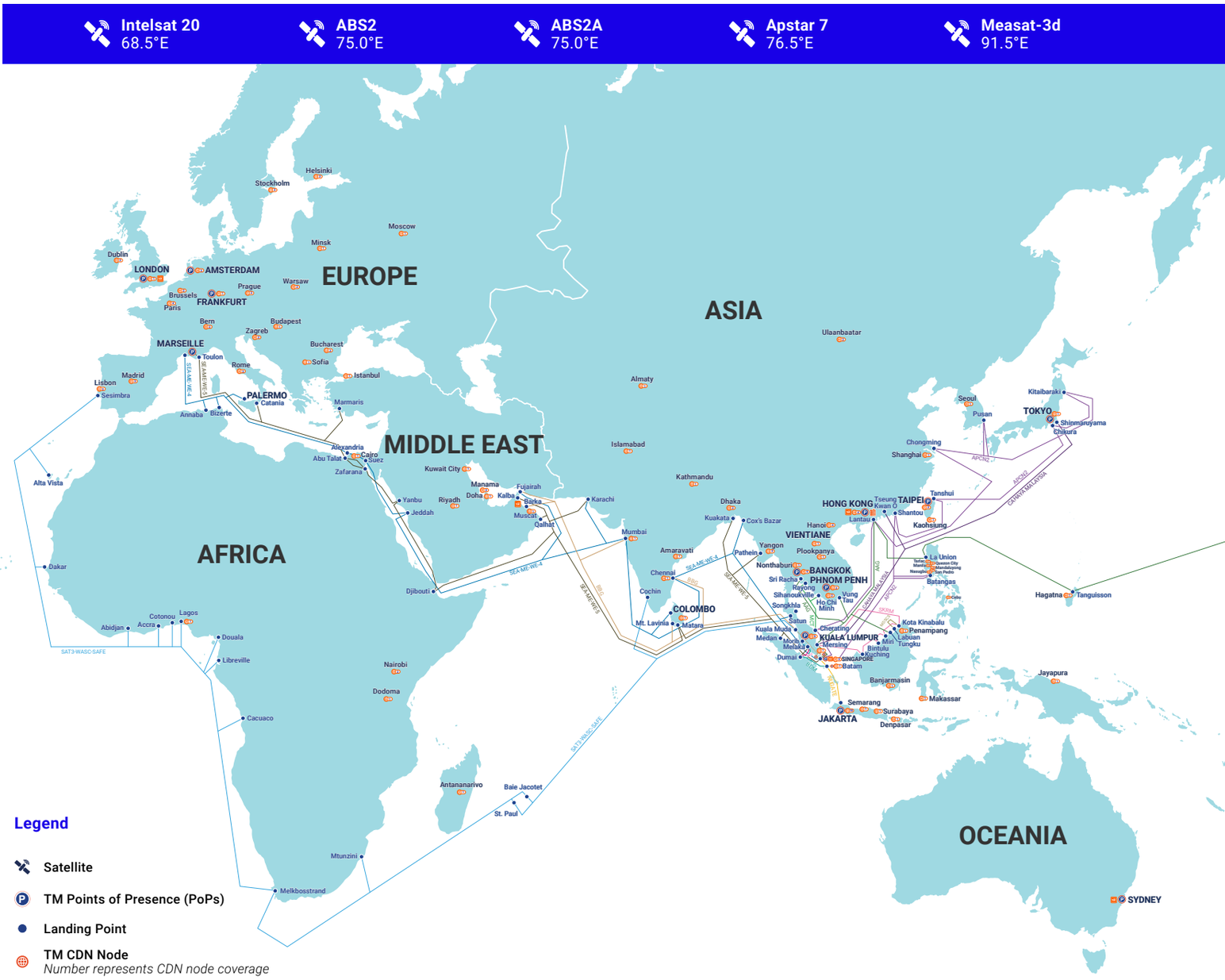
INTERNATIONAL SUBMARINE CABLE SYSTEMS*

AAG	Asia-America Gateway	MCT	Malaysia-Cambodia-Thailand
APCN 2	Asia Pacific Cable Network 2	NUGATE	Nusantara Gateway
BBG	Bay of Bengal Gateway	SAT3-WASC-SAFE	South Atlantic 3 / West Africa Submarine Cable / South Africa Far East
BDM	Batam-Dumai-Melaka	SEA-ME-WE-4	South East Asia-Middle East-Western Europe 4
CAHAYA MALAYSIA	Cahaya Malaysia	SEA-ME-WE-5	South East Asia-Middle East-Western Europe 5
DMCS	Dumai-Melaka Cable System	SEA-ME-WE-6	South East Asia-Middle East-Western Europe 6 *(in progress)*
		ALC	Asia Link Cable *(in progress)*

* *This list reflects submarine cable systems owned by TM and is not exhaustive; leased capacity and third-party systems are excluded.*

WHERE WE OPERATE — TM'S GLOBAL COVERAGE

With robust submarine cable systems, global data centre interconnectivity and cross-border infrastructure, we are positioning Malaysia as a vital gateway for seamless digital exchange across ASEAN and beyond.



DOMESTIC SUBMARINE CABLE SYSTEMS*

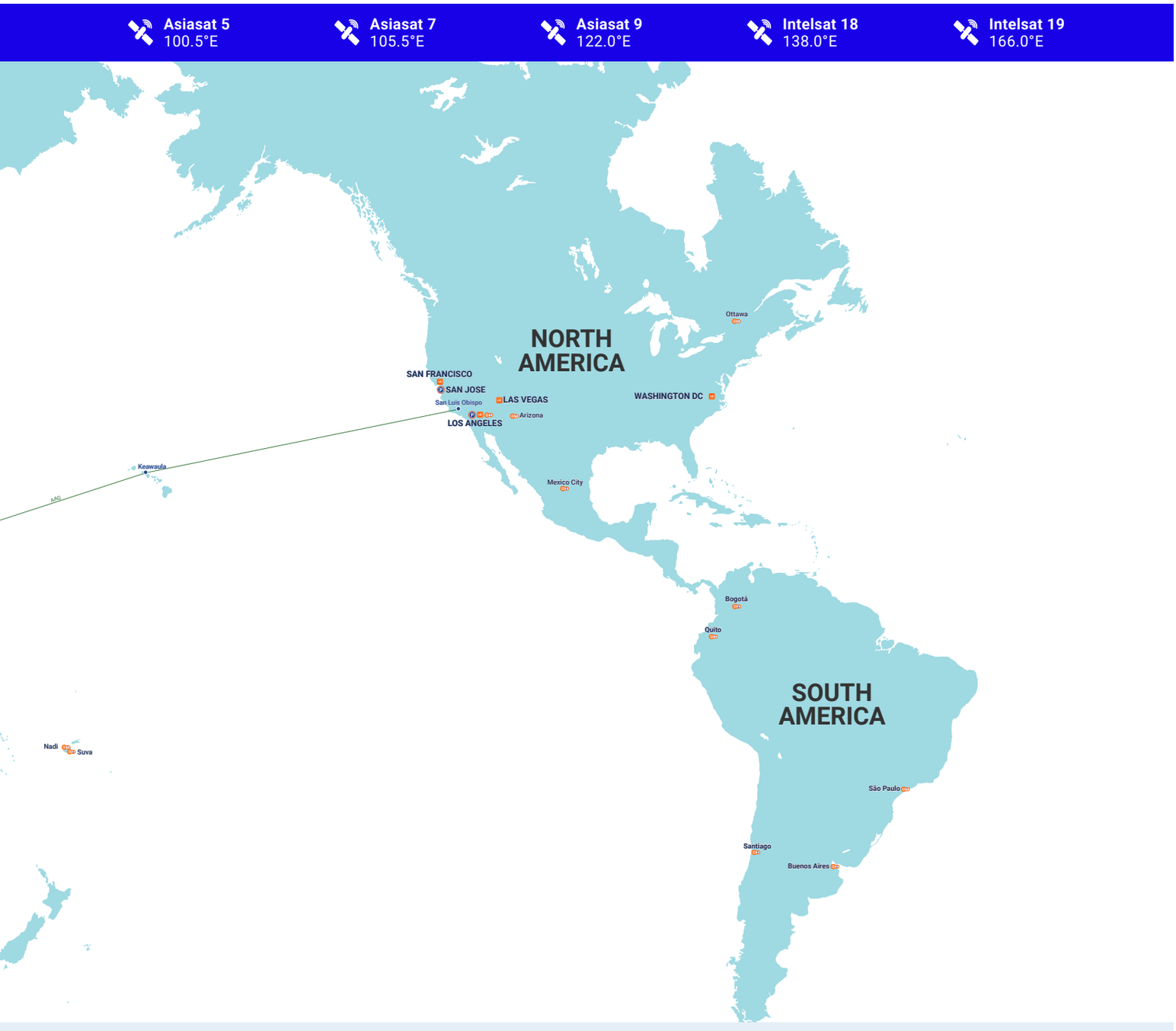
- Bayan Baru to Pulau Jerejak to Seberang Jaya
- Kuala Besut to Pulau Perhentian
- Jeram to Sg. Lima to Pulau Ketam
- Langkawi to Kuala Perlis
- Lumut to Pulau Pangkor
- Malaysian Domestic Submarine Cable System (MDSCS)
- Merang to Pulau Redang
- Kuala Rompin to Pulau Tioman
- Sistem Kabel Rakyat Malaysia (SKRM)

INTERNATIONAL SUBMARINE CABLE SYSTEMS*

AAG	Asia-America Gateway
APCN 2	Asia Pacific Cable Network 2
BBG	Bay of Bengal Gateway
BDM	Batam-Dumai-Melaka
CAHAYA MALAYSIA	Cahaya Malaysia
DMCS	Dumai-Melaka Cable System

* *This list reflects submarine cable systems owned by TM and is not exhaustive; leased capacity and third-party systems are excluded.*

WHERE WE OPERATE — TM'S GLOBAL COVERAGE



MCT	Malaysia-Cambodia-Thailand
NUGATE	Nusantara Gateway
SAT3-WASC-SAFE	South Atlantic 3 / West Africa Submarine Cable / South Africa Far East
SEA-ME-WE-4	South East Asia-Middle East-Western Europe 4
SEA-ME-WE-5	South East Asia-Middle East-Western Europe 5
SEA-ME-WE-6	South East Asia-Middle East-Western Europe 6 *(in progress)*
ALC	Asia Link Cable *(in progress)*

6 **Regional Offices (RO) globally**

Australia, U.A.E, Hong Kong, Singapore, U.K and U.S.A

26 **Points of Presence (PoPs)**

worldwide

39 **Submarine Cable Systems**

spanning over 400,000 km worldwide

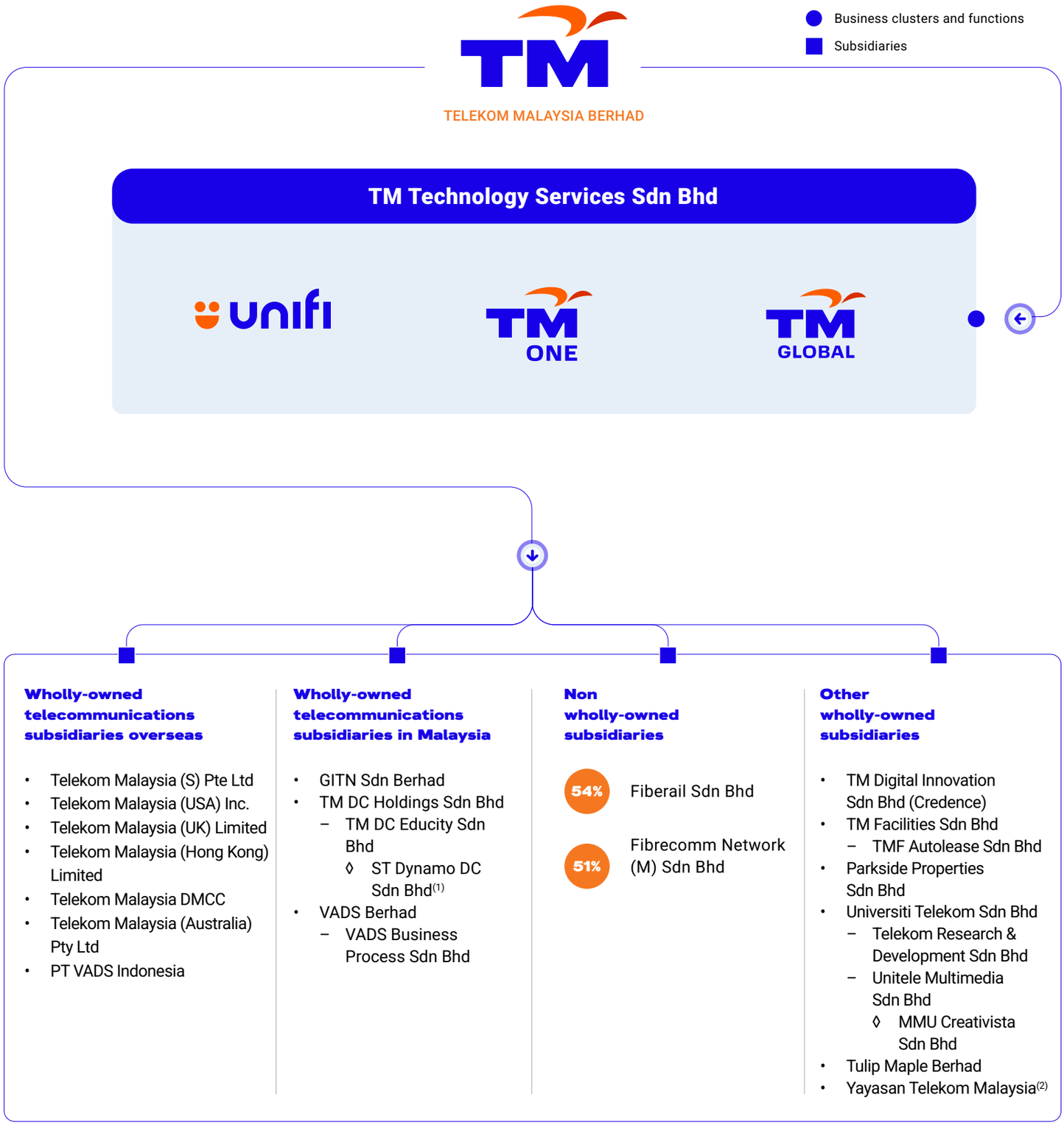
153

Content Delivery Network (CDN) nodes

worldwide

PoPs and CDN nodes post migration to cloud

GROUP CORPORATE STRUCTURE



Wholly-owned telecommunications subsidiaries overseas

- Telekom Malaysia (S) Pte Ltd
- Telekom Malaysia (USA) Inc.
- Telekom Malaysia (UK) Limited
- Telekom Malaysia (Hong Kong) Limited
- Telekom Malaysia DMCC
- Telekom Malaysia (Australia) Pty Ltd
- PT VADS Indonesia

Wholly-owned telecommunications subsidiaries in Malaysia

- GITN Sdn Berhad
- TM DC Holdings Sdn Bhd
  - TM DC Educity Sdn Bhd
    - ST Dynamo DC Sdn Bhd[1]
- VADS Berhad
  - VADS Business Process Sdn Bhd

Non wholly-owned subsidiaries

- 54% Fiberail Sdn Bhd
- 51% Fibrecomm Network (M) Sdn Bhd

Other wholly-owned subsidiaries

- TM Digital Innovation Sdn Bhd (Credence)
- TM Facilities Sdn Bhd
  - TMF Autolease Sdn Bhd
- Parkside Properties Sdn Bhd
- Universiti Telekom Sdn Bhd
  - Telekom Research & Development Sdn Bhd
  - Unitele Multimedia Sdn Bhd
    - MMU Creativista Sdn Bhd
- Tulip Maple Berhad
- Yayasan Telekom Malaysia[2]

Notes:

[1] *Jointly controlled entity with 51% holding via TM DC Educity Sdn Bhd*

[2] *Yayasan Telekom Malaysia (YTM) is a charitable trust established under the Trustee (Incorporation) Act 1952*

GROUP ORGANISATION STRUCTURE

TELEKOM MALAYSIA BERHAD

AMAR HUZAIMI MD DERIS
Group Chief Executive Officer
Steers the Group's overall business growth and strategic direction, ensuring long-term value creation for shareholders, customers, employees and all other stakeholders, with a strong commitment to sustainability anchored in PWR 2030

Revenue Generators

ANAND VIJAYAN
Chief Business & Consumer Officer

Drives Unifi's growth across Consumer and SME segments, delivering connectivity, mobile, content, lifestyle solutions and digital services

SHANTI JUSNITA JOHARI
Executive Vice President TM One

Leads TM One's enterprise and government solutions portfolio, delivering connectivity, smart solutions, cybersecurity and digital transformation across public and private sector customers and stakeholders

KHAIRUL LIZA IBRAHIM
Executive Vice President TM Global

Oversees domestic wholesale and international business, delivering robust digital infrastructure and extensive connectivity across Malaysia and globally

MOHAMAD REJAB SULAIMAN
Chief Executive Officer, Credence

Partners with TM One to go to market with cloud, AI and Software-as-a-Service (SaaS) solutions, accelerating secure digital transformation for businesses and public sector

Enablers

MOHAMED TAJUL MOHAMED SULTAN
Chief Network Officer

Oversees network infrastructure and technology, enabling reliable, trusted and high-performance operations

IVAN CHONG YEW MENG
Chief Information Officer

Leads Group IT in delivering robust digital backbone to support business goals and stakeholder outcomes

SHAZURAWATI ABDUL KARIM
Chief Customer Experience Officer

Leads the overall customer experience by ensuring successful partnerships, delivering consistent experiences across all segments and driving the growth of Business Process Outsourcing (BPO) services in the market

Central Functions

AHMAD FAIRUS RAHIM
Group Chief Financial Officer

Leads the Group's financial strategy and capital management, ensuring sustainable value creation and strong financial health while supporting long-term business growth and strategic priorities

KHAIDHIR ELIAS
Chief Human Capital Officer

Shapes the human capital strategy to nurture and empower talent, drive adaptability, optimise productivity and support business performance

NOR FADHILAH MOHD ALI
Chief Corporate Officer

Leads enterprise-wide risk, regulatory, sustainability, strategic communications, brand and partnerships, as well as Group programme management to safeguard the Group's reputation and long-term value

NIK AZLI ABU ZAHAR
Group General Counsel

Leads legal strategies across the Group, ensuring compliance and alignment with TM's business goals

NOR AZURA AB. WAHAB
Chief Procurement Officer

Drives strategic procurement for short-term value and long-term efficiency, aligned with evolving user needs

RAJA AZRINA RAJA OTHMAN
Chief Information Security Officer

Leads the Group's cybersecurity efforts, covering governance, policy, operations and technical controls to ensure resilience

AZWEEN ZAKARIA
Vice President Strategy

Leads Group-wide strategy and planning, overseeing deployment and fostering strategic alliances

Education Arm

PROF. DATO' DR MAZLIHAM MOHD SU'UD
President Multimedia University

Champions academic and research excellence at Multimedia University (MMU), strengthening its global standing and institutional purpose

Governance

MUHAMAD ASRI DOLLAH
Chief Integrity & Governance Officer
Leads the implementation of core integrity functions including whistleblowing management, investigation and verification processes, integrity enhancement initiatives and governance

HAWABY SULTAN MUHAMAD
Chief Internal Auditor
Provides independent assurance and advice to strengthen internal controls, close process gaps and drive continuous improvement

HAMIZAH ABIDIN
Group Company Secretary
Advises the Board and supports governance processes to ensure effective oversight

CHAIRMAN'S STATEMENT

80 YEARS OF PURPOSE, PROGRESS AND POSSIBILITIES

As TM marks its 80th anniversary, we are humbled and proud to have been part of Malaysia's story of progress across generations.

Established as the Telecommunications Department of Malaya in 1946 with the mission of rebuilding national communications infrastructure after the war, TM has evolved alongside Malaysia's ambitions. From telephony to broadband and now to digital platforms, data centres and artificial intelligence (AI), the organisation has continually adapted to meet the nation's changing needs. This evolution reinforces our resolve to operate as a world-class organisation, grounded in long-term stewardship with a clear commitment to value creation and customer experience.

Against this backdrop, the Board maintained close oversight of the Group's strategic execution in 2025. Reflecting the Group's performance and strong fundamentals, the Board declared a total dividend of 31.0 sen per share for FY2025, representing a 69% payout ratio — the highest since 2018. Market confidence also strengthened, with TM's share price appreciating approximately 21% over the year. These outcomes underscore our commitment to sustainable shareholder returns while safeguarding future growth.

As TM enters its ninth decade, the Board remains steadfast in its stewardship to guide the organisation towards its aspiration of becoming a Digital Powerhouse by 2030, advancing our greater purpose of ensuring inclusive digital progress, while creating enduring value for generations to come.

DATO' ZAINAL ABIDIN PUTIH
Chairman

Q **How did the Board assess the macroeconomic and policy landscape in 2025 and what were the key implications for TM?**

A The Board approached 2025 with the understanding that the global and national environment was evolving rapidly. Accordingly, we maintained close oversight of economic developments, policy direction and industry trends to ensure TM remained resilient and well-positioned for long-term growth.

Globally, geopolitical tensions, evolving trade dynamics and technology-related export restrictions continued to create uncertainty. Nevertheless, according to Bank Negara Malaysia, Malaysia's economy grew by 5.2% in 2025, on account of strong domestic demand and favourable exports. Malaysia's ASEAN Chairmanship further strengthened the regional digital agenda, with TM leading the way as a Strategic Technology Partner.

Domestically, initiatives under Ekonomi MADANI and the 13th Malaysia Plan highlighted the importance of trusted digital infrastructure, AI adoption and innovation-led industries — areas where TM plays an important role. At the industry level, the shift towards a dual 5G network model continued to shape collaboration and infrastructure partnerships. At the same time, demand for connectivity and digital solutions remained strong across consumer and enterprise segments as digital adoption accelerated across the economy.

"These developments underscored a key insight for the Board; TM's future will be shaped not only by market competition, but also by its ability to enable Malaysia's digital ambitions. This perspective guided the Board's strategic priorities throughout the year."

Q **Reflecting on 2025, what were the most significant Board-level discussions that shaped TM's strategic direction?**

A In 2025, the Board's discussions focused on how TM can continue strengthening its position in Malaysia's evolving digital landscape, particularly as AI and digital technologies gain momentum.

"A key area of focus was reinforcing TM's role as a trusted digital infrastructure provider, supporting Malaysia's digital ambitions and regional connectivity. As demand for data-intensive services and cross-border connectivity continued to grow, the Board carefully evaluated strategic investments in international submarine cable systems and data centres."

The Board also discussed the importance of ecosystem collaboration, recognising that partnerships are increasingly essential in delivering integrated digital solutions. At the same time, attention was given to initiatives aimed at improving customer experience, ensuring TM continues to evolve alongside changing customer expectations.

Another important theme was organisational readiness to support this transformation. Discussions therefore covered leadership development, succession planning and strengthening organisational agility. Recognising that talent development must extend beyond the organisation itself, the Board viewed initiatives such as TM Future Skills and the establishment of the Faculty of Artificial Intelligence and Engineering (FAIE) at MMU, TM's education arm, as important steps in strengthening Malaysia's AI talent ecosystem.

Prime Minister Dato' Seri Anwar Ibrahim officiating the launch of the Faculty of Artificial Intelligence and Engineering (FAIE) at TM's education arm, Multimedia University (MMU) — Malaysia's first private university — marking a significant milestone in strengthening the nation's AI talent pipeline and digital ecosystem.

CHAIRMAN'S STATEMENT

Q **Strong governance remains a cornerstone of TM's long-term success. What governance priorities did the Board focus on most in 2025?**

A The Board remains committed to ensuring TM continues to be guided by strong governance while remaining prepared for the future of the digital economy.

A significant development during the year was the appointment of two (2) new women Directors, bringing the total number of women on the Board to four. This reflects our continued commitment to diversity, balanced representation and inclusive leadership. The Board also held structured discussions to ensure leadership continuity and organisational stability, recognising that strong leadership is essential to sustaining TM's long-term growth.

In parallel, the Board continued strengthening its collective expertise, particularly in areas such as digital innovation, emerging technologies and sustainability, enabling the Directors to exercise more informed oversight and forward-looking guidance.

Q **Sustainability continues to shape the expectations of leading organisations. How does the Board view sustainability in guiding TM's long-term value creation?**

A The Board views sustainability as fundamental to TM's long-term resilience and value creation. Guided by the Triple Bottom Line of Prosperity, Planet and People (3Ps), sustainability is embedded into how the Board evaluates strategy, risk and investment decisions.

Under Prosperity, the Board ensures that growth initiatives such as network modernisation and digital infrastructure investments are pursued with financial discipline and a clear focus on long-term competitiveness.

Under Planet, environmental considerations are integrated into infrastructure design, capital allocation and risk oversight. TM's commitment to reducing Scope 1 and Scope 2 emissions by 62% by 2030 reflects a structured approach to managing climate-related risks while contributing to Malaysia's broader Net Zero 2050 ambition.

Under People, the Board emphasises inclusive digital progress that strengthens communities and develops future talent. Initiatives such as *Jangkau Digital TM*, TM Future Skills, support for the neurodivergent community and national sports development reflect this broader responsibility and our greater purpose as a nation builder.

Through this approach, the Board remains committed to ensuring that TM's progress advances hand in hand with sustainability, strengthening both the organisation and the nation it serves.

Q **As TM marks its 80th year, how does the Board envision the next chapter of TM's journey?**

A **"As we mark eight decades of service to the nation, the Board reflects with deep appreciation on the legacy built by generations who shaped the country's journey."**

Looking ahead, the digital landscape will continue to evolve at a pace never seen before, bringing new challenges and new opportunities to create value for society. Yet, even as technology advances, the principles that have sustained TM remain unchanged — stewardship, integrity and nation-building. The Board remains confident that by staying grounded in these values, TM will continue to navigate transformation with resilience and clarity.

TM AI Park at the ASEAN AI Summit 2025, showcasing TM's digital infrastructure and real-world AI solutions powering Malaysia's digital future

In 2025, Yayasan TM awarded RM25 million in scholarships, supporting students across Malaysia while nurturing the next generation of talent for the nation's digital future.

Closing and Appreciation

On behalf of the Board, I extend our sincere appreciation to the Ministry of Communications and the Malaysian Communications and Multimedia Commission (MCMC), as well as our stakeholders and partners, for their continued support and collaboration in advancing Malaysia's digital agenda.

In 2025, we were pleased to welcome Dr. Tunku Alina Raja Muhd Alias and Cik Shahnaz Al-Sadat Abdul Mohsein, who joined the Board as Independent Non-Executive Directors on 3 June 2025. Meanwhile, Encik Iszad Jeffri Ismail concluded his role as Alternate Director to Datuk Dr. Shahrazat Hj Ahmad on 6 August 2025, and the Board records its appreciation for his contributions and service. Encik Syaiful Hafiz Moamat Mastam was subsequently appointed as Alternate Director to Datuk Dr. Shahrazat Hj Ahmad on the same date.

Datuk Siti Zauyah Md Desa, who has diligently served on the Board since 10 June 2020, will not be seeking re-election at the upcoming 41st Annual General Meeting and will retire upon the conclusion of the meeting. The Board expresses its sincere gratitude for her service and valuable contributions to TM.

Finally, to our customers and *Warga TM*, your trust, dedication and commitment remain the foundation of our progress. As we enter the next chapter, we do so with humility for the past, confidence in the present and optimism for the future, committed to shaping a digital Malaysia that is inclusive, sustainable and built to endure for generations to come.

DATO' ZAINAL ABIDIN PUTIH
Chairman

GCEO'S STATEMENT

For eight decades, TM has grown alongside Malaysia's journey of nation-building. What began in 1946 as the nation's telecommunications service has evolved into a digital orchestrator connecting communities, businesses and institutions across the country. Today, as Malaysia enters a new phase of digital growth and transformation, TM continues to play a strategic role in strengthening the nation's connectivity foundations and enabling progress across the economy and society.

Built on these strong foundations, we are now accelerating our role in enabling new growth frontiers such as data centres, cloud, cybersecurity, GPU-as-a-Service (GPUaaS), artificial intelligence (AI) and smart solutions. Through these capabilities, we support Malaysia's transition to an AI-enabled digital economy while strengthening our position as a convergence champion and a leading digital infrastructure provider for the nation.

As we expand into these future-focused growth areas, we remain equally committed to delivering superior customer experiences while advancing our greater purpose of ensuring that digital progress is inclusive and meaningful for all Malaysians.

Our journey is guided by the Pioneer, Win and Revitalise (PWR 2030) strategy, anchored in our sustainability philosophy — Prosperity, Planet and People (3Ps). Together, they advance our aspiration to become a Digital Powerhouse by 2030, while positioning Malaysia as the digital hub for ASEAN.

AMAR HUZAIMI MD DERIS

Managing Director/Group Chief Executive Officer (MD/GCEO)

Q **How has TM advanced its PWR 2030 journey in 2025, and how is this impacting the growth of the company?**

A We embarked on the PWR 2030 journey in 2024 as a long-term strategy to strengthen the Group's foundation, resilience and growth trajectory. The period from 2024 to 2026 represents the Defend and Build phase, focused on protecting our core business while advancing digital solutions and building platform ecosystems. This phase lays the groundwork for the next stage of the journey — Grow and Replicate — where successful ventures will be scaled across Malaysia and the region.

Under Defend, we continued strengthening Malaysia's digital backbone. Our fibre network now spans more than 750,000 km, complemented by 400,000 km of submarine cable systems that connect Malaysia to the world and the world to Malaysia. At the same time, we continued enhancing network resilience and security to ensure reliable and trusted connectivity that supports the growing demands of cloud adoption and AI-driven workloads.

In parallel, the Build agenda accelerated the expansion of digital solutions that extend TM's role beyond connectivity and open new avenues for growth. These include data centres, cloud, cybersecurity, GPUaaS, AI and smart solutions — capabilities developed on TM's infrastructure to serve businesses, enterprises, the public sector, hyperscalers and the broader digital ecosystem. These strategic initiatives uniquely position TM as a digital orchestrator for Malaysia, enabling the platforms and capabilities that power the nation's digital economy.

At the same time, we continued strengthening customer experience through proactive engagement, AI-enabled human-centric service and continuous operational improvements, reinforcing our commitment to delivering world-class experiences while raising service standards across the organisation.

By executing Defend and Build in tandem, we continue to protect our core business while laying the foundations for future growth. More importantly, it allows us to play a meaningful role in advancing Malaysia's digital ambitions, ensuring that our digital infrastructure, solutions and capabilities continue to support innovation, economic progress and opportunities for the nation.

> **"We continued strengthening Malaysia's digital backbone. Our fibre network now spans more than 750,000 km, complemented by 400,000 km of submarine cable systems that connect Malaysia to the world and the world to Malaysia."**

Q **TM has continued to demonstrate financial discipline throughout the transformation journey. How has the Group sustained its financial resilience in 2025 and enhanced shareholder value?**

A FY2025 was a year where we demonstrated our ability to grow while maintaining strong execution discipline in a competitive environment.

Group revenue for FY2025 increased 1.4% year-on-year to RM11.9 billion, supported by stronger contributions from the Carrier-to-Carrier (C2C) segment, an expanded Business-to-Consumer (B2C) customer base surpassing 3.2 million subscribers and improved quarterly performance in the Business-to-Business (B2B) segment. Across all these segments, we saw solid execution, reinforcing TM's market position in convergence, digital solutions and regional connectivity.

> **"We remain focused on disciplined execution of our strategic priorities to accelerate growth while delivering sustainable returns for shareholders."**

As we accelerate our transition to a more digital and technology-driven organisation, we remained attentive to the evolving aspirations of our workforce. During the year, we received a notable number of voluntary separation requests from employees who wished to pursue early retirement or embark on new personal and professional pathways. Through *Prihatin* initiative, TM provided a supportive pathway for employees with fair and attractive transition packages. This reflects our commitment to caring for our people in line with the social pillar of our sustainability framework, while progressively aligning the organisation with the capabilities required for a more digital and future-ready TM.

This has resulted in moderated reported EBIT year-on-year. However, adjusting for *Prihatin*, foreign exchange movements and selected non-recurring items, underlying earnings showed growth, reflecting our strong fundamentals. At the same time, we maintained disciplined investment, with CAPEX for 2025 at approximately RM1.9 billion, or 16.1% of revenue, well within our guidance as we continue to support key growth initiatives.

In line with the Group's performance and commitment to delivering sustainable returns to shareholders, the Board declared total dividend of 31.0 sen per share for FY2025. This amounts to approximately RM1.2 billion or 69% of reported PATAMI, the highest payout ratio since 2018.

As we look ahead, we will continue to focus on disciplined execution of our strategic priorities in accelerating the growth of the company while delivering sustainable returns to shareholders.

GCEO'S STATEMENT

Q **What were the key achievements across TM's core business segments in 2025, and how did these contribute to the Group's overall progress of its Defend and Build agenda while ensuring superior customer experience?**

A In 2025, TM's Lines of Business — B2C through Unifi, B2B through TM One and Credence as well as C2C through TM Global — delivered outcomes that directly improved how Malaysians connect, how businesses operate and how the nation participates in the digital ecosystem. Across all segments, the focus was not only on defending core businesses, but on translating new growth areas into new revenue generation for the company, while enhancing customer experiences.

B2C Unifi: Strengthening convergence leadership for consumers and MSMEs

How We Defend

In 2025, we remained focused on deepening our convergence proposition with enhanced **Unifi UniVerse offerings**, integrating home, mobile, content and lifestyle solutions to meet the diverse needs of today's digital customers. This is translated in the growth of our fixed broadband customer base by 1.6% to 3.2 million subscribers, reinforcing our position as Malaysia's convergence champion with the only quad-play services in Malaysia. Our **Unifi Mobile** showed healthy growth trajectory. Attractive bundles, such as the introduction of Malaysia's first postpaid mobile plan bundled with Netflix in 2025, further delivered greater value for our mobile customers.

As the preferred partner to more than 400,000 MSMEs nationwide, we continued accelerating their digital transformation by applying the same convergence-led approach through **Unifi Business**. This included combining connectivity with practical digital solutions, such as Digital Marketing Solution, e-Commerce Hub, Go Bookit, cybersecurity and cloud storage. We delivered initiatives such as IMPAK Biz, providing a digital maturity assessment tool to help MSMEs identify digital gaps and receive focused, actionable recommendations to improve operations, boost productivity and reach more customers. Meanwhile, the Usahawan Digital @TM initiative enabled B40 and underserved entrepreneurs with connectivity, digital tools and skills.

How We Build

A key milestone was the launch of **Unifi TV 2.0**, which marked the evolution of our entertainment platform into an app-based, multiscreen experience. Through a single interface, customers now enjoy seamless access to more than 70 premium Unifi TV channels, alongside over 20 leading streaming applications. The new platform has seen encouraging adoption, with over one (1) million Malaysians downloading the app within the first month of launch. This transition to a platform model enables greater flexibility for customers, while positioning Unifi as a gateway to a richer digital entertainment ecosystem.

At the same time, we expanded our **Smart Home and Smart Device offerings**, enabling customers to integrate connectivity with intelligent home solutions that enhance convenience, security and everyday living. These initiatives reflect our broader ambition to deepen engagement within the household by extending Unifi's role beyond broadband to a trusted digital lifestyle companion.

How We Elevate Customer Experience

Customer experience continues to be a defining differentiator for our B2C segment and remains central to how we strengthen customer trust and long-term loyalty.

Our **zero broken-promise commitment** reinforces our accountability in service delivery, ensuring customers receive installations and services within the timeframes promised, while improving overall service assurance and reliability.

In parallel, we expanded the **Elite Crew service standards**, which elevated the in-home service experience through highly trained service personnel who delivered installations and support with greater professionalism, attentiveness and customer care. This hospitality-inspired approach reflects our aspiration to deliver a more premium and personalised experience under the Unifi brand.

At the same time, we continued transforming the **Unifi Contact Centre** through the adoption of AI and automation to enable faster resolutions, smarter customer insights and more seamless end-to-end service journeys. The growing adoption of digital self-care channels has also empowered customers to manage their services more conveniently, while enabling TM to optimise cost-to-serve and support more sustainable operations.

B2B **TM One: Defending trusted connectivity while building national digital platforms**

How We Defend

We continued to defend our market position in enterprise and Government connectivity by strengthening partnerships while expanding next-generation connectivity solutions. This included the renewal of key enterprise and public sector contracts, the continued expansion of **SD-WAN** deployments and **enterprise 5G** solutions to support increasingly data-intensive and mission-critical operations. At the same time, we strengthened cyber resilience capabilities through platforms such as the **TM Cyber Defence Centre**, enabling organisations to better detect, manage and respond to evolving cybersecurity threats as digital adoption accelerates.

In 2025, TM One continued to support critical national infrastructure and public sector digitalisation efforts. This includes the delivery of SchoolNet, providing reliable connectivity to approximately 8,000 schools nationwide, as well as the successful renewal of StateNet projects across four (4) states, ensuring continued connectivity for state Government operations. We also supported emerging connectivity needs across industries, including connected mobility solutions such as SIM-enabled vehicle connectivity for national automobile manufacturer and other enterprise deployments.

Internally, we focused on strengthening business hygiene by reinforcing account planning discipline, sharpening our sales culture, as well as simplifying operational structures and processes to improve execution speed and customer responsiveness.

How We Build

We accelerated our B2B growth by expanding our role beyond connectivity into integrated digital platforms that combine cloud, cybersecurity, applied AI and smart services. These capabilities support enterprises and public sector organisations in modernising their operations and advancing their digital transformation journeys.

Through **Cloud Alpha Edge (CAE)**, we enabled Government and enterprise customers to securely migrate workloads to the cloud while meeting requirements for data residency, regulatory compliance and service reliability.

Across key industry sectors, we delivered solutions that strengthen operational efficiency and digital resilience. For example, our Phase 2 collaboration with NCT Group supported the development of smart industrial park solutions nationwide. Meanwhile, we partnered with SIRIM Academy, combining TM's managed **cybersecurity** expertise with SIRIM's certification and training programmes to support stronger organisational cybersecurity readiness. We also secured a sizable contract with a foreign bank shifting its data hosting infrastructure to Malaysia, reaffirming the strong demand for our data centre offerings for the enterprise segment.

In addition, we introduced **AI-enabled solutions** that demonstrate how data analytics and AI can be applied to real-world applications. Initiatives such as Smart Urban Forestry enhanced the monitoring and management of urban forest ecosystems through data-driven insights. Separately, the Pahang AI Tourism solution enriches tourism experiences through improved visitor insights, crowd management and destination planning. We also signed a Memorandum of Understanding with a leading port operator in East Malaysia to support its long-term digitalisation roadmap, reflecting growing confidence in TM's ability to deliver mission-critical digital infrastructure and solutions for large-scale operators.

How We Elevate Customer Experience

Customer experience remained a key focus across our B2B operations as we embedded a more proactive approach to customer engagement and service delivery. We introduced the Customer Insights 360 Dashboard to strengthen visibility of customer needs and service performance. In addition, we enhanced network resilience and our service for customer platforms, while strengthening customer engagement. These efforts contributed to stronger customer confidence, reinforcing trust in our ability to deliver reliable, mission-critical digital solutions.

GCEO'S STATEMENT

C2C **TM Global: Defending cross-border connectivity and scaling digital infrastructure**

How We Defend

In 2025, we continued strengthening TM Global's role as the country's largest wholesale connectivity provider to support hyperscalers, cloud providers, content platforms and mobile operators seeking low-latency, high-resilience routes into and through the region.

We enhanced international connectivity and route diversity through strategic investments in regional submarine cable systems. For example, our participation in the **CANDLE submarine cable systems** consortium, spanning 8,000 km, contributed to strengthening the digital links connecting Malaysia, ASEAN and Japan in meeting the increasing demand for data communications driven by 5G and AI. We also unveiled our new **open cable landing station (CLS)** in Morib, Selangor. Strategically located along the Straits of Malacca, it serves as an ideal landing point offering direct international access and improved route diversity. Its proximity to Klang Valley's data centre clusters further supports seamless network integration, optimising end-to-end data transmission efficiency.

At the same time, we supported the national 5G ambition through wholesale backhaul partnerships, deploying a cumulative 7,600 **5G backhaul** sites nationwide.

How We Build

We continued expanding our digital infrastructure to support the growing demand for AI and high-performance computing workloads. During the year, we strengthened our data centre portfolio through capacity expansion at the **Iskandar Puteri Data Centre (IPDC)** and **Klang Valley Data Centre (KVDC)**, delivering a combined additional 20 MW of IT load. The completion of IPDC Block 2 in October 2025 further strengthened our ability to support enterprise and hyperscale demand, achieving more than 40% of immediate market take-up, reflecting the strong demand for our data centre offerings.

We also progressed the development of the **TM Nxera Data Centre** in Johor, a hyper-connected, AI-ready facility designed to serve hyperscalers and next-generation digital workloads across the region, with capacity designed to scale up to 200 MW. Strategically located in Johor with close proximity to submarine cable links between Malaysia and Singapore, it is well-placed to support the increasing demand from both countries' digitalisation and development initiatives. It is also built on sustainability-by-design principles, incorporating energy-efficient architecture, advanced cooling technologies and water management systems to support large-scale computing while minimising environmental impact.

In parallel, we expanded our **GPUaaS** offering, providing scalable compute capacity hosted within Malaysia to support hyperscalers and enterprises for AI-driven applications and requirements. To enrich wholesale engagement, we also launched **MYNE (MY Network Engine)**, Malaysia's first fully digital infrastructure marketplace, enabling partners to procure bandwidth with real-time provisioning and transparent pricing. By combining connectivity, data centre infrastructure and advanced compute capabilities, we continue to power Malaysia's evolving digital economy.

How We Elevate Customer Experience

Customer experience remained a key focus for TM Global as we strengthened engagement with wholesale partners through more accessible and responsive account management. Equipped with deeper product knowledge and closer collaboration across technical and service delivery teams, we enabled faster alignment on solutions and more proactive support for international customers, reinforcing TM Global's role as a trusted regional connectivity provider.

Morib CLS, a carrier-neutral facility enabling multiple service providers to interconnect and exchange connectivity and data traffic seamlessly.

Q **How is TM positioning itself as an enabler of Malaysia's AI and digital ecosystem?**

A AI is rapidly becoming a defining driver of organisational and national competitiveness. At TM, we view AI as both a technology and catalyst for new growth — built on secure infrastructure, governed responsibly and scaled in ways that benefit businesses, communities and the government. Our approach to AI focuses on three (3) key pillars: infrastructure to build AI-ready foundations, solutions that translate intelligence into real-world outcomes and talent development to enhance the nation's competitiveness in the digital world.

TM's AI ecosystem is underpinned by AI-ready infrastructure designed to operate at national scale. Our Uptime Tier III, green-certified data centres, combined with nationwide fibre connectivity, provide the secure, resilient and scalable foundation necessary for AI workloads. This foundation is further enhanced by TM's AI Foundry, which leverages locally hosted, high-performance GPU infrastructure to develop and deploy AI solutions within a secure and well-governed environment. The GPU infrastructure is interconnected with our cloud ecosystem and edge platforms, including our Cloud Alpha Edge (CAE), enabling enterprises and government agencies to deploy AI solutions that meet strict regulatory, latency and governance requirements.

Beyond infrastructure, TM plays an active role in operationalising AI through applied solutions that deliver measurable outcomes. TM has enabled AI use cases across sectors, from AI-powered tourism that enhances visitor experience and state-level planning, to predictive water management for utilities and urban analytics supporting smart city applications. These deployments demonstrate TM's role as a digital orchestrator, providing not only the platforms on which AI runs, but the integration, governance and scalability required to deliver productive AI solutions that support adoption in everyday operations.

At the same time, we recognise that the long-term success of AI depends on AI-competent talent. Internally, TM has strengthened organisational readiness to operate in an AI-driven, platform-based environment. Following the establishment of our AI Centre of Excellence (AI CoE), we implemented a Group-wide AI Governance Framework aligned with ISO/IEC 42001:2023, ensuring AI systems are deployed ethically, securely and responsibly. TM is the first telecommunications company in Malaysia to be certified under ISO/IEC 42001:2023, reinforcing stakeholder confidence towards our responsible AI adoption. Programmes such as AI@Work have further embedded AI capabilities across the organisation to increase productivity, while initiatives such as the internal Large Language Model (LLM) League encourage experimentation and innovation among employees.

Beyond the organisation, we are also contributing to the nation's AI talent pipeline. The launch of Malaysia's first Faculty of Artificial Intelligence and Engineering (FAIE) by MMU, TM's education arm, strengthens the alignment between academia, research and industry needs, ensuring Malaysia develops the capabilities required to sustain long-term AI growth.

Ultimately, responsible AI remains central to this journey. By embedding strong governance, data protection and transparency into every stage of AI development, we ensure innovation progresses with integrity and trust, while positioning TM as the orchestrator to Malaysia's evolving AI and digital ecosystem.

Q **How is TM advancing its sustainability agenda?**

A Sustainability is not an afterthought — it is a core expression of who we are as an entity committed to nation-building and sustainable progress for Malaysia. Guided by our sustainability philosophy Prosperity, Planet and People (3Ps), we embed sustainability into how we operate, invest and grow while aligning with global megatrends impacting industry and society.

Prosperity reflects how we create sustainable economic value through our digital infrastructure, innovation and responsible business practices. As Malaysia's leading digital infrastructure provider, we continue strengthening our digital backbone through connectivity and ongoing network modernisation. At the same time, we are accelerating the generation of new revenue streams via new growth areas, such as data centres, cloud, GPUaaS and AI. Equally important is ensuring that this ecosystem operates on a foundation of trust. Therefore, cybersecurity, data protection and cyber risk management remain embedded within our governance frameworks to safeguard critical infrastructure and customer data.

Planet reflects our commitment to environmental stewardship as we support Malaysia's transition to a lower-carbon future. We continue advancing energy efficiency across our network and data centre operations while progressively integrating cleaner energy solutions and responsible resource management practices.

> **"These efforts reflect our long-term commitment to achieving Net Zero emissions by 2050, while ensuring that digital growth progresses alongside environmental considerations."**

People are at the heart of our sustainability journey and this reflect TM's greater purpose in nation-building. Apart from developing our workforce and strengthening future-ready capabilities within the organisation, we remain committed to ensuring that digital progress is inclusive and accessible to all Malaysians. Through initiatives such as *Jangkau Digital TM* and TM Future Skills, we expand access to connectivity, empower MSMEs and nurture digital talent to participate more meaningfully in the digital economy. At the same time, our support for the neurodivergent community and national sepak takraw sports development reflects our commitment to nurturing youth potential while strengthening social inclusion and community empowerment.

Our sustainability efforts continue to gain strong recognition across national and international ESG benchmarks. This includes a four-star rating under the FTSE4Good Bursa Malaysia Index, an improved S&P Global ESG score of 57 — the highest in the local telco industry, a strengthened FTSE Russell rating of 3.8, while maintaining our MSCI rating of A.

Together, these efforts ensure that innovation and growth advance hand in hand with sustainability, strengthening Malaysia's journey towards a more resilient and inclusive digital future.

GCEO'S STATEMENT

Q **How did TM strengthen its people and organisational capabilities to support execution and prepare for the next phase of growth?**

A

As TM advances through its PWR 2030 journey, we recognise that the organisation can only progress as its people progress. The next phase of growth therefore requires three (3) critical foundations: a workforce that is digitally capable and AI-ready, leaders who can guide transformation with both conviction and humility and a culture where our people remain energised, resilient and motivated to perform.

Digital Capability: Building a workforce ready for a digital and AI-driven future

Strengthening digital capability across the organisation remains fundamental to TM's transformation. Throughout 2025, we continued deepening expertise in critical areas such as cloud, data analytics, AI, cybersecurity and digital solutions, while expanding digital conversance across the broader workforce through structured learning programmes, enterprise-wide e-learning and platforms such as LinkedIn Learning.

We also strengthened digital talent mobility through the Talent Marketplace, enhancing the visibility of more than 3,300 digital-competent talents, thus enabling internal mobilisation to support priority growth and transformation initiatives. This approach allowed us to deploy the right capabilities quickly to where it mattered most, strengthening organisational agility while accelerating execution across the Group.

Leadership: Developing leaders who can drive transformation with clarity and empathy

Transformation requires leaders who can navigate complexity, drive performance and inspire confidence during change. In 2025, we continued investing in leadership development at all levels, from the TM Graduate Programme (TMGP) that nurtures early talent, to Catalyst for middle managers, LEAD (Lead, Excel and Deliver) for senior leaders and ASPIRE to strengthen the pipeline of future women leaders.

Beyond capability development, we place strong emphasis on leadership qualities grounded in humility, adaptability, integrity and empathy. These attributes are essential for leaders who must guide teams through change, building trust and alignment across the organisation as TM marches ahead towards PWR 2030.

Well-being and Motivation: Sustaining energy, resilience and a healthy workforce

As TM evolves, sustaining the level of motivation, well-being and resilience of our workforce remains equally important. We continue strengthening initiatives that support holistic well-being while fostering a positive and energising work environment.

Flexible work arrangements, organisation-wide health initiatives such as the BMI Challenge, group fitness programmes and digital well-being tools encourage healthier lifestyles and help build a more resilient and productive workforce. At the same time, initiatives such as Spark the PWR trainings continue to nurture an entrepreneurial mindset across the organisation, encouraging our people to embrace innovation, the One TM spirit and boldness in execution.

By continuing to invest in these foundations, we are building an organisation that is not only ready to execute today's priorities, but also confident and resilient in leading TM into its next phase of growth and transformation.

Looking ahead, digital services including smart home solutions will unlock new growth opportunities for us, while enhancing everyday living of Malaysians.

Q **What is the next phase of transformation in advancing the national digital agenda?**

A As TM enters its 80th year, it is a moment of reflection and resolute commitment to advancing our future. From our earliest days, TM was built with a clear purpose: to connect the nation and enable progress. What began as basic telecommunications infrastructure evolved into the digital backbone that empowers how Malaysians live, work and grow today. That nation-building role has remained constant, even as the technologies and expectations around us are changing.

Looking ahead, TM's transformation enters a more defining phase. Having spent the past years strengthening our foundations and building new digital capabilities, the focus now is on deepening impact — translating what we have built into enduring value for our stakeholders and for Malaysia. In doing so, we will continue to strengthen our role as a digital orchestrator bringing together infrastructure, solutions, platforms and technologies to empower growth and progress for future generations.

We remain committed to advancing this next phase guided by our PWR 2030 strategy, anchored in our sustainability philosophy — Prosperity, Planet and People — and our greater purpose of ensuring that digital progress is inclusive for all Malaysians.

I would like to extend my appreciation to our newly appointed and outgoing Board members, and to the Board as a whole for its guidance and stewardship, as well as to our shareholders for their continued trust and confidence. Above all, I thank our people, whose commitment, professionalism and belief in TM's purpose have carried us through every chapter of this journey.

With a stronger foundation and expanding digital capabilities, we are confident in advancing our aspiration to become a Digital Powerhouse by 2030, while positioning Malaysia as the digital hub for ASEAN.

AMAR HUZAIMI MD DERIS
Managing Director/Group Chief Executive Officer (MD/GCEO)

First Malaysian telco certified by SIRIM QAS International for AI Governance ISO/IEC 42001:2023 AI Management System (AIMS)

Recognised as a 3-Star Lister 2025 by the United Nations Global Compact Network Malaysia and Brunei (UNGCMYB) ESG Select List

GCFO'S REVIEW

As we advance our Digital Powerhouse aspiration, our financial priorities remain focused on sustaining resilient revenue growth, protecting earnings quality, preserving balance sheet strength and ensuring disciplined capital allocation. At the same time, we continue integrating sustainability considerations directly into capital planning and financial governance.

AHMAD FAIRUS RAHIM

Group Chief Financial Officer (GCFO)

Q **What were TM's key financial highlights in FY2025?**

A In 2025, TM delivered resilient financial performance despite operating in a competitive environment. We delivered topline growth and strengthened momentum across all business segments, particularly in the second half and exited the year on firmer footing.

Group revenue increased by 1.4% year-on-year to RM11.9 billion. The growth was supported by stronger contributions from Carrier-to-Carrier (C2C), which benefited from increased international capacity demand and the mobile fibre backhaul; a steady increase in the B2C fixed customer base, which surpassed 3.2 million subscribers and improved traction in Business-to-Business (B2B), driven by growth in smart services, cloud, cybersecurity and Information and Communications Technology (ICT). Reported Earnings Before Interest and Tax (EBIT) stood at RM2.0 billion and Profit After Tax and Minority Interests (PATAMI) amounted to RM1.7 billion.

The moderation in reported earnings was primarily due to the *Prihatin* initiative undertaken during the year following voluntary separation requests from employees, foreign exchange movement and non-recurring items. This reflects the resilience of our core operating performance, with stronger second-half momentum providing a clearer indication of our earnings trajectory.

Supported by healthy cash flow generation, the Board declared a total dividend of 31.0 sen per share, comprising 27.0 sen interim dividend and a 4.0 sen special dividend, bringing the total dividend payout to 69% of reported PATAMI, in line with our commitment to sustainable shareholder returns.

TM's share price performance also reflected improved market confidence, closing the year at RM8.05, underscoring market recognition of our strong fundamentals and clear growth prospects.

Q **What were the key cost and operational drivers that shaped the FY2025 results?**

A Financial discipline remained central to our operating approach. In 2025, we continued balancing growth investments with prudent cost management, ensuring operational efficiency supported long-term growth and value creation.

The full-year 2025 cost-to-revenue profile reflected deliberate operational choices as we continued investing to support business growth while maintaining cost discipline.

Direct costs increased in line with revenue-generating activities, reflecting subscriber-related investments and higher mobile-related costs to support convergence initiatives. The increase also included international outpayments aligned with growth in our C2C business. These cost movements were strategic in nature and revenue-accretive.

Manpower costs increased, reflecting the *Prihatin* initiative undertaken during the year. While this resulted in one-off impacts to reported earnings in 2025, it underscores our commitment to caring for our people, in line with the social pillar of our sustainability framework, while progressively aligning the organisation with the capabilities required for a more digital and future-ready TM.

Operational costs declined, driven by lower professional fees and impairment reversals, reflecting improved collections and credit quality. Meanwhile, depreciation and amortisation increased in line with higher planned asset capitalisation compared to 2024.

Overall, TM's structurally strong operations continued to support resilient margins despite operating in a competitive environment.

Revenue (RM billion)

2025	**11.9**
2024	11.7
2023	11.7

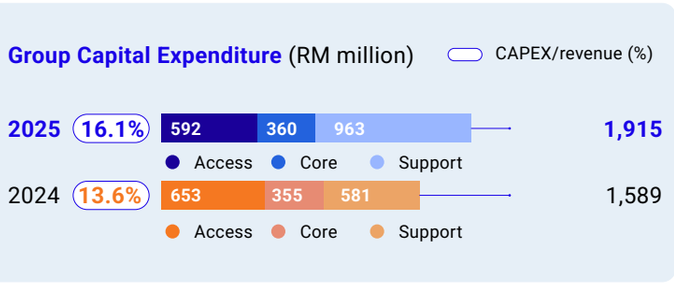
EBIT (RM billion)

2025	**2.0**
2024	2.3
2023	2.1

PATAMI (RM billion)

2025	**1.7**
2024	2.0
2023	1.9

GCFO'S REVIEW



Q **How did TM approach capital allocation and investment in FY2025?**

A Our capital investments in 2025 were strategically aligned with our growth priorities, balancing disciplined capital management with targeted investments to support long-term value creation. Group capital expenditure (CAPEX) amounted to RM1.9 billion, representing 16.1% of revenue.

In terms of allocation, approximately 31% of CAPEX was directed towards fibre network expansion and connectivity infrastructure, 19% towards network modernisation and 50% towards digital enhancements to strengthen scalable platforms supporting future growth. These investments helped sustain rising data demand, enhanced network reliability and improved customer experience across segments.

Overall, CAPEX intensity remained within guidance despite a 21% year-on-year uplift, reflecting execution cadence on selective strategic investments, including the completion of data centre expansions and submarine cable projects, alongside continued investments to strengthen the Group's digital infrastructure capabilities.

Through this approach, capital allocation continued to prioritise value-accretive opportunities while maintaining sufficient investment to sustain and strengthen our core infrastructure, positioning the Group to capture future digital and connectivity demand.

Q **How resilient is TM's cash flow and balance sheet position?**

A The Group maintained a healthy financial position despite a more investment-intensive year. Cash and cash equivalents stood at RM2.5 billion at year-end. Free cash flow amounted to RM1.6 billion, reflecting increased CAPEX investment during the year, coupled with moderation in operating cash flows and scheduled borrowing repayments.

Despite these factors, operating cash flow generation remained healthy, providing capacity to support shareholder distributions and future growth initiatives. Our recurring revenue base continued to underpin stable cash generation.

Return on Invested Capital (ROIC) moderated primarily due to the impact of the *Prihatin* initiative. Despite this, ROIC continued to exceed the Weighted Average Cost of Capital (WACC), indicating ongoing value creation. Importantly, after normalising non-recurring items during the year, ROIC improved compared with 2024, reflecting sustained value creation.

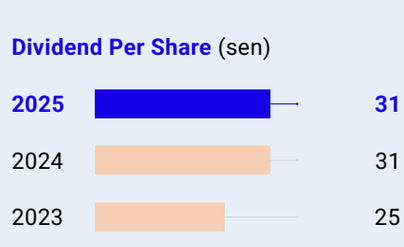
Overall, our balance sheet remained strong, providing sufficient headroom for future investments while maintaining our dividend commitments. This positions the Group to fund future growth while maintaining a balanced financial profile.

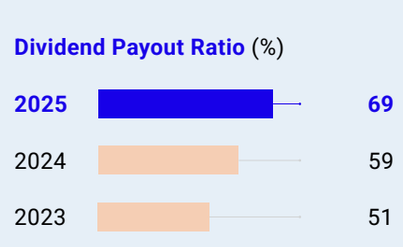
TM maintained strong credit ratings of AAA from RAM Rating Services, A3 from Moody's Ratings and A- from S&P Global Ratings, underscoring our disciplined financial management, resilient cash flow profile and prudent capital structure. These ratings reinforce investor confidence and position the Group well to support future growth initiatives.

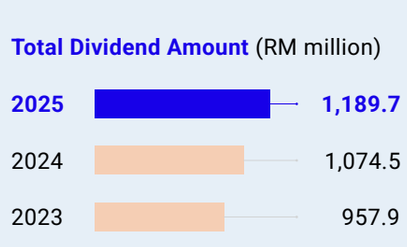
RAM Rating Services
AAA

S&P Global Ratings
A-
(Standalone Credit Profile "a")

Moody's Ratings
A3
(Baseline Credit Assessment of baa1)







Q How is sustainability integrated into TM's financial stewardship and capital allocation approach?

A Beyond financial performance, we continued to embed sustainability into the way we allocate capital and manage operations, ensuring that growth remained resilient and sustainable over the long term.

We invested approximately RM22.6 million in training initiatives encompassing digital upskilling, leadership readiness and employee well-being. These investments strengthen organisational productivity, support talent mobility and reinforce a workforce aligned with TM's digital growth ambitions.

Environmental stewardship also remained integral to our infrastructure expansion strategy. During the year, we committed approximately RM3.4 million towards energy optimisation and renewable initiatives across network, facilities and data centre operations. These measures contributed to estimated energy cost savings of RM7.1 million. As digital infrastructure expands, disciplined energy management is increasingly important in managing operating costs and improving long-term operational efficiency.

Q FY2025 marks an important milestone in TM's sustainability disclosure journey with the adoption of IFRS S1 and IFRS S2. How is the Group strengthening ESG governance and financial oversight?

A Building on the integration of sustainability into our operational and capital allocation decisions, we are also strengthening governance and disclosure through the adoption of IFRS S1 and IFRS S2 under Malaysia's National Sustainability Reporting Framework.

These standards enhance transparency by linking sustainability-related risks and opportunities with financial oversight and enterprise value. Climate-related considerations are progressively incorporated into financial planning, risk management and investment evaluation to support more informed long-term decision-making.

The three-year transition relief allows TM to implement these requirements in a structured and phased manner. During this period, the Group will continue strengthening reporting systems, governance processes and data architecture while maintaining baseline disclosures, including Scope 1 and Scope 2 emissions.

Through this approach, we aim to strengthen transparency and ensure that sustainability considerations are systematically integrated into financial governance and long-term value creation.

Q What is TM's financial outlook for 2026?

A We have announced our 2026 market guidance, projecting a low single-digit revenue increase, EBIT at a similar level to 2025 and CAPEX intensity of between 18% and 20% of revenue. This reflects continued investment in digital infrastructure, including fibre network, data centre expansion and digital solutions, while maintaining disciplined financial management.

As we advance our Digital Powerhouse aspiration, our financial priorities remain focused on sustaining resilient revenue growth, protecting earnings quality, preserving balance sheet strength and ensuring disciplined capital allocation. At the same time, we continue integrating sustainability considerations directly into capital planning and financial governance.

By embedding responsible financing, prudent investment and transparent reporting into our financial strategy, we reinforce the foundation for long-term value creation for shareholders and other stakeholders alike.

TM delivered FY2025 results within market guidance, reflecting disciplined execution across revenue, profitability and CAPEX.

VALUE CREATION MODEL

OUR CAPITALS... | ...ENABLE VALUE-ADDING | BUSINESS ACTIVITIES THAT CREATE...

INPUTS

FINANCIAL

- **RM30.9 billion** market capitalisation
- **RM20.5 billion** total assets
- **RM1.6 billion** free cash flow
- **RM1.9 billion** CAPEX

MANUFACTURED

- **>750,000 km** domestic fibre optic cables nationwide
- **>400,000 km** across **39** submarine cable systems
- **6** data centres (including 1 in Hong Kong)
- **7** edge data centres
- **26** Points of Presence (PoPs)
- **153** Content Delivery Network (CDN)

INTELLECTUAL

- AI Centre of Excellence
- Multimedia University (MMU) as education arm
- TM R&D with **RM55 million** investment value in R&D
- **167** total number of researchers
- TM Learning & Development
- TM Digital Academy
- TM One Innovation Lab & Enterprise 5G Lab

HUMAN

- **17,300** *Warga TM*
- **RM22.6 million** invested in training and development

SOCIAL & RELATIONSHIP

- **>1,800** active suppliers with **RM3.6 billion** spent on local suppliers
- **RM57.4 million** invested in community development including scholarships, humanitarian efforts and social impact programmes
- **506** TM-managed NADI centres nationwide

NATURAL

- **480,521 MWh** of energy consumed
- **1,681** megalitres of water drawn from municipal water supplies
- **96,587** MWh of renewable energy through Green Energy Tariff

BUSINESS OVERVIEW

Market Trends

- Driving Digital Economy
- Expanding Digital Infrastructure
- Orchestrating Digital Ecosystem
- Embedding Sustainability

For more information, please refer to pages 54 to 57.

Risks and Associated Opportunities

1. Geopolitical Uncertainties
2. Infrastructure Readiness for Future Business Growth
3. Mobile Business Growth
4. Regulatory Compliance
5. Cybersecurity Threats
6. IT and Digital Resilience
7. Anti-Corruption and Integrity Practices
8. Climate Change Impact
9. Workforce Development for New Technologies
10. Artificial Intelligence (AI) Adoption and Governance (New)

For more information, please refer to pages 58 to 64.

BUSINESS ACTIVITIES

BUSINESS-TO-CONSUMER (B2C)

unifi

BUSINESS-TO-BUSINESS (B2B)

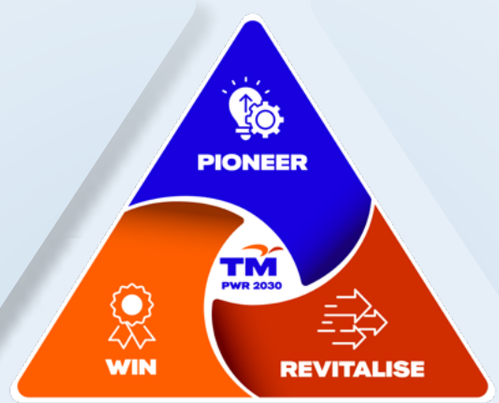
TM ONE | credence

CARRIER-TO-CARRIER (C2C)

TM GLOBAL

EDUCATION AND NATION-BUILDING

MMU MULTIMEDIA UNIVERSITY



AI-DRIVEN

PWR 2030: DIGITAL POWERHOUSE FOR MALAYSIA AND THE REGION

For more information, please refer to pages 65 to 71.

Material Matters

PROSPERITY

- M1 Innovation & Technology
- M2 Customer Experience
- M3 Network Stability & Quality
- M4 Sustainable Value Chain
- M5 Responsible Communication
- M6 Cyber Resilience
- M7 Good Governance

PLANET

- M8 Environmental Management
- M9 Climate Change

PEOPLE

- M10 Labour Practices & Human Rights
- M11 Learning & Development
- M12 Health & Safety
- M13 Digital Inclusion
- M14 Community Empowerment

...VALUE FOR OUR STAKEHOLDERS

OUTPUTS/ OUTCOMES	ACTIONS TO ENHANCE OUTCOMES	STRATEGIC TRADE-OFFS	UN SDGs
• Total dividend payout: **RM1.2 billion** • Return on Equity (ROE): **14.2%** • Return on Invested Capital (ROIC): **12.3%** • Share Price Growth: **21.05%** *For details, please refer to pages 3 and 4 of the Financial Statements*	• Drive sustained revenue growth across lines of business (LOB) • Improve cost efficiency to boost profitability • Optimise cost of capital to maximise shareholder value and returns	Financial Capital is channelled into Manufactured, Intellectual, Human, Social & Relationship and Natural Capitals through investments in digital infrastructure, innovation, talent and sustainability. While this may temporarily reduce Financial Capital, it strengthens earnings resilience, operational efficiency and long-term value.	
• **3.2 million** fixed broadband customers • **>1.1 million** fixed broadband customers subscribing to mobile and content services • **>400,000** MSME customers • **>2,000** government customers • **>5,000** enterprise customers • **194** domestic customers • **580** international customers	• Strengthen network resilience and capabilities • Enhance convergence offerings as well as MSME digital solutions and trainings • Strategic investments and partnerships in future-ready digital infrastructure	Investments in network expansion, resilience and next-generation digital infrastructure require upfront capital and ongoing cost commitments. While impacting near-term Financial Capital, these investments enhance service quality, scalability, customer growth, long-term competitiveness, while ensuring long-term revenue for the company.	
• MMU's new **Faculty of AI and Engineering (FAIE)** established • First Malaysian telco to be certified under **ISO/IEC 42001:2023 AI Management Systems (AIMS)** • **1,217** SCOPUS research publications • **92** Intellectual Property Rights (IPRs) • Introduced **new smart solutions** such as Vision AI	• Strengthen capabilities in digital innovation and research • Foster industry–academia collaboration to advance knowledge and talent development • Strategic investments in R&D	Investments in R&D, AI capabilities and talent development to build a strong innovation pipeline may have immediate financial impact and longer gestation periods. However, they enhance TM's ability to develop proprietary solutions, strengthen research output and intellectual property, and drive continuous innovation to support long-term growth while supporting national talent development.	
• **100%** *Warga TM* trained in data governance, digital products and cybersecurity • A total of **1,118,761** training hours delivered with **11,078** training sessions concluded • Onboarded **3,534** Digital Competent talents in the Talent Marketplace Platform	• Continue equipping *Warga TM* with the skills and mindset to enhance digital capabilities through structured training and development programmes	Investments in workforce upskilling, digital capabilities and organisational development may initially impact Financial Capital in the short term. Nevertheless, they build a more agile, productive and future-ready workforce, supporting execution excellence and sustained performance.	
• **104** active vendors in TM's Bumiputera Vendor Development Programme (BVDP) • **225,830** beneficiaries including communities, students and general public • Rolled out of flagship community programmes such as *Jangkau Digital TM*, TM Future Skills, as well as support for national sepak takraw development and neurodivergent community	• Empower suppliers through capability-building initiatives • Support local entrepreneurs through empowerment initiatives and industry-relevant training • Continue to strengthen community empowerment programmes	Investments in supplier development, ecosystem enablement and community initiatives require dedicated financial resources without immediate financial returns. Over time, these efforts strengthen stakeholder trust, expand market access, support inclusive growth and reinforce TM's nation-building role.	
• TM's carbon emissions reduction improved by **34%** from the 2019 baseline • Strengthened water disclosure from **8** sites in 2024 to **60** sites in 2025 • Implemented rainwater harvesting for non-essential use	• Reduce energy consumption through partnerships with solar power producers (SPP) and network modernisation and optimisation • Reduce water reliance on municipal supplies through improved water management and technology use	Investments in energy transition, resource efficiency and environmental management involve upfront capital and operational adjustments. While impacting short-term Financial Capital, they reduce long-term environmental risks, improve efficiency, support regulatory alignment and strengthen stakeholder confidence.	

IMPACTED STAKEHOLDERS/SUSTAINABILITY AND RELATED UN SDGs

UNDERSTANDING STAKEHOLDER NEEDS

We are committed to proactive, transparent and continuous stakeholder engagement to build trust, strengthen relationships and create long-term shared value. Through regular, structured and meaningful engagements, we seek to understand evolving stakeholder expectations, ensure alignment with our strategic priorities and deliver positive, sustainable outcomes for all stakeholders.

Frequency of Engagement | D Daily | W Weekly | M Monthly | Q Quarterly | A Annually | B Biannually | R When Required

E EMPLOYEES

Who They Are and Why We Engage

Warga TM is at the heart of our transformation and nation-building journey towards a Digital Malaysia. We engage with them to cultivate a high-performance, inclusive and purpose-driven culture that supports well-being, lifelong learning and meaningful career growth.

How We Engage and Frequency of Engagements

- D Emails
- W Internal digital platforms — *Cerita Kita* e-newsletters and Viva Engage, our internal communication and engagement platform
- M Engagement sessions
- B Performance reviews and continuous feedback conversations
- B Employee surveys
- R TM health and well-being app
- M Well-being webinars
- R Clubs and societies

Stakeholder Expectations

- A workplace that prioritises well-being, safety and work-life balance
- Opportunities for continuous learning, career development and progression
- Clear, transparent communication on company direction and plans
- A culture of trust, togetherness and collaboration, enabled by supportive leadership

Our Approach

- Foster a safe, healthy and flexible work environment
- Enable continuous learning via TM Learn to build future digital skills, talent and leadership development programmes, such as the ASPIRE leadership programme for women in middle management
- Strengthen internal communication and employee engagement
- Promote open, transparent and timely communication
- Foster a culture of trust, collaboration and empowerment via internal programmes, such as Spark the PWR

How We Track Value

- Organisational Health Index (OHI)
- Training hours per employee
- OSH performance

Capitals Deployed:

Material Matters: M5 M7 M8 M9 M10 M11 M12

For more information, please refer to pages 210 to 220.

C CUSTOMERS

Who They Are and Why We Engage

Our customers, from individuals to businesses to the government, rely on TM's infrastructure and digital solutions to grow and thrive.

We engage with them to better understand their needs, enhance the customer experience and build lasting trust that supports sustainable growth.

How We Engage and Frequency of Engagements

- R Feedback channels
- A Surveys
- R Customer touchpoints
- D Social media listening
- R Loyalty programmes
- R Engagement sessions and meetings
- A Sales conferences and networking events
- R Digital platforms

Stakeholder Expectations

- Fast and secure connectivity and digital solutions
- Seamless and personalised customer experience
- Value for money and competitive packages
- First-time-right issue resolution

Our Approach

- Offer a comprehensive portfolio of competitive and tailored services to meet diverse customer needs
- Proactive network monitoring, service notifications and early fault detection
- Customer experience enhancements including Ultra Experience

How We Track Value

Net Promoter Score (NPS) as a key indicator of customer loyalty, satisfaction and advocacy

Capitals Deployed:

Material Matters: M1 M2 M3 M4 M5 M6 M8 M9 M13 M14

For more information, please refer to pages 160 to 163.

S&I SHAREHOLDERS & INVESTORS

Who They Are and Why We Engage

Our shareholders and investors provide the capital confidence that enables innovation, growth and long-term value creation. We engage with them to ensure transparency, build confidence and deliver sustainable financial returns.

How We Engage and Frequency of Engagements

- M Engagement sessions, meetings and conferences
- R Site visits
- D Emails and calls
- R Website
- Q Quarterly results announcements, reports, presentations and briefings
- A Annual General Meeting
- A Integrated Annual Report

Stakeholder Expectations

- Sustainable and competitive returns on investment
- Transparent, timely and consistent disclosures
- Clear visibility on strategy, performance and future prospects
- Sound governance and financial stewardship
- Prompt, informative responses to queries and concerns

Our Approach

- Ensure equitable dividend distribution aligned with business performance and capital management
- Maintain structured stakeholder engagements and performance disclosure practices
- Ensure consistent messaging across the Group
- Address investor enquiries promptly and accurately

How We Track Value

- Total shareholder returns as a measure of investor value
- Dividend payouts aligned with financial performance and capital strategy
- Revenue growth and EBIT as indicators of business resilience and efficiency
- PATAMI as a key measure of profitability and value creation

Capitals Deployed:

Material Matters: M1 M2 M3 M4 M5 M6 M7 M8 M9 M13 M14

For more information, please refer to pages 179 to 183.

G&R GOVERNMENT & REGULATORS

Who They Are and Why We Engage

As a Government-Linked Company, we work closely with the government and regulators to support national development priorities. Our engagement ensures alignment between our commercial strategies and public policy goals, contributing to Malaysia's digital and socio economic advancement.

How We Engage and Frequency of Engagements

- R Courtesy and site visits
- M Industry working groups
- R Emails, phone and digital platforms
- R Site visits
- M Policy consultations and engagement sessions
- R Digital and written correspondence

Stakeholder Expectations

- Effective policy development and regulatory implementation
- Expansion of digital infrastructure coverage and digital investments
- Improved service quality and customer experience
- Protection of consumer rights and resolution of complaints/disputes

Our Approach

- Align initiatives with national targets, such as JENDELA, to accelerate digital connectivity
- Continuously enhance broadband services and rural outreach
- Ongoing compliance and policy collaboration

How We Track Value

- Expansion of national fibre connectivity in support of digital inclusion, while enabling the digital economy
- Delivery of long-term public-private partnership programmes aligned with national infrastructure goals
- Compliance with applicable laws and regulations, including the Communication and Multimedia Act (CMA) 1998
- Measurable contributions to national targets through collaborative programmes and policy support

Capitals Deployed:

Material Matters: M7 M8 M9 M13 M14

For more information, please refer to pages 232 to 235.

UNDERSTANDING STAKEHOLDER NEEDS

S SUPPLIERS

Who They Are and Why We Engage

Suppliers are strategic partners supporting our operational resilience, innovation and service quality across our value chain. We engage with suppliers to foster sustainable partnerships, promote responsible procurement, support local industry participation and uphold high standards of governance and operational excellence.

How We Engage and Frequency of Engagements

- R Strategic and operational meetings
- M Emails
- R Site visits and audits
- R Supplier development programmes
- R Engagement sessions

Stakeholder Expectations

- Efficient and transparent procurement processes
- Fair opportunities and empowerment for local vendors
- Clear communication on risk and business continuity matters
- Ongoing support for capability development and knowledge sharing
- Quality inspection and compliance assurance

Our Approach

- Digitise procurement and vendor engagement processes
- Prioritise inclusive procurement and local supplier participation
- Strengthen vendor capabilities via structured programmes, including the Bumiputera Vendor Development Programme
- Implement ProDigy, TM's next-generation procurement digital system

How We Track Value

- Supplier Satisfaction Index to measure vendor experience and relationship quality
- Procurement Maturity Index to assess efficiency and effectiveness of procurement practices
- Progress tracking using ProDigy to monitor transformation milestones

Capitals Deployed:

Material Matters: M4 M5 M6 M7 M8 M9 M12 M13 M14

For more information, please refer to pages 168 to 178.

BP BUSINESS PARTNERS

Who They Are and Why We Engage

Our business partners provide complementary capabilities, critical technologies and innovations that enhance TM's value proposition. We engage with them to foster strong, collaborative relationships that drive mutual sustainable growth, innovation, operational efficiency and service excellence across our value chain.

How We Engage and Frequency of Engagements

- D Progress reports
- R Business reviews
- B Collaborative sessions
- R Partner meetings
- A Industry events
- R Digital platform channels and website

Stakeholder Expectations

- Strong sales funnel and delivery reliability
- Cost optimisation and operational efficiency
- Competitive and innovative solutions

Our Approach

- Conduct structured engagements to align strategic objectives
- Foster long-term partnerships that drives joint innovation initiatives and market expansion
- Promote ethical business conduct and shared accountability

How We Track Value

- Growth in financial performance metrics to reflect partnership value
- Continuous product and service enhancements through joint innovation

Capitals Deployed:

Material Matters: M4 M5 M6 M7 M8 M9 M12 M13 M14

For more information, please refer to pages 168 to 178.

M MEDIA

Who They Are and Why We Engage

The media serves as a key bridge between TM and the public, shaping perceptions and amplifying our messages. We engage with the media to ensure accurate, timely and transparent communication that safeguards our reputation and supports our broader stakeholder engagement strategy.

How We Engage and Frequency of Engagements

- R News releases
- R Interviews
- R Advertorials/Op-eds
- B Media briefings
- R Ad-hoc announcements/updates
- R Media engagement
- D Social media and digital channels engagement
- R Emails and calls

Stakeholder Expectations

- Respectful and responsive media engagement
- Accurate, factual and timely information
- Clear communication on key developments and public-interest issues

Our Approach

- Issue regular news releases and updates on key developments
- Maintain proactive media engagement and rapport-building
- Ensure consistent and credible messaging through trained spokespersons

How We Track Value

- Media Impact Score as an indicator of coverage quality, sentiment and message resonance
- Share of Voice to measure TM's proportion of media coverage relative to competitors, reflecting the brand's visibility, prominence and influence within industry narratives
- Positive representation of TM's brand, leadership and strategic direction in media narratives

Capitals Deployed:

Material Matters: M5 M7

For more information, please refer to pages 179 to 183.

CO COMMUNITIES

Who They Are and Why We Engage

We engage with communities to promote digital inclusion and socio economic development, particularly among underserved and vulnerable groups. Our initiatives aim to support long-term social impact and a more equitable digital future.

How We Engage and Frequency of Engagements

- R Social media platforms
- R Events, engagement sessions, social impact and outreach programmes
- R Emails, calls and digital platforms
- A Surveys
- R Digital channels

Stakeholder Expectations

- Opportunities for community development and inclusive participation
- Meaningful and sustained social impact initiatives and support for social and environmental well-being, such as in educational scholarships, TVET, TM Future Skills, Kampung Angkat, supporting local sports development via partnership with the national sepak takraw team, Kampung Mukut as the first Smart Eco-Village under the *Jangkau Digital* Programme, supporting Persons with Disabilities (PwDs)
- Provision of aid and resources during times of need, including disaster relief

Our Approach

- Invest in high-impact community and digital inclusion programmes that improve livelihoods and access
- Establish open channels for community dialogue and partnerships
- Ensure sustained social and environmental responsibility through local engagements

How We Track Value

- Investment in community development and social impact initiatives
- Participation in training, outreach and preparedness programmes

Capitals Deployed:

Material Matters: M5 M6 M7 M8 M9 M13 M14

For more information, please refer to pages 238 to 245.

UNDERSTANDING STAKEHOLDER NEEDS

U UNIONS

Who They Are and Why We Engage

Unions are important stakeholders in fostering open communication, protecting employee welfare and maintaining harmonious industrial relations. We engage with unions to align organisational goals with employee interests and promote a collaborative, respectful workplace.

How We Engage and Frequency of Engagements

- **M** Regular engagement sessions and meetings
- **R** Roundtable discussions

Stakeholder Expectations

- Alignment between organisational and workforce priorities
- Equitable and transparent welfare provisions
- Open and constructive dialogue on workplace matters

Our Approach

- Maintain regular and open engagements with union representatives
- Collaborate on balanced collective agreements
- Foster a culture of mutual respect, fairness and collaboration
- Partner in digital training and upskilling initiatives for workers to enable a future-ready workforce

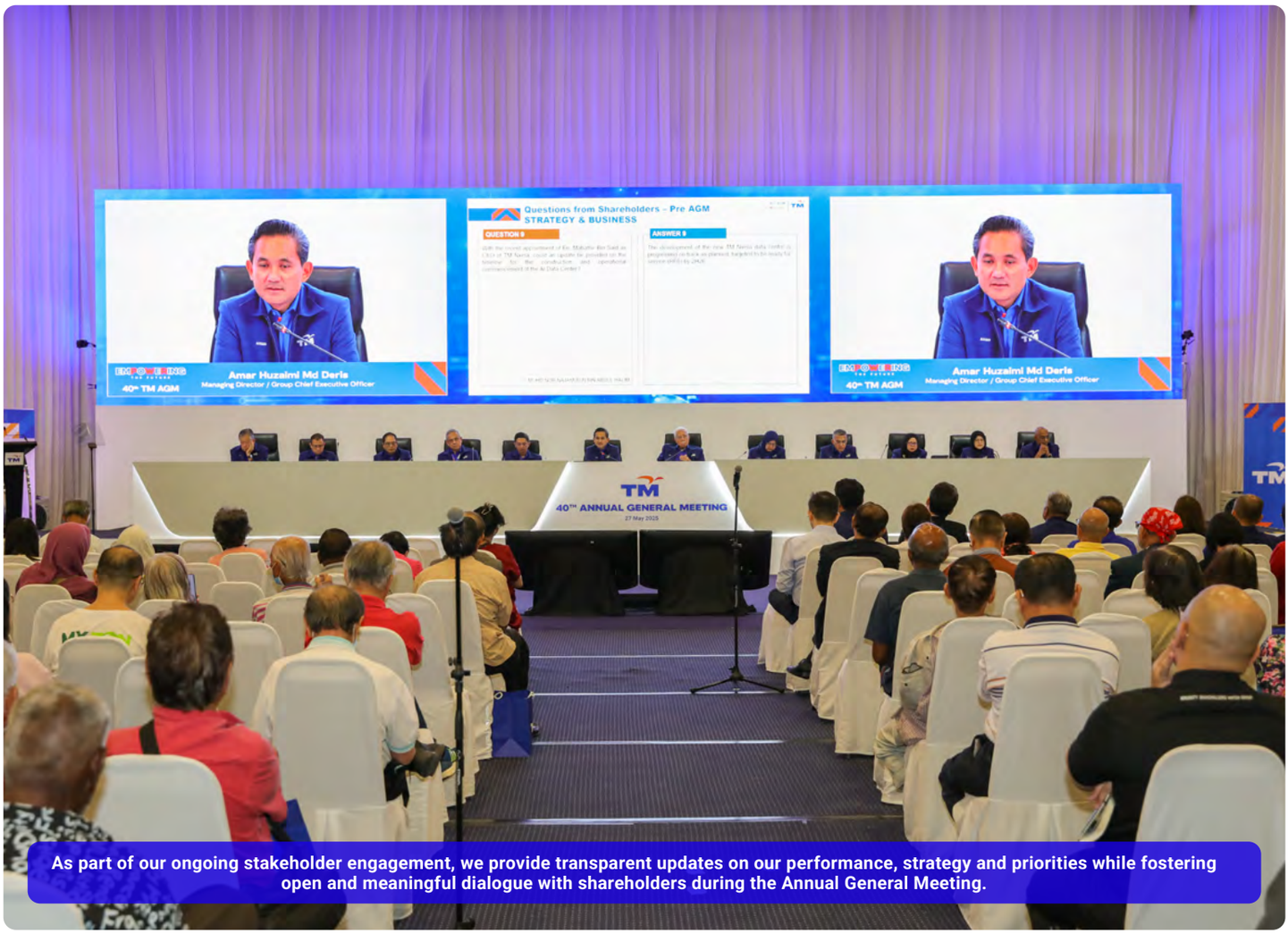
How We Track Value

- Union participation rates as an indicator of employee representation
- Progress in collective agreements and industrial harmony initiatives
- Effectiveness of engagement in addressing workforce-related concerns

Capitals Deployed:

Material Matters: M5 M7 M10 M11 M12

For more information, please refer to pages 210 to 220.



As part of our ongoing stakeholder engagement, we provide transparent updates on our performance, strategy and priorities while fostering open and meaningful dialogue with shareholders during the Annual General Meeting.

DISTRIBUTION OF VALUE CREATED

We generate economic value through our operations and business activities. The distribution of value created illustrates how the financial value generated during the year is shared among key stakeholders, including employees, shareholders and the wider economy, while a portion is retained to support internal business operations, reinvestment and the Group's long-term sustainability, creating lasting value and opportunities for our stakeholders.

2025

Value added available for distribution:

RM7,364.4 million (2024: RM7,157.6 million)

FOR OUR EMPLOYEES

RM3,047.7 million

(2024: RM2,831.0 million)

41.4% of the total (2024: 39.6%) was spent on employment costs, including salaries, EPF contributions, bonuses, medical coverage and other staff benefits, reflecting our commitment to supporting the well-being of our employees.

Affected Stakeholders

E S&I U

Capitals Deployed

Risk Categories

Material Matters

M10 M11 M12

FOR OUR OPERATIONS AND SUSTAINABILITY

RM2,353.6 million

(2024: RM2,747.3 million)

Profits were reinvested for growth and long-term value through capital investments reflected in depreciation, impairment and amortisation, as well as a net increase in retained earnings.

Affected Stakeholders

G&R S&I BP C S

Capitals Deployed

Risk Categories

Material Matters

M1 M2 M3 M4

FOR OUR SHAREHOLDERS

RM1,210.8 million*

(2024: RM1,096.5 million)

Dividends of 31.0 sen per share (2024: 31.0 sen) were paid to shareholders, reflecting TM's commitment to delivering sustainable value and long-term returns.

* *including dividends and non-controlling interests*

Affected Stakeholders

S&I E G&R

Capitals Deployed

Risk Categories

Material Matters

M1 M2 M3 M4 M6 M8 M9

FOR THE ECONOMY

RM752.3 million

(2024: RM482.8 million)

Taxes, zakat and contributions to the Universal Service Provision (USP) Fund were paid to the Government and approved agencies,* supporting nation-building and Malaysia's economic growth.

* *Includes USP contributions regulated under the Communications and Multimedia (Rates) Rules 2002*

Affected Stakeholders

CO G&R C

Capitals Deployed

Risk Categories

Material Matters

M13 M14

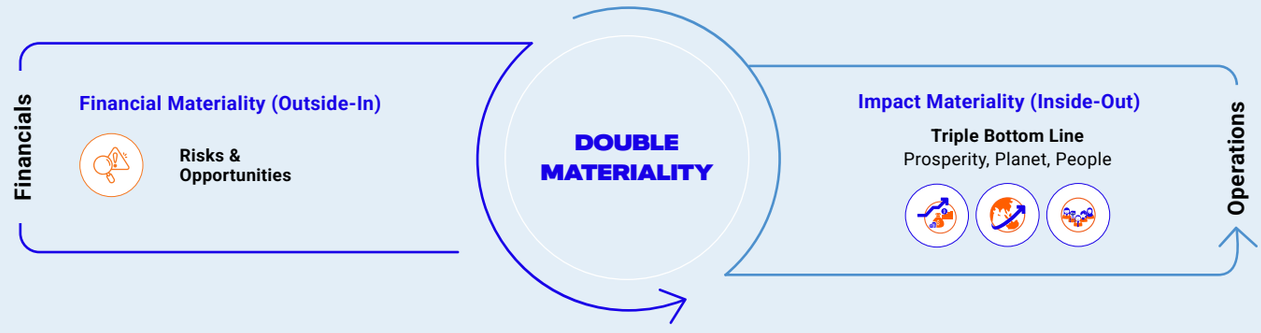
MATERIAL MATTERS

Reinforcing transparency and accountability in our value-creation journey, we continued strengthening our sustainability disclosures in line with global best practices.

In 2025, we began our journey of a strategic transition to align our sustainability disclosures with the International Sustainability Standards Board (ISSB) Standards. This evolution ensures that our reporting meets the global baseline for high-quality, transparent and comparable sustainability information through the adoption of the ISSB Standards.

As part of this transition, we adopted the Additional Transition Reliefs (ATRs), allowing for a "climate-first" disclosure focus. This means our full and granular disclosures under IFRS S2 are focused on climate-related risks and opportunities. However, to ensure this focus remains anchored in a holistic business strategy, 2025's materiality assessment, in line with our Sustainability Policy, was enhanced through a double materiality assessment. This approach evaluates sustainability performance through two (2) interconnected lenses:

Financial Materiality (Outside-In)	Impact Materiality (Inside-Out)
How sustainability-related risks and opportunities impact TM's financial position, performance and long-term prospects	TM's significant impacts on environmental, social and governance matters



The company has identified 13 key sustainability risks and opportunities, aligning to ISSB Standards.

PROSPERITY	PLANET	PEOPLE
Business Resilience	**Environmental Stewardship**	**Social Equity and Empowerment**
M1 Innovation & Technology	M8 Environmental Management	M10 Labour Practices & Human Rights
M2 Customer Experience	M9 Climate Change	M11 Learning & Development
M3 Network Stability & Quality		M12 Health & Safety
M4 Sustainable Value Chain		M13 Digital Inclusion
M5 Responsible Communication		M14 Community Empowerment
M6 Cyber Resilience		
M7 Good Governance		

To strengthen business resilience, the double materiality assessment was not limited to climate-related material matters. We have proactively assessed all 14 identified material matters from both financial and impact perspectives. This ensures that even matters that are yet to be subject to full IFRS disclosure are evaluated for their potential implications on our long-term value creation.

Further details of the materiality assessment process and the materiality matrix are described on pages 121 to 123.

We have also realigned our material matters under the **Triple Bottom Line (TBL) framework** — Prosperity, Planet and People — ensuring our strategy balances commercial success with environmental and social stewardship.

For further details on Prosperity, Planet and People, please refer to Sustainability at TM on pages 103 to 112.

Following our 2025 double materiality assessment, we sharpened our focus on the issues that drive the most significant impact. We aligned all 14 material matters within three (3) strategic pillars — Prosperity, Planet and People — as detailed below:

PROSPERITY

M1 INNOVATION & TECHNOLOGY

Leveraging technology to create innovative digital products and solutions that improve efficiency, productivity and service quality for customers, employees and partners

Our Approach

Innovation and Technology drives our ambition to build a future-ready, low-carbon digital Malaysia. As the nation builder, we harness innovation and emerging technologies to strengthen our own operational capabilities while extending these advancements to the people and businesses we serve. This focus forms the core of our growth strategy, strengthening operational performance while unlocking new green revenue opportunities across our digital ecosystem.

In 2025, we deliver impact through three (3) priorities through AI-enabled platforms:

- Operational efficiency and optimisation
- Future-ready digital infrastructure
- Sustainable digital solutions

Opportunities

- Improve operational efficiency, while optimising cost and resource optimisation
- Scale into new, high-value business domains that unlock new revenue streams
- Continuously innovate to stay competitive, financially resilient and socially relevant
- Invest in research and development to drive transformative discoveries

2025 Progress and Achievements

- ~200,000 MWh total customers' energy usage avoided*
- >150,000 tCO_2e total customers' carbon emission avoided*
- >116,000 total customers adopted our sustainable digital solutions*
- RM55 million invested in research and development

* *Based on identified sustainable digital solutions*

Detailed Initiatives and Metrics

For more information, please refer to pages 150 to 157.

Affected Stakeholders:

E G&R BP S&I C

Related UN SDGs:

Risk Categories:

Capitals Deployed:

M2 CUSTOMER EXPERIENCE

Deliver consistent, positive experiences across the customer journey to build trust, loyalty and advocacy, while improving satisfaction and engagement

Our Approach

Customer Experience (CX) is our core service differentiator and a key enabler of TM's Digital Powerhouse by 2030 aspiration to be a best-in-class service provider in Malaysia and the region. CX is built on trust and the consistent delivery of positive experiences across the entire customer journey. To achieve this, TM manages CX proactively, ensuring meaningful and positive interactions at every customer touchpoint. Guided by this ambition, TM focuses on the following key Customer Experience priorities:

- Enrich Customer Experience
- Proactive Service Management
- Digital and AI Adoption

Opportunities

- Fostering positive customer experiences and upholding high service standards
- Digitalising the customer journey to provide a seamless self-service experience
- Strengthening brand loyalty and active customer advocacy

2025 Progress and Achievements

- Increased TM Group's NPS by four (4) points, rising from 45 to 49
- Achieved full compliance for all seven (7) elements of the MSQoS (Customer Service) quarterly report

Detailed Initiatives and Metrics

For more information, please refer to pages 160 to 163.

Affected Stakeholders:

E G&R C S&I

Related UN SDGs:

Risk Categories:

Capitals Deployed:

MATERIAL MATTERS

M3 NETWORK STABILITY & QUALITY

Enhancing network resilience to deliver fast, reliable and uninterrupted digital connectivity for Malaysians

Our Approach

As the nation's leading digital infrastructure provider, Network Stability and Quality remains a fundamental, ingrained component of our daily operations and a significant corporate responsibility. In 2025, we focused on:

- Collaborating for a Strong and Reliable Global Network
- Network Modernisation for Resilience and Efficiency
- Advancing Intelligent, Autonomous Operations

AI-driven analytics and automation enable predictive maintenance, faster fault detection and more efficient operations. These capabilities improve service reliability while optimising energy use and resource utilisation across the network.

Opportunities

- Strengthening Malaysia's domestic fibre infrastructure to deliver a modern, high-performance and scalable network for the best digital experience
- Positioning TM as a regional data hub, enabling hyperscalers, global carriers and over-the-top (OTT) media services to operate efficiently in Malaysia
- Affirming our commitment as the nation's Fixed-Mobile Convergence (FMC) Champion by delivering a seamless digital experience through integrated fibre and mobile connectivity across both urban and rural communities

2025 Progress and Achievements

- Increased our submarine cable network to more than 400,000km
- Invested in six (6) new submarine cable systems over the past three (3) years
- Domestic fibre optic cables increased by 15.4%, while mobile coverage grew by 18.5% on a five-year cumulative basis

Detailed Initiatives and Metrics

For more information, please refer to pages 164 to 167.

Affected Stakeholders:

E G&R BP S&I C S

Related UN SDGs:

Risk Categories:

Capitals Deployed:

M4 SUSTAINABLE VALUE CHAIN

Contribute to the development of our vendors and suppliers by upholding high standards of environmental, social and governance (ESG) practices across our value chain

Our Approach

We embed ESG principles across our value chain through a risk-based lifecycle approach, integrating ESG, safety and Anti-Bribery Management System (ABMS) requirements into supplier selection, contracting and performance oversight. Reinforced by our Supplier Code of Conduct and Integrity Pledge, this ensures ethical, sustainable and responsible practices throughout our value chain.

Opportunities

- Strengthen operational resilience by diversifying suppliers and increasing local sourcing
- Deepen supplier partnerships through targeted training, collaboration and ongoing engagement

2025 Progress and Achievements

- Enhanced ESG management: Upgraded the Supplier Self-Assessment Questionnaire and Risk Assessment modules, with 459 suppliers participating in 2025
- Supplier engagement: Trained 1,564 suppliers on ESG practices, improving maturity, compliance and competitiveness
- Digital onboarding: Streamlined processes via ProDigy, onboarding 3,512 suppliers and reducing errors

Detailed Initiatives and Metrics

For more information, please refer to pages 168 to 178.

Affected Stakeholders:

S BP

Related UN SDGs:

Risk Categories:

Capitals Deployed:

M5 RESPONSIBLE COMMUNICATION

Normalise the practice of open and transparent communication across all levels and channels responsibly, ensuring stakeholders are provided with timely, accessible and relevant information to make well-informed decisions

Our Approach

TM adopts a structured and centralised communication approach to ensure all internal and external communications are accurate, consistent and aligned with our strategy, governance and disclosure requirements. Guided by principles of clarity, transparency, factual and verifiable information and timely engagement, we promote accessible and audience-focused communications across all channels.

Our Investor Relations function facilitates proactive two-way engagement with the investment community, while media analytics and stakeholder feedback are continuously reviewed to strengthen communication effectiveness, trust and credibility.

Opportunities

- Strengthen trust and credibility through transparent, accurate and ethical communications
- Engage stakeholders responsibly by promoting clarity, inclusivity and accountability

2025 Progress and Achievements

- Achieved a Share of Voice of 50%
- Attained a Media Impact Score of 3.4

Detailed Initiatives and Metrics

For more information, please refer to pages 179 to 183.

Affected Stakeholders:

E M G&R S&I

Related UN SDGs:

Risk Categories:

Capitals Deployed:

M6 CYBER RESILIENCE

Protect our operations and stakeholders from cyber threats, data loss, privacy breaches and sabotage

Our Approach

Cyber resilience and information security are embedded within our enterprise governance framework to safeguard customer data and ensure compliance with the Personal Data Protection Act 2010. Group-wide data privacy and governance policies, including the TM Data Privacy and Protection Policy and Data Governance Policy and Framework, set clear standards for protection, accountability and risk management.

As a designated National Critical Information Infrastructure entity, we comply with the Cyber Security Act 2024 through mandated controls, independent audits and incident reporting to protect national digital infrastructure and stakeholder trust. As AI becomes more embedded in operations, governance controls are extended to ensure AI systems are secure, ethical and aligned with established information security and data protection frameworks.

Opportunities

- Strengthen defences by implementing robust cyber security measures and continuous threat monitoring
- Protect sensitive data through encryption, secure access controls and privacy-compliant practices
- Enhance company readiness via employee training, incident response planning and regular security audits

2025 Progress and Achievements

- Strengthened cybersecurity governance and operational resilience, enhancing employee awareness of emerging risks and promoting responsible digital practices
- Implemented continuous monitoring and structured incident response, improving threat detection and reducing operational risks
- Maintained consistent controls to safeguard digital assets

Detailed Initiatives and Metrics

For more information, please refer to pages 184 to 187.

Affected Stakeholders:

C E S BP

Related UN SDGs:

Risk Categories:

Capitals Deployed:

MATERIAL MATTERS

M7 GOOD GOVERNANCE

Conduct ourselves with the highest standards of integrity, transparency and accountability, with zero tolerance for corruption and unethical practices

Our Approach

Strong governance underpins trust and accountability, shaping the principles that guide ethical decision-making across our organisation. By upholding high standards of transparency, responsible disclosure and reliability, we strengthen confidence among stakeholders, employees and partners. We embed good governance into daily operations to ensure alignment with our values and legal requirements and we enforce a zero-tolerance stance on corruption.

Opportunities

- Build enduring trust with investors and regulators through consistent, transparent disclosure
- Safeguard the organisation against fraud and corruption by embedding integrity at every level

2025 Progress and Achievements

- Achieved 100% completion of the corruption-free pledge and Declaration of Assets and Interests (DOA) exercise for all *Warga TM*, reinforcing ethical governance
- Maintained 100% certification compliance since 2021, expanding coverage from four (4) HQ divisions to seven (7) high-risk divisions nationwide
- Strengthened audit readiness through the appointment of 17 ABMS Coordinators and training of 68 Certified Lead Auditors, enhancing ISO 37001:2025 compliance and transition planning
- Governance oversight was further strengthened through the Artificial Intelligence Management System (AIMS) certification under ISO/IEC 42001:2023, reinforcing responsible, transparent and well-governed use of AI across the organisation

Detailed Initiatives and Metrics

For more information, please refer to pages 188 to 195.

Affected Stakeholders: C, E, S&I, G&R, S, BP, M, CO, U

Related UN SDGs:

Risk Categories:

Capitals Deployed:

PLANET

M8 ENVIRONMENTAL MANAGEMENT

By proactively managing our environmental footprint, we mitigate regulatory and reputational risks while avoiding potential penalties. These practices strengthen our operational resilience, drive greater efficiency and achieve long-term cost savings.

Our Approach

We manage our environmental footprint through maintaining strict regulatory compliance and voluntary initiatives. Our operations are governed by statutory requirements such as the Environmental Quality Act 1974 and the Solid Waste and Public Cleansing Management Act 2007. While for voluntary initiatives, we adopt global standards, such as ISO 14001 Enviromental Management System and ISO 50001 Energy Management System, to systematically improve resource efficiency and optimise energy consumption.

Opportunities

- Generate value from decommissioned assets through recycling, refurbishment and redeployment
- Enhance Group-wide operational standards by achieving and maintaining ISO environmental certifications

2025 Progress and Achievements

- We expanded our waste and water boundary disclosures from eight (8) sites to 60 sites
- Achieved a carbon avoidance of 4,818 tCO_2e by diverting 9,372 tonnes of scheduled waste from landfills to licensed recovery facilities
- Extended the operational lifecycle of more than 1,000 EUC units through refurbishment and redeployment initiatives
- Three (3) TM data centres were certified under ISO 14001 and ISO 50001

Detailed Initiatives and Metrics

For more information, please refer to pages 196 to 202.

Affected Stakeholders: CO, S, C, E, G&R, S&I, BP

Related UN SDGs:

Risk Categories:

Capitals Deployed:

M9 CLIMATE CHANGE

We focused on reducing Scope 1, 2 and 3 emissions across our operations to future-proof the business and ensure reliable digital services for the nation.

Our Approach

Our approach focuses on managing our direct impact (Scope 1) by reducing fossil fuel consumption across our fleet and backup generators, including transitioning to electric vehicles. We are lowering our indirect impact (Scope 2) by prioritising energy efficiency and increasing renewable energy adoption across our network and data centres. Additionally, we strive to improve our emissions data accuracy (Scope 3) by expanding our reporting boundaries across our upstream and downstream value chain to strengthen transparency and accountability.

Opportunities

- Align with global IFRS S2 standards while maintaining a high-integrity climate strategy
- Drive long-term savings by reducing dependency on fossil fuels and volatile energy markets through Energy Efficiency (EE) and Renewable Energy (RE) initiatives
- Enhance regulatory readiness to mitigate sustainability-related transition risks

2025 Progress and Achievements

- Successfully aligned our climate reporting with the IFRS S2 framework for sustainability disclosure standards
- Achieved a renewable energy mix of 20% via the Green Electricity Tariff (GET) and achieved "Ready for Service" status for solar photovoltaic systems at three (3) sites in partnership with GENTARI
- Achieved a 6% reduction in network operation electricity consumption and a 6% reduction in TM fleet fuel consumption
- Expanded the reporting boundary for Scope 1 and Scope 2 emissions to include Sabah, Sarawak and MMU campuses

Detailed Initiatives and Metrics

For more information, please refer to pages 203 to 209.

Affected Stakeholders:

CO S C E G&R S&I BP

Related UN SDGs:

Risk Categories:

Capitals Deployed:

PEOPLE

M10 LABOUR PRACTICES & HUMAN RIGHTS

We uphold responsible labour practices and fundamental human rights across our operations and value chain, fostering a safe, inclusive and supportive workplace where *Warga TM* can thrive and contribute meaningfully.

Our Approach

Our responsible labour practices and respect to human rights are anchored on creating an inclusive, safe and performance-driven workplace that supports employee well-being while enabling sustainable growth.

Opportunities

- Strengthen employer branding and reputation, creating opportunities to attract future talent
- Retain existing skilled employees and boost productivity
- Reduce risks, strengthen compliance and align with national and global labour practices as well as business human rights standards

2025 Progress and Achievements

- Increased women's representation in senior management to 36%
- Achieved an Organisational Health Index (OHI) of 80, reflecting Warga TM's job satisfaction, sense of purpose, stress levels, happiness and overall employee experience
- 5,707 employees participated in the GCEO Body Mass Index (BMI) Challenge, with 3,100 employees achieving award status and 1,323 attaining gold coin status with a normal BMI range between 18.5 and 22.9, boosting their overall health, morale and well-being
- 73% of employees covered by collective bargaining agreements, with zero incidents of child labour or forced labour reported

Detailed Initiatives and Metrics

For more information, please refer to pages 210 to 220.

Affected Stakeholders:

E U

Related UN SDGs:

Risk Categories:

Capitals Deployed:

MATERIAL MATTERS

M11 LEARNING & DEVELOPMENT

Delivering long-term value, resilience and growth depends on building strong digital capabilities that support TM's PWR 2030 ambition and enable a lean, efficient and future-ready Digital Powerhouse.

Our Approach

We have moved beyond traditional training to establish a deliberate growth engine that supports our Digital Powerhouse journey. Through active leadership engagement, priority skills and future competencies are systematically identified and embedded into structured learning and development strategies, ensuring an agile and capable workforce.

This includes building applied capabilities in data, automation and artificial intelligence, equipping employees to operate and govern digital systems responsibly as technology adoption accelerates.

Opportunities

- Develop future-ready employees to strengthen business resilience
- Attract skilled technical talent and retain experienced employees
- Reduce recruitment, onboarding and specialised consultancy costs

2025 Progress and Achievements

- Conducted 11,078 training sessions
- Achieved 100% completion of digital modules on Data Governance, Digital Product and Cybersecurity among TM employees
- Invested more than RM22.6 million in employee training and development

Detailed Initiatives and Metrics

For more information, please refer to pages 221 to 225.

Affected Stakeholders: E

Related UN SDGs:

Risk Categories:

Capitals Deployed:

M12 HEALTH & SAFETY

The health and safety of our workforce is integral to protecting lives, ensuring regulatory compliance and supporting long-term organisational resilience.

Our Approach

Our strategy focuses on immediate risk reduction, long-term sustainability and achieving a low-risk rating by 2026. We are evolving from a compliance-driven safety culture to a generative safety culture, guided by ISO 45001:2008 Occupational Health and Safety Management System standards and TM's Occupational Safety, Health and Environment (OSHE) Policy.

Opportunities

- Achieve a low-risk rating
- Foster a strong safety-first mindset and culture of compliance
- Reduce incident risks and associated costs
- Enhance productivity and overall performance

2025 Progress and Achievements

- Zero work-related employee fatalities over the past three (3) years
- Conducted OSHE training for 18,821 employees
- Reduced employee absentee days due to injuries by 31.7% in 2025

Detailed Initiatives and Metrics

For more information, please refer to pages 226 to 231.

Affected Stakeholders: C E S

Related UN SDGs:

Risk Categories:

Capitals Deployed:

M13 DIGITAL INCLUSION

Reduce the digital divide by providing affordable access to meaningful connectivity and digital services

Our Approach

We are committed to enabling meaningful connectivity by delivering high-speed internet and equipping Malaysians with essential digital skills, capabilities and confidence to participate in the digital economy. This ensures individuals, micro, small and medium enterprises (MSMEs) and communities can access and effectively use high-quality digital technologies to meet their evolving needs.

As digital technologies advance, TM remains focused on ensuring innovations, including AI-enabled services, are accessible, trusted and designed to benefit a broad spectrum of users without widening the digital divide.

Opportunities

- Create opportunities for more Malaysians to access essential digital services and economic opportunities
- Provide affordable digital solutions and tools to empower individuals, small businesses and underserved communities to participate fully in the digital economy
- Help strengthen local economies and support sustainable growth, building trust and promoting equity

2025 Progress and Achievements

- Reached more than 95,200 individuals through internet safety awareness programmes conducted at TM-managed National Information Dissemination Centres (NADI), strengthening digital literacy and online safety
- Engaged with more than 53,000 MSMEs in entrepreneur empowerment initiatives conducted at TM-managed NADI centres, supporting business growth and digital adoption
- Invested RM4.1 million in 2025 to advance MSME development and foster inclusive economic progress

Detailed Initiatives and Metrics

For more information, please refer to pages 232 to 235.

Affected Stakeholders:

C G&R BP CO

Related UN SDGs:

Risk Categories:

Capitals Deployed:

M14 COMMUNITY EMPOWERMENT

Allocate financial and non-financial resources into programmes that promote social equity by empowering underserved communities and nurturing future talents and entrepreneurs

Our Approach

We focus on building local capabilities and fostering inclusive participation to enable sustainable growth in the digital economy. TM supports Malaysians from various backgrounds and demographics through digital connectivity, skills development and socio economic opportunities that evolve with their changing needs. This integrated approach ensures that the progress we drive today enables inclusive and long-term growth towards building an inclusive, more resilient and digitally empowered Malaysia.

Opportunities

- Expand digital access, strengthen skills and support local enterprises to enable broader participation in the digital economy
- Build stakeholder trust and reinforce our social licence to operate through sustainable community investment
- Strengthen community resilience and contribute to long-term shared value creation

2025 Progress and Achievements

- Invested close to RM57.4 million in community development programmes, benefiting 225,830 individuals
- Invested nearly RM47.1 million in scholarships and financial assistance, supporting 7,100 deserving students

Detailed Initiatives and Metrics

For more information, please refer to pages 238 to 245.

Affected Stakeholders:

C E CO G&R

Related UN SDGs:

Risk Categories:

Capitals Deployed:

MARKET TRENDS

Time Horizon*: Short Term 1–2 years | Long Term 3 years and beyond

Year-on-Year Macrotrend Movement: No Change | Increase | Decrease

DRIVING DIGITAL ECONOMY

Key Industry Highlights in 2025

- **GDP Growth Exceeds Expectations:** Malaysia's economy reached 5.2% surpassing the official target of 4.0% – 4.8% driven by strong domestic demand, which helped cushion external pressures such as US tariffs and global trade uncertainties.
- **Transition to the 13th Malaysia Plan (2026–2030) (13MP):** 2025 served as the bridge to the 13MP, emphasising high-growth, high-value (HGHV) sectors, including electronics, energy transition and digital services.
- **Fiscal Reforms and Infrastructure Enablement:** Targeted subsidy rationalisation and expanded tax measures aimed to improve Malaysia's fiscal position supported continued infrastructure investment, including telecommunications.
- **Sustained Foreign Direct Investment (FDI) Momentum:** Malaysia continued to attract high-quality FDI, particularly in Digital Economy and Data Centres, which are projected to contribute to over 25.5% of the national GDP.

How did it affect TM?

- **Policy Transition Leading to Opportunities:** Moving from small policy fixes (reform) to major upgrades (transform) in digital and green infrastructure, with the shift towards the 13MP, accelerated investment and created expansion opportunities for our digital infrastructures.
- **Sustained Demand:** Steady household spending kept demand strong for Unifi's lifestyle and bundled plans, as high-speed internet is now a basic household necessity.
- **Cost Driving Digitalisation:** Rising wages and operational costs led micro, small and medium enterprises (MSMEs) and enterprises to increase adoption of digital tools, automation and connectivity, boosting demand for TM's Information and Communications Technology (ICT) and managed services.
- **Digital Momentum in the Public Sector:** High-growth sectors supported increased digital modernisation and artificial intelligence (AI) adoption across government agencies and large enterprises.

How did we respond?

- **National Infrastructure Enablement:** Positioned TM as the primary enabler of national infrastructure, with increased opportunities for large scale fibre and 5G backhaul projects.
- **Unifi UniVerse Convergence:** Accelerated the Unifi UniVerse convergence strategy, shifting from "bandwidth only" sales to integrated digital lifestyle bundles to capture higher household wallet share.
- **MSME Digital Solutions Expansion:** Enhanced the digital solution suite for MSMEs, focusing on automation, e-commerce and digital tools to help businesses improve productivity despite rising labour costs.
- **AI-Ready Data Centre Build-Out:** Launched specialised AI-ready data centre initiatives and expanded digital solutions required by HGHV sectors.

Outlook

- **Sustained Economic Growth:** Malaysia's economy is projected to grow 4.0% to 4.5% in 2026, supported by strong domestic demand, a recovery in the global technology cycle and the initial implementation of the 13MP. Growth could be affected by geopolitical uncertainty and global market volatility.
- **Digital Infrastructure as a Growth Engine:** Continued investment in digital and ICT infrastructure is expected to drive GDP growth, attract FDI and reinforce Malaysia's position as a regional digital hub.
- **Workforce Transition:** A shift towards a digitally skilled workforce is accelerating digital adoption across education (AI-enabled schools), healthcare (e-Medical Records, AI and big data analytics) and public services MyDigital ID.
- **Tourism-led Digital Adoption:** Visit Malaysia 2026 is expected to spur digitalisation in hospitality and services, as hotels, transport providers, attractions and F&B businesses increasingly leverage online booking, digital payments and cloud solutions.

Capitals Deployed

Affected Stakeholders: C | S&I | G&R | BP | CO | S

Material Matters: M1 | M2 | M3 | M4 | M6 | M7

Risk Categories

Sources: *Bank Negara Malaysia, Ministry of Finance and Ministry of Digital*

* *The time horizon illustrated in the Market Trends section is specific to the market trends only and definition may evolve alongside industry dynamics.*

EXPANDING DIGITAL INFRASTRUCTURE

Key Industry Highlights in 2025

- **Nationwide Broadband Expansion:** The National Digital Network Plan (JENDELA Phase 2) advanced broadband coverage in rural and remote regions using a mix of fixed, wireless and satellite solutions, supported by local hubs, Point of Presence (PoP), to bring highspeed connectivity to schools and communities.
- **5G Coverage and Backhaul Partnerships:** 5G coverage surpassed 82.4% of populated areas under Digital Nasional Berhad (DNB), while the rollout of U Mobile's second 5G network (reaching approximately 54.9% of populated areas) intensified infrastructure partnerships. TM's RM2.4 billion, 10-year fibre backbone for 5G backhaul with U Mobile accelerated deployment and improved mobile network quality.
- **ICT Sector Growth:** The ICT sub-sector remained a key driver of the services sector's 5.1% expansion in 2025, fuelled by resilient private consumption, which grew by 6.0% as connectivity became an essential utility for both households and businesses.
- **Enterprise Connectivity Evolution:** Enterprises increased adoption of advanced networking solutions (such as SD-WAN and 5G private networks), reinforcing the role of data centres in supporting scalable, secure and high-performance operations.
- **Data Centre Acceleration Among Sustainability Pressures:** The data centre sector expanded rapidly in 2025, driven by hyperscaler and telco investments, while rising power costs and sustainability requirements shaped investment and operating strategies.
- **Progress with Space-Based Connectivity:** Malaysia advanced its space-based connectivity agenda through the rollout of ALTEL Digital's low earth orbit (LEO) satellite initiative, MEASAT's partnerships with Chinese LEO constellations and expanded the reselling of Starlink to support rural and enterprise connectivity.

How did it affect TM?

- **Heightened Market Pressure for Broadband:** Market pressure increased the need for us to differentiate our offerings through enhanced customer experience and value-added service offerings to combat intensifying competition in the broadband segment.
- **Rising Digital Adoption for Enterprises:** Enterprises increasingly pursued advanced digitalisation, including private 5G to support automation, low-latency operations and secure connectivity, pushing us to innovate.
- **Expanding Network Infrastructure Requirements:** Growth in hyperscaler data centre investments drove higher demand for fibre backbone, IP transit and interconnectivity services to support scalable and resilient digital ecosystems.

How did we respond?

- **Convergence Leadership:** Solidified our role as the nation's convergence champion across fixed, mobile , content and lifestyle solutions.
- **Strategic Dual 5G Network Transition:** The introduction of the Government's dual 5G network framework provides the opportunity for TM to evaluate options that best support long-term competitiveness and value of its convergence offerings.
- **5G Backhaul and Private 5G Deployment:** Utilised mobile backhaul to support 5G expansion, while rolling out private 5G and secure SD-WAN solutions for key industries, including oil and gas, manufacturing, logistics and smart cities.
- **AI-Ready Data Centre Partnerships:** Developed a hyperconnected AI-ready data centre in Johor Bahru through a joint venture with Singtel's Nxera.
- **Regional Interconnect Expansion:** Strengthened regional interconnection through Open Cable Landing Station (Morib CLS), enabling multiple service providers to interconnect and exchange connectivity and data traffic seamlessly, reinforcing Malaysia's position as a strategic digital hub in the region.

Outlook

- **Core Market Growth:** Malaysia's core business[1] market is projected to reach approximately RM40 billion in 2026, with a Compound Annual Growth Rate (CAGR)[2] of about 3.7%, as data centres remain the key growth driver, supported by rising enterprise cloud and digital demand.
- **Government-led Digital Expansion:** National initiatives, such as the RM2 billion MADANI Submarine Cable (SALAM) project, a 3,190 km cable boosting national connectivity and the JENDELA Phase 2, continue to expand connectivity nationwide, particularly in rural areas and public institutions like the National Information Dissemination Centre (NADI).
- **Dual 5G Network Rollout:** Malaysia's second 5G network led by U Mobile targets approximately 80% of population coverage by 2026, providing faster and more affordable connectivity and new digital services for both consumers and businesses.
- **5G Advanced Use Cases:** Industry digitalisation is accelerating adoption of 5G Advanced to support AI-driven automation, private 5G networks, ultra-low latency computing, autonomous logistics, real-time analytics and advanced telemedicine.

Capitals Deployed | **Affected Stakeholders** | **Material Matters** | **Risk Categories**

Affected Stakeholders: C, G&R, BP, CO, S

Material Matters: M1, M2, M3, M4, M7, M13

Notes:

1. *Core business includes fixed (voice, data, internet and data centre) and mobile (voice and data) for consumer and businesses.*
2. *CAGR 2025–2028.*

Sources:

Department of Statistics Malaysia, Bank Negara Malaysia, Ministry of Finance, Malaysian Communications and Multimedia Commission, Ministry of Digital and GlobalData

MARKET TRENDS

ORCHESTRATING DIGITAL ECOSYSTEM

Key Industry Highlights in 2025

- **Cloud and AI:** Malaysia launched the National Cloud Computing Policy and Sovereign AI Cloud to safeguard national AI capabilities, enable secure digital services and foster a "Made in Malaysia" ecosystem.
- **MSME Digital Adoption:** Over 80% of MSMEs adopted digital tools across finance and marketing, supported by government technology grants and training programmes to boost nationwide inclusivity.
- **Consumer Tech Evolution:** Malaysians increasingly embraced smart home tech and AI-enabled personalisation, shifting towards more immersive, convenient and tailored digital experiences.
- **Global Tech Leadership:** Through key events, such as the ASEAN AI Malaysia Summit 2025, Expand North Star (ENS) and GITEX Dubai 2025, Malaysia actively showcased local innovators and built cross-border technology collaboration.

How did it affect TM?

- **Intensified Hyperscaler Competition:** Global technology leaders broadened their footprint to address data sovereign needs, creating a more competitive landscape in data centre and cloud sectors.
- **Accelerated Digital Solution Needs:** We were encouraged to advance our service innovation as both enterprises and MSMEs increasingly sought AI-powered, cloud-based and productivity-enhancing digital solutions, including marketing tools.
- **Rising Demand for Integrated Lifestyle Expectations:** Customers are seeking frictionless, digital-first interactions that seamlessly combine lifestyle services, such as smart home ecosystems and digital content.

How did we respond?

- **AI Cloud Enablement:** Enabled secure, locally hosted AI capabilities through Cloud Alpha Edge (CAE), leveraging our data centres, AI Foundry, GPUaaS and nationwide edge infrastructure.
- **Cybersecurity and Digital Sovereignty:** Safeguarded Malaysia's digital sovereignty via CAE and strengthened national cybersecurity with TM Cyber Defence Centre, in alignment with National Cyber Security Agency (NACSA) standards.
- **Digital Lifestyle and Content Expansion:** Expanded digital lifestyle offerings by scaling smart home and device products, while enhancing content and entertainment experiences through Unifi TV 2.0 and app-based viewing.

Outlook

- **Robust Market Growth:** The Malaysian digital solutions[1] is projected to hit RM61 billion by 2026, growing at a CAGR[2] of 21.1%. Consumer demand is expected to grow at a CAGR[2] of 5.9%, driven by smart home adoption and over-the-top (OTT) content, while business demand is forecasted to grow at at a CAGR[2] of 23.3%, fueled by digital transformation, cybersecurity needs and increasing adoption of Internet of Things (IoT) and smart technologies across industries.
- **AI Nation by 2030 Ambitions:** Budget 2026 positions Malaysia's aspirations to becoming an AI Nation by 2030, with investments in Sovereign AI Cloud, supporting AI infrastructure and specialised training programmes. Backed by the National AI Office and digital acceleration grants, these investments are designed to collectively boost Malaysia's digital competitiveness and ecosystem resilience.
- **Public Sector Digitalisation:** The Government is accelerating the digitalisation of public services through initiatives such as MyDigitalID and big data analytics to improve fiscal governance and streamline administrative centres.
- **Evolving Consumer Tech:** Rising demand for lifestyle and entertainment, OTT media services and social commerce activities, further boosted by major 2026 sporting events such as the FIFA World Cup, is driving higher data consumption.
- **Strengthening Digital Governance:** Regulatory changes in 2026 mandates the registration of digital platforms, enforcing strict standards for user safety, content moderation and legal accountability.

Capitals Deployed | **Affected Stakeholders**: C, G&R, BP, CO | **Material Matters**: M1, M2, M3, M13 | **Risk Categories**

Notes:
1. *Digital solutions includes B2C digital services (smart home, content) and B2B ICT digital solutions (cloud, smart services, cybersecurity, BPO, AI).*
2. *CAGR 2025–2028.*

Sources:
Ministry of Finance, Malaysian Communications and Multimedia Commission, Ministry of Digital, Malaysia Digital Economy Corporation, GlobalData and Omdia.

Time Horizon** Short Term within 12 months (up to 2026) | Medium Term 1 to 3 years (up to 2028) | Long Term More than 4 years (More than 2028)

EMBEDDING SUSTAINABILITY

Key Industry Highlights in 2025

- **Rising Sustainability Regulations and Disclosure Requirements:** Malaysia is accelerating sustainability reporting governance through the National Sustainability Reporting Framework (NSRF), aligned with IFRS S1 and IFRS S2, which requires large companies to disclose sustainability and climate-related risks and opportunities, governance, strategies, and metrics and targets. These changes mark a global change in the market and investors' expectations for transparent and assured sustainability data.

  For the telecommunication sector, sustainability reporting extends beyond operations to include energy consumption of networks, supply chain emissions, data governance and digital responsibility.

- **Rapid Growth of AI, Cloud and Data Infrastructure:** The global surge in AI, hyperscale data centres and cloud computing is driving unprecedented demand for digital infrastructure. While this unlocks economic growth, it significantly increases energy demand, cooling requirements and electronic waste management.

  This trend creates both a sustainability challenge and a strategic opportunity to build energy-efficient networks, green data centres and shared digital infrastructure.

- **Digital Trust and Cyber Resilience:** Cyber threats are rising sharply, particularly among MSMEs and digital ecosystems. In Malaysia, cyber incidents continue to increase, highlighting the importance of secure digital infrastructure, data protection and trusted connectivity.

  Digital trust is now recognised globally as a key pillar of sustainability, as reliable digital services underpin economic stability, national security and public confidence.

- **Climate Transition and Energy Security:** Energy remains the largest environmental footprint for telecom operators due to 24/7 network operations, data centres and expanding connectivity infrastructure. At the same time, governments and investors are pushing for decarbonisation, renewable energy adoption and energy efficiency improvements.

  For Malaysia, the transition is shaped by policies such as the National Energy Transition Roadmap (NETR) and increasing expectations for companies to reduce emissions while supporting economic development.

- **Digital Inclusion and Talent Development:** As Malaysia progresses towards a digital economy, ensuring inclusive access to connectivity and digital skills remains critical. The telecom sector plays a central role in enabling nationwide connectivity, digital literacy and workforce readiness for emerging technologies such as AI and automation.

  This creates opportunities for TM to contribute to inclusive economic growth and national digital transformation.

** *Aligned with Time Horizon Sustainability Risks and Opportunities on page 115.*

How did it affect TM?

- **Driving Low-carbon Digital Growth:** The expansion of AI, cloud and digital services increases demand for high-capacity networks and data centres, which also raised expectations for energy efficiency and responsible infrastructure development.
- **Elevating Governance Standards:** NSRF and IFRS S1 and S2 required us to strengthen governance, improve sustainability data management and integrate climate considerations into enterprise risk management and strategic planning.
- **Securing Digital Infrastructure:** The growth of digital ecosystems heightened the need for cybersecurity, digital trust and resilient infrastructure, reinforcing TM's role as a national digital infrastructure provider.

How did we respond?

- **Strengthening Sustainable Digital Infrastructure:** We continued to invest in energy-efficient networks, renewable energy and shared digital infrastructure, enabling customers to scale cloud, AI and digital services with lower environmental impact.
- **Enhancing Governance and Disclosure:** We aligned our disclosures with NSRF and IFRS S1 and S2, conducted double materiality assessments and integrated sustainability-related risks and opportunities into the enterprise risk management framework.
- **Accelerating Digital Solutions with Sustainability Outcomes:** We delivered products that generate measurable outcomes across Prosperity, Planet and People, helping customers improve efficiency, reduce emissions and enhance digital resilience.
- **Advancing Digital Trust and Cybersecurity:** We continued to expand cybersecurity and digital protection solutions to support businesses and communities in navigating rising cyber threats.

Outlook

- **"Triple Bottom Line":** From 2026 onwards, Malaysia's ICT sector will be assessed based on its ability to power the AI revolution, maintain fiscal resilience, and achieve net zero milestones. For infrastructure leaders, the focus is clear: Build fast, but sustainable.
- **Operational Decarbonisation:** 2026 marks the enforcement of stricter Power Usage Effectiveness (PUE) and Water Usage Effectiveness (WUE) standards. Leading providers are pivoting to closed-loop liquid cooling and 100% reclaimed water systems to protect national water security while scaling AI workloads.
- **Bridging the Divide:** Sustainability in Malaysia also carries a social mandate, ensuring high-speed connectivity reaches rural MSMEs to drive equitable economic participation.

Capitals Deployed

Affected Stakeholders

E | G&R | S&I | BP | CO | C | S

Risk Categories

Material Matters

M1 | M2 | M3 | M4 | M5 | M6 | M7 | M8 | M9 | M10 | M11 | M12 | M13 | M14

RISKS AND ASSOCIATED OPPORTUNITIES

RISK MANAGEMENT APPROACH

Effective risk management is embedded within our mission to create sustainable stakeholder value and advance our position as a Digital Powerhouse. The Enterprise Risk Management (ERM) Framework was applied consistently across company, providing a structured and disciplined approach to identifying, assessing and managing our risks and associated opportunities. This approach provides a comprehensive view of both risks and opportunities, where managed risk are converted into competitive advantage, enabling informed decision-making aligned with our long-term business goal.

Risk monitoring was undertaken in close collaboration with business units, supported by ongoing risk maturity initiatives and regular review of relevant emerging developments. This approach enhanced organisational resilience, improved the quality of decision-making and supported sustainable business conduct. Risk Champions acted as focal points for risk management in respective divisions, facilitating risk identification and assessment, monitoring developments and maintaining up-to-date risk registers. They promoted consistent application of risk methodologies and enabled timely escalation of significant risk matters to Management, reinforcing accountability and transparency.

The ERM Framework is aligned with ISO 31000:2018, the Bursa Malaysia Listing Requirements and the Malaysian Code on Corporate Governance. Corporate Risks are identified and evaluated through bottom-up, top-down and emerging risk perspectives. During the year, risks were identified through annual operational and divisional assessments and reviewed through periodic deliberations at the Management Committee level. Key risks, mitigation measures and movements in residual risk were escalated to the Management Committee, Board Risk and Investment Committee (BRIC) and the Board of Directors for oversight and decision-making.

Board and Committee oversight was exercised through quarterly meetings and special sittings where required. Discussions focused on risks with significant potential impact, trends in our risk profile, effectiveness of mitigation actions and emerging developments. Corporate Risks were identified and assessed against approved risk appetite and tolerance levels, with changes in residual risk guiding prioritisation of mitigation measures and escalation where thresholds were approached or exceeded.

Emerging risks were identified through continuous monitoring of relevant internal and external developments in key areas, enabling proactive response. In FY2025, Artificial Intelligence (AI) Risk was introduced as a new Corporate Risk, reflecting increasing adoption of AI technologies and the associated governance, ethical and data management considerations.

Consistency in risk assessment and scoring is maintained through a standardised Group-wide framework supported by common methodologies, including a 5 × 5 risk matrix, central oversight and independent assurance. Clearly defined likelihood, impact and residual risk parameters promote comparability across divisions and enhance the reliability of risk information used in strategic and operational decisions.

BOARD-LEVEL REVIEW

Approves and oversees Corporate Risks by setting risk appetite, approving policies and ensuring effective monitoring and compliance to protect the company's assets and shareholders' investments.

MITIGATION STRATEGIES AND ASSOCIATED OPPORTUNITIES

Mitigation strategies are implemented to reduce the severity, impact or likelihood of these risks and associated opportunities are identified to ensure the organisation's resilience and sustainability.

CORPORATE RISK ASSESSMENT

Our Corporate Risks are grouped into five (5) categories:

Strategic
Challenges arising from internal and external factors, impacting TM's strategic objectives and long-term vision as defined by leadership

Financial
Risks that directly impact TM's financial stability, including aspects like cash flow, debt management and overall fiscal health

Technology/System
Risks that involve potential failures or disruptions in network infrastructure, information systems or processes, including external attacks or disruptions

Operational
Risks that involve day-to-day activities in TM, focusing on threats that could hinder our ability to serve customers and fulfil stakeholder obligations

Sustainability
Risks associated with sustainable growth for customers and community while ensuring business resilience within TM and our value chain

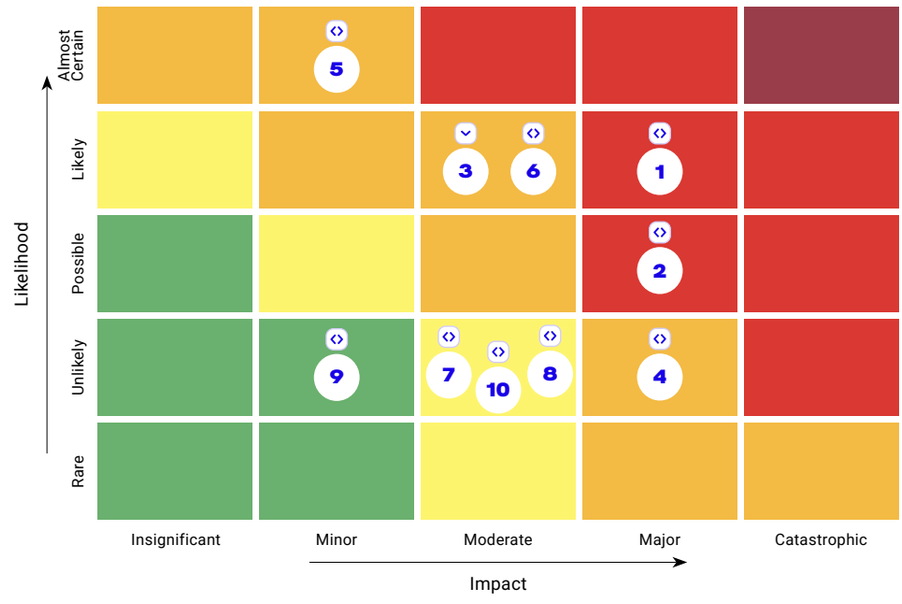
We identified Corporate Risks across key focus areas, taking into account internal and external factors that may affect business performance, operational resilience and achievement of strategic objectives.

Rating

- Low
- Moderate
- Significant
- High
- Extreme

Impact Movement

- Decrease
- No Change



Category	Key Areas	Impact Movement 1 Year	Time Horizon
1	**Geopolitical Uncertainties**	No Change	<1 Year, 1–3 Years
2	**Infrastructure Readiness for Future Business Growth**	No Change	<1 Year, 1–3 Years
3	**Mobile Business Growth**	Decrease	<1 Year, 1–3 Years
4	**Regulatory Compliance**	No Change	<1 Year, 1–3 Years
5	**Cybersecurity Threats**	No Change	<1 Year, 1–3 Years
6	**IT and Digital Resilience**	No Change	<1 Year, 1–3 Years
7	**Anti-Corruption and Integrity Practices**	No Change	<1 Year, 1–3 Years
8	**Climate Change Impact**	No Change	<1 Year, 1–3 Years
9	**Workforce Development for New Technologies**	No Change	<1 Year, 1–3 Years
10	**Artificial Intelligence (AI) Adoption and Governance** *NEW*	No Change	<1 Year, 1–3 Years

Corporate Risk Heat Map, Movement and Outlook Across the Time Horizon

RISKS AND ASSOCIATED OPPORTUNITIES

1 GEOPOLITICAL UNCERTAINTIES

What It Means

- Ongoing trade tensions, policy shifts and regional conflicts, including the recent escalation in the Middle East involving the United States and Iran
- These uncertainties may influence our global sourcing strategies and supply chain readiness across key markets

Implications to Value Creation

- Supplier onshoring may extend supply lead times and affect cost efficiency
- Continued volatility in global energy markets and foreign exchange movements may lead to inflationary pressures

Mitigation Strategies

- Monitor global political, economic and regulatory developments through a coordinated multi-divisional approach to identify emerging trends and evaluate potential business implications
- Evaluate changes in trade regulations and adjust sourcing and procurement strategies where appropriate
- Engage with key suppliers and customers to strengthen supply resilience

From the mitigations carried out, we have diversified the supplier base to ensure continuity of supply chain resilience and reduce reliance on individual sourcing markets.

Associated Opportunities

In responding to geopolitical developments, the opportunities are:

- To strengthen supply chain resilience and operational flexibility to ensure continuity in infrastructure deployment and service delivery
- To leverage regional partnerships to address regulatory changes and market access challenges, while strengthening collaboration across key markets
- Global hyperscalers potentially shifting their regional workloads towards safer geographies, creating demand for reliable digital infrastructure and connectivity solutions

Impact Movement

Risk is assessed as High, reflecting persistent geopolitical volatility and shifts in foreign trade policies among major economies.

Strategic Core Principle: P W R

Affected Stakeholders: C S&I G&R S BP

Capitals Deployed:

Material Matters: M3 M4

Risk Categories:

2 INFRASTRUCTURE READINESS FOR FUTURE BUSINESS GROWTH

What It Means

- Ability to anticipate and meet future demand for critical infrastructure, including data centres and international submarine cable systems, to support business expansion and evolving digital needs
- Strategic investments in infrastructure capacity to capture opportunities in the growing digital market with dependency on timely operational readiness and external approval processes

Implications to Value Creation

- Infrastructure readiness creates value by enabling scalable growth, technology adoption and job creation
- Timely delivery enhances service reliability and cost efficiency, while implementation delays may affect investment returns and growth opportunities

Mitigation Strategies

- Participate in strategic partnerships and consortiums to optimise infrastructure capabilities, strengthen risk-sharing arrangements and reinforce border-to-border connectivity
- Proactively engage with regulatory and approval authorities

From the mitigations, targeted investments have been identified in data centre and submarine cable infrastructure aligned with projected demand and long-term capacity planning.

Associated Opportunities

This also presents opportunities for us to:

- Strengthen our role as a key digital infrastructure provider, supporting the growth of Malaysia's digital economy
- Develop scalable, hyperconnected, AI-ready data centre ecosystems that enable advanced digital services and emerging technology applications
- Expand international connectivity through submarine cable infrastructure, reinforcing Malaysia's position as a regional digital connectivity hub
- Capture growing demand for high-capacity connectivity from hyperscalers, enterprises and digital platforms

Impact Movement

Risk remains High, reflecting the scale and strategic importance of delivering critical infrastructure, which requires coordination across multiple stakeholders and external approval processes.

Strategic Core Principle: P W R

Affected Stakeholders: C S&I G&R S BP

Capitals Deployed:

Material Matters: M1 M2 M3 M4 M6

Risk Categories:

3 MOBILE BUSINESS GROWTH

What It Means

- Highly competitive and mature mobile market, resulting in pricing pressure
- Adoption of 5G services is also influenced by external factors, such as device compatibility and affordability
- Current commitment for mobile network access is not aligned with forecasted demand

Implications to Value Creation

- Strengthening our market position in the mobile segment requires continued investment and disciplined cost management
- Intense pricing competition may also place pressure on margins and profitability, potentially affecting our ability to deliver sustainable long-term shareholder returns

Mitigation Strategies

- Accelerate mobile device sales and expand dealer network
- Intensify churn management efforts through stronger contracting strategies
- Implement network upgrade initiatives to address congestion and capacity constraints
- Explore new business models aligned with forecasted demand
- Pursue appropriate contractual and regulatory options provided under the existing agreements
- If a network transition is required, ensure the transition is managed in a phased and orderly manner while maintaining uninterrupted service to our customers

These measures strengthened our market positioning and contributed to operating revenue growth through expanded distribution reach and enhanced network quality.

Associated Opportunities

To navigate competitive conditions, we focus on:

- Strengthening customer acquisition and drive higher-value subscriptions through converged offerings
- Ongoing investments in network performance and service quality to enhance customer experience and improve retention
- Accelerate the growth across digital solutions, including smart services across both consumer and business segments

Impact Movement

Risk has improved to Significant, reflecting our ongoing initiatives to reinforce our position in the mobile market.

Strategic Core Principle: P W R

Affected Stakeholders: C S&I G&R S BP

Capitals Deployed:

Material Matters: M1 M2 M3 M13

Risk Categories:

4 REGULATORY COMPLIANCE

What It Means

- Changes in laws, regulations and government policies governing communications, cybersecurity and data protection that may affect operational obligations, compliance requirements and competitive positioning

Implications to Value Creation

- Financial implication through compliance costs, implementation expenditures and potential penalties
- Non-compliance with the regulations and public scrutiny may influence stakeholder confidence and trust

Mitigation Strategies

- Monitor the regulatory and policy developments to assess potential business implications
- Proactively engage with regulators on emerging requirements and industry matters
- Collaborate with industry participants to contribute to policy consultations and shape regulatory developments

These mitigation efforts strengthen our preparedness to manage and comply with evolving regulatory and policy developments.

Associated Opportunities

Regulatory engagement also enables TM to:

- Strengthen working relationships with regulatory authorities, fostering constructive dialogue on industry and policy developments
- Enhance our standing as a compliant and responsible industry participant, reinforcing stakeholder confidence and regulatory trust

Impact Movement

Risk remains as Significant, reflecting the evolving regulatory environment and the need for sustained engagement with regulatory stakeholders.

Strategic Core Principle: P W R

Affected Stakeholders: C G&R S&I M

Capitals Deployed:

Material Matters: M3 M7 M8 M12 M13

Risk Categories:

RISKS AND ASSOCIATED OPPORTUNITIES

5 CYBERSECURITY THREATS

What It Means

- Threats that may compromise the confidentiality, integrity and availability of our networks, systems and data, including unauthorised access, malicious attacks and exploitation of system vulnerabilities

Implications to Value Creation

- Remediation and recovery costs, regulatory penalties and increased compliance-related expenditure
- Significant cyber incidents may disrupt business operations, affect service reliability and erode customer trust in our digital services

Mitigation Strategies

- Expand cybersecurity control baselines across the business divisions in line with recognised standards and regulatory requirements, strengthening control coverage across TM
- Enhance employee awareness and preparedness through continuous cybersecurity programmes
- Deploy proactive monitoring tools and advanced threat detection capabilities to enable early threat identification and timely response

Collectively, these measures strengthen our cybersecurity posture and support the continued protection of critical systems and digital services.

Associated Opportunities

In strengthening cyber resilience

- Cybersecurity controls are being enhanced across critical systems and digital platforms
- Ongoing IT modernisation and cybersecurity technology uplift initiatives are executed continuously
- Cybersecurity and digital protection solutions are developed to support businesses and communities in navigating rising cyber threats

Impact Movement

Risk remains as Significant, reflecting the increasing frequency and sophistication of cyber threats targeting digital infrastructure.

Strategic Core Principle: P W R

Affected Stakeholders: E C BP S&I S

Capitals Deployed:

Material Matters: M1 M2 M3 M5 M6 M7

Risk Categories:

6 IT AND DIGITAL RESILIENCE

What It Means

- Resilience and reliability of TM's information technology (IT) systems and digital platforms that support daily business operations and digital service delivery
- Integrated end-to-end platforms that enable seamless customer journeys and support our digital offerings

Implications to Value Creation

- Interruptions to critical systems may lead to service unavailability, which in turn could impact customer experience
- System vulnerabilities may increase exposure to cybersecurity incidents, potentially triggering regulatory reporting obligations and affecting stakeholder confidence

Mitigation Strategies

- Conduct testing and enhancement of Business Continuity Management (BCM) and Disaster Recovery (DR) capabilities to strengthen recovery readiness
- Strengthen technology governance and align system architecture with cybersecurity frameworks
- Minimise customisation via out-of-the-box (OOTB) design principle

As a result of the initiatives undertaken, system reliability and operational resilience were enhanced through the modernisation of end-of-life platforms supporting mission-critical and business-critical applications.

Associated Opportunities

As we strengthen our digital resilience, we are also well positioned to:

- Adopt cloud-first strategies and hybrid technology strategies to improve scalability, flexibility and cost efficiency
- Streamline the API ecosystem to accelerate digital service innovation and ecosystem integration
- Build workforce capabilities in cloud, platform engineering and digital operations
- Deploy self-healing solutions to improve system restoration times and enhance service stability

Impact Movement

Risk is assessed as Significant, with continued close monitoring in place as IT modernisation and digital transformation initiatives progress across TM.

Strategic Core Principle: P W R

Affected Stakeholders: G&I M S&I C

Capitals Deployed:

Material Matters: M1 M2 M6

Risk Categories:

7 ANTI-CORRUPTION AND INTEGRITY PRACTICES

What It Means

- Potential exposure to integrity, ethical conduct and compliance issues in the course of complex business operations and engagements with public and private sector counterparties.

Implications to Value Creation

- Financial penalties and legal consequences, which could affect stakeholder confidence if an incident were to occur
- Inadequate management of integrity and ethical standards could affect operational effectiveness and our ability to sustain long-term value

Mitigation Strategies

- Continuously strengthen the Anti-Bribery Management System (ABMS), supported by ISO 37001:2025 recertification for the 2024–2027 period
- Conduct regular ethics, integrity and compliance training programmes for employees and relevant third parties
- Maintain secure, independent and accessible whistleblowing channels to support timely reporting and investigation of concerns
- Ensure full completion of Code of Business Ethics (CBE) training across the organisation to embed a culture of integrity

Through the continued enforcement and enhancement of our anti-bribery and integrity framework, we have maintained strong governance standards, supporting the maintenance of stakeholder confidence.

Associated Opportunities

Effective integrity practices enables TM to:

- Enhance the governance standards and reinforce a strong culture of integrity and accountability
- Embed ethical principles and compliance considerations across business processes and decision-making

Impact Movement

Risk is assessed as Moderate, supported by established preventive controls, robust governance practices and continuous monitoring.

Strategic Core Principle:

P W R

Affected Stakeholders:

E C S&I G&R S BP M CO U

Capitals Deployed:

Material Matters:

M2 M5 M7 M10

Risk Categories:

8 CLIMATE CHANGE IMPACT

What It Means

- Climate change impact presents both physical and transition considerations for TM
- Physical risks, including floods and extreme weather events, may impact operations and network infrastructure
- Transition to a low-carbon economy introduces evolving regulatory requirements and policy mandates, which may increase compliance and operational costs

Implications to Value Creation

- Financial implication due to asset impairment, restoration and recovery costs, as well as increased compliance expenditure
- Increasing stakeholder expectations and public scrutiny may influence reputation and confidence
- Severe climate events could affect service availability if resilience measures are insufficient

For further details, please refer to the Sustainability Statement on page 100.

Mitigation Strategies

- Strengthen network infrastructure resilience at high-risk and critical locations
- Periodically review and enhance the Business Impact Analysis (BIA) and Business Continuity Plans (BCP) for priority operations
- Maintain comprehensive insurance coverage to mitigate potential financial exposure
- Engage with industry and relevant experts to support our adoption of ISSB standards and integrate sustainability considerations into long-term business planning

These mitigation measures ensure minimal impact to service availability and enable timely restoration of affected operations within targeted Recovery Time Objectives (RTOs), maintaining service continuity during climate-related events.

Associated Opportunities

In addressing climate-related risks, we

- Leverage environmental scanning and scenario analysis to identify emerging climate-related exposures and strengthen resilience capabilities
- Enhance regulatory alignment and governance transparency to build stakeholder confidence and support sustainable growth
- Expand our market reach through products and services that support more sustainable practices
- Enhance regulatory readiness to mitigate sustainability-related transition risks

Impact Movement

Risk is assessed as Moderate, reflecting our ongoing efforts to comply with evolving regulatory requirements and to maintain business continuity amid climate change.

Strategic Core Principle:

P W R

Affected Stakeholders:

E C S&I G&R S BP CO

Capitals Deployed:

Material Matters:

M2 M3 M4 M7 M8 M9 M12

Risk Categories:

RISKS AND ASSOCIATED OPPORTUNITIES

9 WORKFORCE DEVELOPMENT FOR NEW TECHNOLOGIES

What It Means

- Ability to develop and sustain specialised expertise in emerging digital technologies, such as AI, cybersecurity, cloud services and data analytics
- Evolving industry skill requirements may require ongoing alignment between talent development and future technology needs

Implications to Value Creation

- Shortages in critical digital skills could constrain operational performance and delay transformation initiatives
- Over time, this may affect our ability for continuous innovation and strong technical capabilities

Mitigation Strategies

- Develop a strategic workforce capability focused on critical digital and technological functions
- Build an enterprise-wide digital learning ecosystem that supports continuous upskilling
- Continuously review and refresh learning pathways to keep pace with evolving technologies and business needs
- Enhance talent mobility programmes to support the redeployment of skilled internal talent
- Establish a structured succession planning framework to strengthen leadership pipelines

These initiatives have strengthened our digital workforce capability and leadership pipeline through structured talent identification, capability development and succession planning efforts.

Associated Opportunities

Workforce development initiatives also enable us to:

- Leverage strategic partnerships with technology and commercial providers
- Optimise the Talent Marketplace Platform, which assesses, develops and builds a ready pool of digital competent talent
- Continue developing *Warga TM* through digital competent and digital conversant programmes
- Enhance functional capabilities through the introduction of the Technical Specialist Scheme in digital areas
- Strengthen strategic talent acquisition in the new growth areas and emerging digital skills domains
- Reinforce TM workforce's digital capabilities by leveraging the expertise from Multimedia University (MMU) and other partners
- Ensure MMU's academic programmes remain aligned with emerging industry needs

Impact Movement

Risk is assessed as Low, underpinned by sustained workforce development efforts, structured capability-building initiatives and continued progress in digital talent readiness.

Strategic Core Principle: P W R

Affected Stakeholders: E C BP S

Capitals Deployed:

Material Matters: M1 M2 M3 M4 M6 M7 M11 M14

Risk Categories:

10 ARTIFICIAL INTELLIGENCE (AI) ADOPTION AND GOVERNANCE (NEW)

What It Means

- Rapid evolution of AI and 5G serve as a key catalyst for TM's PWR 2030 aspiration, accelerating the adoption of AI across operational processes and customer-facing digital offerings
- Effective governance, strong data management and appropriate oversight are required to support the responsible and trusted use of AI

Implications to Value Creation

- Increasing adoption of AI necessitates robust governance and strong data integrity to meet evolving regulatory expectations, with potential financial implications
- Limitations in oversight of AI deployment, data quality or model performance may affect customer confidence

Mitigation Strategies

- Establish a comprehensive AI governance framework, including dedicated oversight committees, aligned with the National Guidelines on AI Governance and Ethics and reinforced through ISO/IEC 42001:2023 Artificial Intelligence Management System (AIMS) certification
- Deploy AI solutions in accordance with defined ethical principles, transparency requirements and applicable regulatory standards

Collectively, these initiatives have reinforced our AI governance framework, strengthened responsible deployment controls and enhanced internal capability to support sustainable AI-driven innovation.

Associated Opportunities

AI adoption also presents opportunities to:

- Enhance operational efficiency, innovation and customer-centric digital offerings across TM
- Apply advanced analytics, automation and predictive intelligence to improve network optimisation, customer experience and operational performance
- Develop new AI-driven solutions and enhance existing TM products with AI capabilities that strengthen innovation and service offerings
- Upskill workforce and conduct capacity-building initiatives to support the responsible development, deployment and management of AI technologies, including the establishment of the Faculty of Artificial Intelligence & Engineering (FAIE) at MMU
- Establish TM AI Foundry and GPU-as-a-Service (GPUaaS) capabilities to strengthen compute readiness and accelerate Group-wide AI innovation

Impact Movement

AI risk is an Emerging Risk and remains under close monitoring as adoption of AI technologies expands across TM.

Strategic Core Principle: P W R

Affected Stakeholders: C E S&I G&R BP S

Capitals Deployed:

Material Matters: M1 M2 M3 M4 M6 M7 M11 M14

Risk Categories:

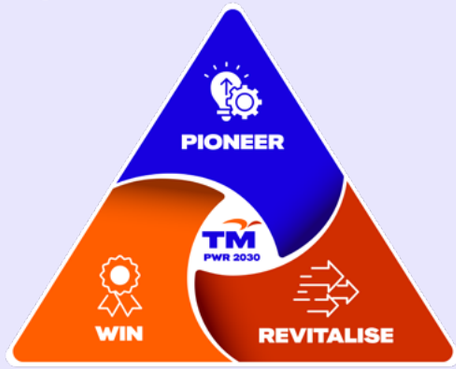
STRATEGY IN ACTION

DEFENDING CORE BUSINESS. SCALING DIGITAL CAPABILITIES

In 2023, we introduced our aspiration to become a Digital Powerhouse by 2030, while positioning Malaysia as the digital hub for the region. Our roadmap is structured into three (3) phases. Phase I: Defend and Build focuses on strengthening core foundations while advancing our digital solutions and platform ecosystem. Phase II: Grow and Replicate scales proven platforms and solutions to expand value creation across Malaysia and ASEAN, before culminating in our 2030 ambition. This journey is anchored in our sustainability Triple Bottom Line of Prosperity, Planet and People (3Ps), embedded across the roadmap to align growth priorities with responsible execution.

Throughout 2025, we advanced Phase I with disciplined execution and growth momentum. We reinforced our market position in convergence leadership, enterprise and government solutions, as well as regional connectivity. At the same time, we continued scaling digital solutions, such as data centres, cloud, GPUaaS, smart services and AI, as part of our growth catalysts and new revenue streams.

PWR 2030: Digital Powerhouse for Malaysia and the Region



Pioneer

P Pioneering industry growth through digitalisation and sustainability by pushing the boundaries of innovation and setting new industry standards.

Win

W Winning the infrastructure leadership position in high-impact areas serving communities, businesses and the government by becoming the go-to provider for high-end infrastructure and services, including 5G.

Revitalise

R Revitalising digital talent and the innovation ecosystem, positioning Malaysia as a digital advancement hub by supporting entrepreneurs and innovators.

DEFEND AND BUILD

2024 – 2026

- Defending and growing the core business
- Building digital solutions and TM's platform ecosystem
- Reforming the current business

GROW AND REPLICATE

2027 – 2029

- Growing integrated platforms by harnessing data to enhance value propositions
- Replicating successful ventures across the nation and region

2030

- **Pioneering** industry growth through digitalisation and sustainability
- **Winning** infrastructure leadership in high-impact areas (communities, businesses and government)
- **Revitalising** talent and the innovation ecosystem for Malaysia and the region

JOURNEY TOWARDS DIGITAL POWERHOUSE

SUSTAINABILITY 3Ps – Prosperity, Planet, People
are integrated within the Group's strategy and across operations

STRATEGY IN ACTION

2025 marked our second year in **Phase I: Defend and Build**. We continued to sharpen our focus around the three (3) strategic goals:

1. **Protecting Core Business**
2. **Advancing Digital Solutions and Building the Platform Ecosystem**
3. **Evolution of Current Business**

1 Protecting Core Business

We continued strengthening our core connectivity services through network modernisation and investments in resilient, high-capacity digital infrastructure to support growing demand for reliable, high-speed connectivity. These efforts enhanced network performance and reinforced the operating foundation that advances our digital solutions and platform ecosystem.

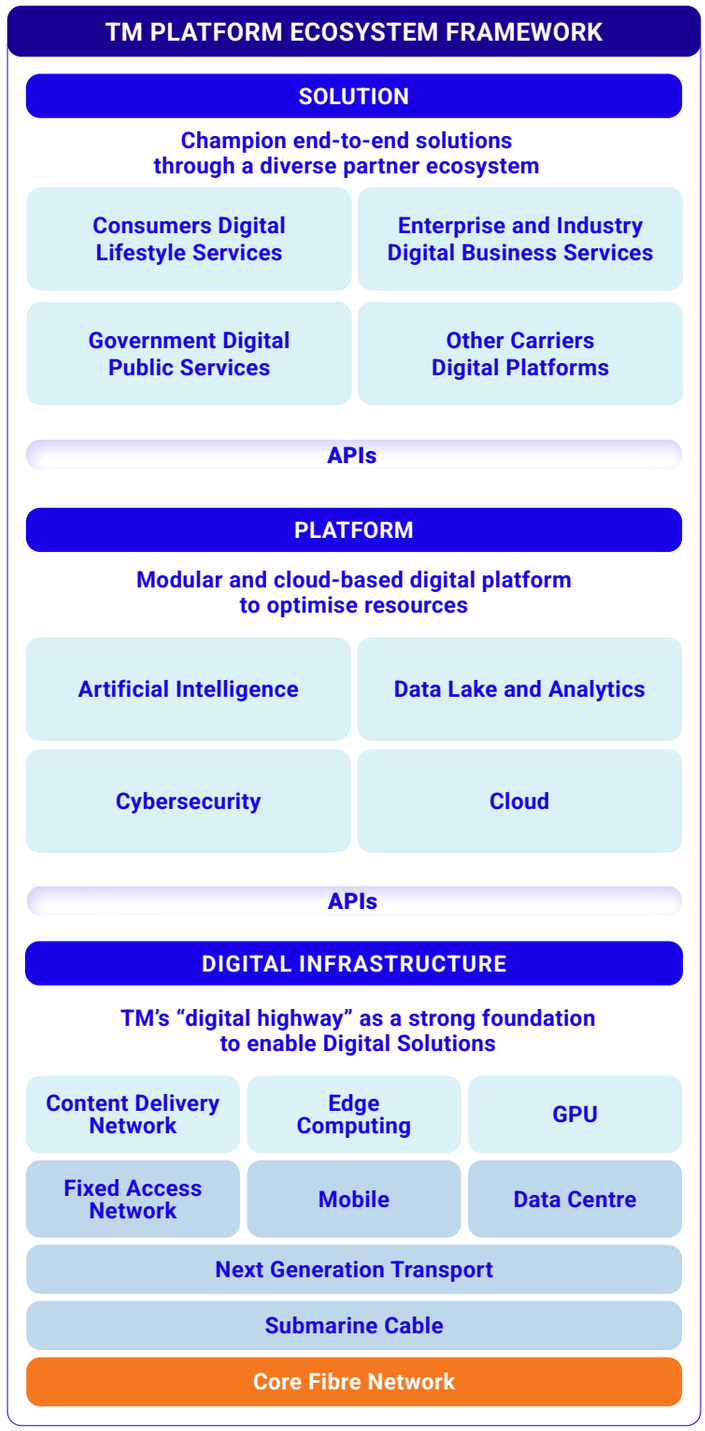
A stronger connectivity foundation enables convergence adoption for consumers and MSMEs, supports secure and scalable connectivity for enterprises and government and strengthens regional infrastructure links. Together, these capabilities sustain reliable service quality, deepen customer relationships and position the Group to capture long-term digital growth opportunities.

Key Highlights

Remained Malaysia's Convergence Champion with the only quad-play services, expanding customer value through home, mobile, content and lifestyle solutions.	**UniVerse bundle offering** *For more information, please refer to Unifi on pages 74 to 79.*
Strengthened partnerships while expanding next-generation connectivity solutions for enterprises and public sectors.	**SD-WAN and Enterprise 5G** *For more information, please refer to TM One on pages 80 to 85.*
Invested in strategic digital infrastructure to strengthen high-capacity connectivity requirements and border-to-border connectivity to meet the requirement of hyperscalers' demand.	**Participation in CANDLE submarine cable system consortium** *For more information, please refer to TM Global on pages 90 to 94.*

2 Advancing Digital Solutions and Building the Platform Ecosystem

The TM Platform Ecosystem, launched in 2024, aims to capture digital market opportunities and deepen customer engagement by expanding into adjacent markets and developing differentiated solutions. In 2025, progress continued across the digital solutions, platform and infrastructure layers, with initiatives spanning across consumer, enterprise and government use cases. By integrating digital infrastructure, platforms and solutions within a unified architecture, the ecosystem enables TM to scale digital solutions more efficiently while accelerating innovation and supporting Malaysia's digital economy.



Key Highlights

Smart Home
Scaled up in-home connectivity focusing on home security

For more information, please refer to Unifi on pages 74 to 79.

Enterprise digitalisation
Enabled the transition to digital readiness for Smart Industrial Park, Smart Port and Smart Urban Forestry

For more information, please refer to TM One on pages 80 to 85.

GPUaaS
Scaled up GPUaaS offerings

For more information, please refer to TM Global on pages 90 to 94.

Unifi TV 2.0 Platform
Accelerated platform adoption with stronger digital engagement

For more information, please refer to Unifi on pages 74 to 79.

Cloud Alpha Edge
Enabled government and enterprise customers to securely migrate to national cloud

For more information, please refer to TM One on pages 80 to 85.

MYNE (MY Network Engine)
Enhanced partners to procure bandwidth with real-time provisioning and transparent pricing

For more information, please refer to TM Global on pages 90 to 94.

TM Nxera
Advanced the development of a hyperconnected AI-ready data centre that supports cross-border digital integration

For more information, please refer to TM Global on pages 90 to 94.

Submarine Cable Systems
Expanded submarine cable systems, including participation in the CANDLE consortium

For more information, please refer to TM Global on pages 90 to 94.

We remain committed to advancing our Platform Ecosystem while advancing digital solutions to drive greater momentum for the Group.

STRATEGY IN ACTION

3 Evolution of Current Business

Progressing our transformation requires changes in how we operate, partner and build capabilities. During FY2025, we continued evolving our business model, strengthening strategic partnerships and developing critical digital capabilities across the workforce. These shifts were intended to improve agility and operational efficiency, while positioning the organisation to compete in an increasingly dynamic digital landscape.

Together, these shifts strengthened organisational resilience and expanded our ability to scale new capabilities and opportunities. By combining stronger partnerships with a future-ready workforce, the Group is better positioned to innovate, respond to market shifts and sustain long-term growth in the evolving digital economy.

Key Highlights

Formed strategic partnerships and joint ventures based on a risk-sharing model, leveraging shared expertise and capabilities.	**TM Data Centres and GPUaaS** *For more information, please refer to TM Global on pages 90 to 94.*
Reinforced a performance-driven culture and instilled an Innovative, Bold and Entrepreneurial mindset among employees	**Spark the PWR Programme** *For more information, please refer to TM Global on pages 90 to 94.*

PROGRESS IN 2025

The second year of the Defend and Build phase delivered meaningful progress as we continued strengthening our core foundations while advancing key digital capabilities. These efforts reflect steady execution across our strategic priorities and reinforce the operating base required to support the next phase of growth. A dashboard summary of our key achievements is presented on pages 72 to 73.

WHAT'S NEXT

2026 will mark a transition year towards **Phase II: Grow and Replicate**. We are strengthening our position as Malaysia's trusted digital backbone while scaling platform-led growth through monetising data and digital solutions, orchestrating partner ecosystems, as well as expanding our AI, cloud, cybersecurity and smart services capabilities.

We translate these priorities into tangible value across stakeholder segments. We aim to enrich consumers through seamless, converged digital experiences, enable businesses through integrated solutions that improve productivity and resilience and support government priorities through trusted infrastructure and platforms. Together, this ecosystem strengthens adoption, deepens collaboration and reinforces long-term value creation as we progress towards our Digital Powerhouse aspiration.

Business-to-Consumer (B2C)

Strengthening Convergence Leadership for Consumers and MSMEs

Unifi as Malaysia's only true quad-player provider will fortify its position in Broadband leadership through Converged Digital Services.

We will make our digital services of mobile, content, devices and Smart Home services integral to daily life through personalised offerings that enrich customer lifestyles.

Unifi Business will strengthen its role as the preferred digital partner for MSMEs with a high-impact digital ecosystem to expand productivity-led digital solutions and sustain structured enablement programmes to support resilient and inclusive growth.

For more information, please refer to Unifi on pages 74 to 79.

Business-to-Business (B2B)

Maintaining Leadership Position in Enterprise and Government

We will focus on reinforcing our leadership in government and enterprise connectivity while accelerating growth across digital solutions, including cybersecurity, cloud, data centres and smart services.

Through deeper engagements across sectors, we aim to deliver secure, scalable and future-ready digital platforms that support mission-critical operations and national digital priorities.

By integrating connectivity with advanced digital solutions, TM One will continue enabling businesses and public sector institutions to drive digital transformation, enhance operational efficiency and unlock new growth opportunities.

For more information, please refer to TM One on pages 80 to 85.

Carrier-to-Carrier (C2C)

Powering Malaysia as a Regional Digital Hub

We will continue to strengthen Malaysia's position as a trusted regional digital gateway through resilient infrastructure, platform-led innovation and strategic ecosystem partnerships.

We will focus on expanding our global footprint for future digital growth through AI-ready data centres, edge data centres and submarine cable systems. GPUaaS will be expanded to meet the rising demand of AI-driven applications.

Connectivity remains foundational as we increase capacity, diversity and resilience to support data centre interconnected and AI-driven traffic growth, domestically and globally.

For more information, please refer to TM Global on pages 90 to 94.

The following key enablers are fundamental to realising our Digital Powerhouse aspiration, providing the operational backbone to enable seamless performance, support sustainable scale and ensure robust execution.

AI Foundry

Powering next-gen capabilities to deliver end-to-end AI capabilities across every industry and community that we serve

Platform Ecosystem

Building new capabilities in strategic domains and expanding market presence to strengthen the overall Platform Ecosystem

Cyber Resilience

Moving towards a unified AI-powered SOC operations to enhance cyber resilience and security controls

TM BSS Modernisation

Accelerating time-to-market, reducing costs and improving customer experience with platform consolidation

Network Modernisation and Automation

Harnessing digital infrastructure to fortify our core, power future growth and drive intelligent efficiency

Future-Ready Workforce

Upskilling employees with digital capabilities through structured training in building a digitally competent workforce

Together, these efforts guide our disciplined execution across all business segments while ensuring the best customer experience in line with our aspiration to become a Digital Powerhouse by 2030, while positioning Malaysia as the digital hub for the region.

STRATEGY IN ACTION

EMPOWERING THE NATION THROUGH AI
A YEAR OF EXECUTION

In 2024, we articulated a vision for a national network that transcends simple connectivity - a network designed to think, learn and empower. This vision positioned Artificial Intelligence (AI) as the cornerstone of Malaysia's next digital phase, anchored in AI-ready digital infrastructure, solutions and talent development.

In 2025, we successfully transitioned from ambition to execution. We moved beyond exploratory phases into full-scale operationalisation, establishing the foundational platforms required to integrate AI into internal operations and industry use-cases. What began as experimental prototypes has matured into a coherent, locally hosted ecosystem engineered to serve Malaysia's AI aspiration.

Powering Malaysia's AI Ecosystem

AI requires a resilient and secure foundation. Throughout the year, we strengthened the three (3) pillars areas of our digital infrastructure: Compute, Cloud and Connectivity. By investing in a locally hosted backbone, we ensure sensitive data remains within our borders while supporting high-performance AI workloads.

Key Infrastructure Milestones:

GPU-as-a-Service (GPUaaS)

We launched high-performance NVIDIA GPU clusters hosted within our Tier-III Malaysian data centre. This service gives organisations instant access to high-performance AI compute without expensive upfront hardware investment.

Cloud Alpha Edge (CAE)

As Malaysia's national cloud provider, CAE supports highly regulated industries, ensuring data residency and compliance while providing the agility needed for AI adoption.

Next-Generation Data Centres

Our expanded Klang Valley (KVDC) and Iskandar Puteri (IPDC) data centres, together with the development of TM Nxera as a hyperconnected and AI-ready data centre, are positioned to meet the growing demand for AI workloads. Featuring advanced liquid-cooling technologies, these facilities support large-scale high-performance computing (HPC).

TM AI Foundry: Commercialising AI at Scale

The TM AI Foundry is our innovation engine, purpose-built to unlock the full value of our digital backbone and translate advanced AI capabilities into scalable, real-world solutions.

Designed to bridge the gap between AI innovation and commercial deployment, the Foundry is now operational and integrates capabilities across a structured four-layer architecture. This framework accelerates the journey from concept to production, enabling faster development, deployment and monetisation of AI-driven services.

Each layer is tightly integrated with TM's digital ecosystem, ensuring solutions are secure, scalable and ready to support enterprise and national-level AI adoption.

Solution

Delivers AI-powered applications co-developed with industry and public sector partners, translating advanced AI capabilities into scalable solutions that drive efficiency and unlock new digital services.

Agentic AI | AI Voice | AI Vision | AI Avatar

Platform

Orchestrates models, tools and workflows for production-ready, secure and scalable AI deployment across industries.

AI Models | AI Tools

Data

Provides trusted datasets that equip AI systems with the accuracy, context and compliance needed for reliable deployment.

Data Lake | Data Warehouse

Foundation

Leverages TM's digital infrastructure to deliver locally hosted compute, connectivity and cloud capabilities for scalable and secure AI workloads.

TM Data Centre | GPU | Connectivity | Cloud

Solidifying National and Global Leadership

In 2025, we reinforced our role as a key national enabler and a credible global participant in the AI economy.

- National Alignment: We strengthened our partnership with the Government through the 'Temu Anwar' programme at Multimedia University (MMU). As Malaysia's first private university to launch a Faculty of Artificial Intelligence and Engineering (FAIE), MMU has set a national milestone in advancing AI education. Together with the establishment of the AI Transformation Centre (AIX), this achievement cements our shared commitment to building a future-ready workforce.
- Global Presence: At Mobile World Congress (MWC) 2025 in Barcelona, we showcased Malaysia's AI capabilities to an international audience, positioning the nation as a regional leader in digital infrastructure.
- Internal Capability: To ensure AI fluency across our employees, we launched the TM AI LLM League in collaboration with AWS. This gamified talent development initiative has successfully identified and nurtured a pipeline of applied AI expertise across all business units.

Scaling with Trust and Governance

As we accelerate AI adoption, maintaining public trust remains paramount. We have proactively aligned with the National AI Office (NAIO) and the MTSFB AI Standards Task Force to translate policy into technical benchmarks.

Responsible AI Frameworks

We strengthened our commitment to responsible AI by becoming the first telecommunications company in Malaysia to be certified under ISO/IEC 42001:2023, the world's first international standard for Artificial Intelligence Management Systems.

This milestone was achieved through the leadership of TM's AI Centre of Excellence (AI CoE), which led the certification programme and embedded enterprise-wide governance, risk management and lifecycle controls to ensure AI is developed and deployed responsibly across the organisation.

Internal Value

This certification strengthens governance across our AI initiatives, ensuring deployments operate with clear accountability, ethical safeguards and auditable controls throughout the AI lifecycle.

External Value

For customers and partners, the certification provides assurance that TM's AI-enabled solutions are developed and delivered in accordance with internationally recognised standards, supporting trusted adoption, regulatory readiness and scalable innovation.

Data Integrity

We have expanded our Data Governance Policy across all subsidiaries, aligned with DM-BOK guidelines, to ensure consistent accountability and ethical data usage. This complements our AI governance framework by ensuring that AI solutions are built on reliable, transparent and responsibly managed data foundations.

An Invitation to Co-Create the Future

We believe sustainable shareholder value is inseparable from building a resilient digital foundation for the nation. Malaysia's AI transformation is a collective journey. While TM provides critical infrastructure with secure, locally hosted environments, on-demand high-performance compute and trusted datasets, the full potential of AI will be realised through strong ecosystem collaboration.

We invite innovators, enterprises and Government agencies to build and scale meaningful solutions on our platform. Our value proposition includes

- Data Resilience – keeping data local, secure and aligned with national standards.
- Scalable Innovation – providing the compute, connectivity and digital infrastructure required to accelerate AI adoption at scale.
- Trusted Governance – enabling responsible, ethical and transparent deployment of AI across industries.

Through this collaborative ecosystem, we are strengthening Malaysia's competitiveness in the global digital economy while positioning TM as a trusted digital infrastructure and AI innovation partner for the nation.

We welcome forward-looking organisations to partner with us in shaping Malaysia's next chapter of intelligent growth. For collaboration enquiries, please contact the AI Centre of Excellence via:

Email: aicoe@tm.com.my

STRATEGIC GROWTH FACTORS: PERFORMANCE DASHBOARD

Our progress towards achieving Digital Powerhouse aspiration is measured by both financial and non-financial metrics.

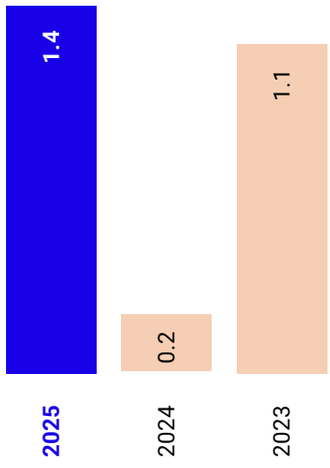
FINANCIAL PERFORMANCE

Financial metrics are used to measure the financial success of our strategy. These indicators reflect the investments made to achieve business targets and foster long-term growth across the Group.

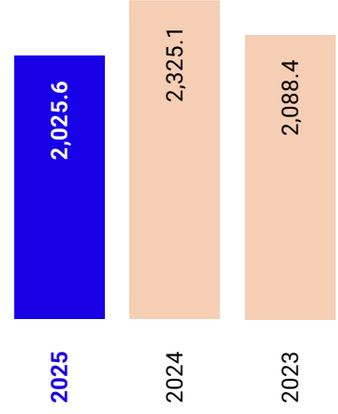
Financial Performance

OPERATING RESULTS

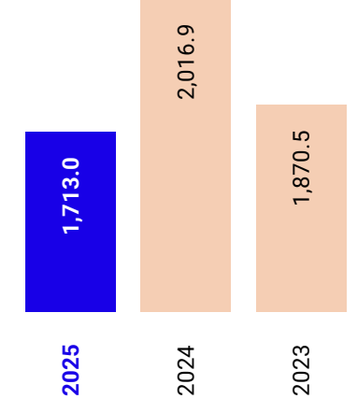
Revenue Growth* (%)



EBIT (RM million)

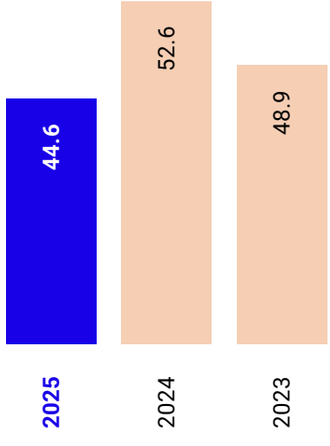


PATAMI (RM million)

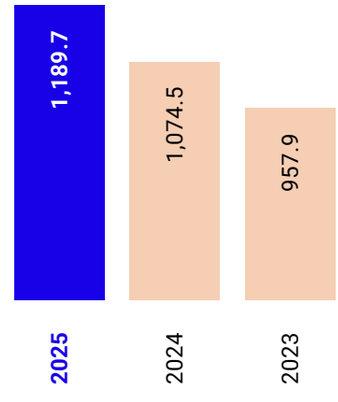


SHARE INFORMATION

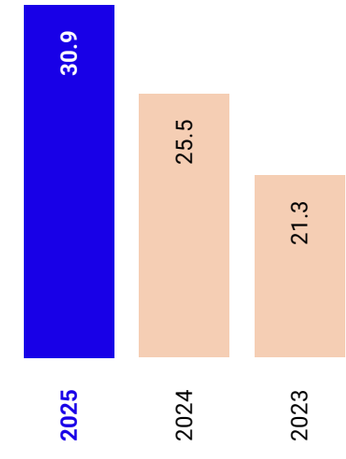
Basic Earnings Per Share^ (sen)



Dividend Payouts (RM million)



Market Capitalisation (RM billion)



** During the financial year, the Group changed its accounting policy on the presentation of Government grants and has restated the 2023 comparative information accordingly.*
^ Basic earnings per share based on current number of ordinary shares outstanding.

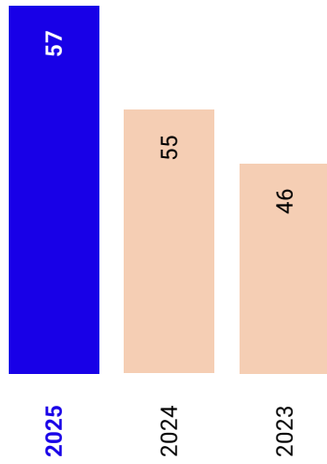
NON-FINANCIAL PERFORMANCE

In addition to financial metrics, we also track non-financial metrics that support our Digital Powerhouse aspiration. The indicators track scores for sustainability and customer loyalty. These metrics reflect our commitment to delivering value to our stakeholders.

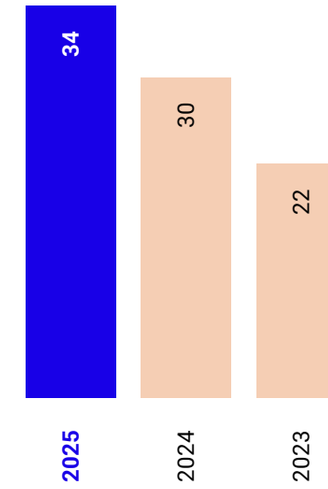
Non-Financial Performance

SUSTAINABILITY

S&P Global ESG (score)

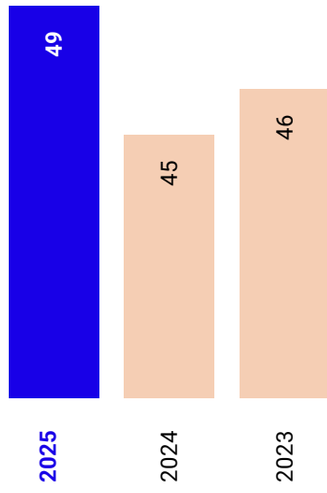


Carbon Emissions Reduction[1] (%)

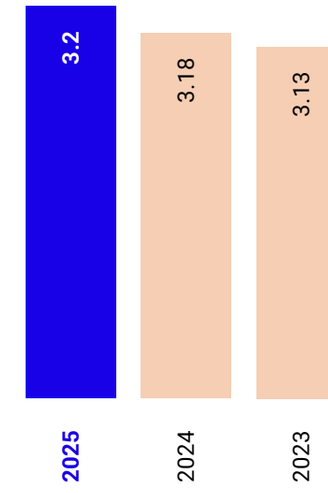


CUSTOMER LOYALTY

TM Group NPS (score)



Fixed Broadband Customers
(million)



Note:

[1] *For more details, please refer to the Environmental Management on page 196.*

BUSINESS-TO-CONSUMER (B2C)

unifi

ACCELERATING GROWTH AS MALAYSIA'S CONVERGENCE CHAMPION

CONTEXT

Malaysia's connectivity market is well established and increasingly shaped by rising demand for higher-quality, converged services. Fixed and mobile access are broadly available nationwide, with 5G adoption and usage continuing to deepen. As households seek more integrated digital experiences, convergence has become a key driver of value, reinforcing Unifi's position as the country's convergence champion. As such, Unifi continues to enhance its convergence proposition by integrating home, mobile, content and lifestyle solutions while ensuring seamless customer experience.

Competition is intensifying as growth shifts from first-time connectivity to delivering stronger value within an already well-served market. The competitive focus now centres on service quality, depth of convergence, experience consistency and customer value creation. Providers that excel in retention, loyalty and expanding wallet share are best positioned for sustainable long-term performance in this evolving landscape.

PRIORITIES

PWR Alignment: P W R

In 2025, the strategic priorities for our Business-to-Consumer (B2C) segment were centred on strengthening convergence leadership and reinforcing earnings resilience in a structurally mature market. Unifi remains as Malaysia's Convergence Champion with the only quad-play services, anchoring TM's consumer business through the UniVerse ecosystem while reinforcing our role as a core earnings pillar within TM Group. By integrating convergence into our strategy, we catalyse TM's evolution to becoming a Digital Powerhouse by 2030.

These priorities are translated into resilient performance throughout the year, delivering 0.7% year-on-year revenue growth despite intensified competition in a structurally mature and highly penetrated market, demonstrating earnings stability under the Defend and Build mandate. Performance was supported by value-based monetisation, higher convergence adoption and improved customer mix.

STRATEGIC HIGHLIGHTS

Our 2025 growth was driven by reinforcing strategic levers designed for a mature market by deepening household engagement and unlocking more value across our connected customer base:

Strengthening Value Proposition to Drive Net Additions

PWR Alignment: W

Affected Stakeholders: C CO **UN SDGs:**

We continued enhancing our broadband offerings, enabling Unifi to capture a meaningful share of new customer additions and reinforcing our leadership in home connectivity. Net additions stabilised in the second half of the year, reflecting disciplined acquisition strategies, stronger retention management and improved service reliability through operational enhancements.

Strengthening Broadband and Convergence Leadership

PWR Alignment: W

Affected Stakeholders: C **UN SDGs:**

We strengthened our convergence leadership by integrating home, mobile, content and lifestyle solutions into a unified ecosystem that enhances household stickiness and long-term value.

Convergence penetration continued to rise, supported by the expansion of UniVerse bundles and increased adoption of triple-play and quad-play solutions. These households demonstrated stronger monetisation potential and improved retention, underscoring the structural advantage of deeper integration across services.

Our convergence strategy remained focused on increasing share of wallet within our existing base through aligned sales, distribution and monetisation levers. Device-led propositions further supported convergence adoption and loyalty, while value-based upgrades and bundled offerings reinforced stability and protected overall revenue quality.

Accelerating Mobile for Seamless Connectivity

PWR Alignment: W

Affected Stakeholders: C **UN SDGs:**

Mobile growth was closely integrated into our UniVerse convergence strategy with enhanced device bundle proposition, supporting increased FMC penetration and strengthening cross-sell opportunities within the fixed broadband base. The expansion of our sales channel proved highly effective, delivering significant acquisition and sales contributions. This multi-channel approach ensured broader reach, improved accessibility and consistent presence in key market segments.

Value-driven bundles, such as the introduction of Malaysia's first postpaid mobile plan bundle with Netflix in 2025, further enhanced the value proposition delivered to our mobile customers.

Investing in Platform Modernisation for Unifi TV

PWR Alignment: P R

Affected Stakeholders: C **UN SDGs:**

The rollout of Next-Generation TV (NGTV) powered the refreshed Unifi TV 2.0 launch. Unifi TV 2.0 recorded 1 million app downloads within the first month of launch, signalling strong customer adoption and accelerated digital engagement within the refreshed content ecosystem, including enhanced app-based capabilities for multiscreen viewing, on-demand consumption, supported by ongoing platform upgrades.

Driving Smart Home Adoption Through an Integrated IoT Platform

PWR Alignment: P R

Affected Stakeholders: C CO **UN SDGs:**

Our new IoT platform supported the introduction of upgraded Smart Home plans, positioning Unifi to deliver scalable, future-ready digital services. Smart Home scaled significantly, increasing in-home connectivity and focusing on home security.

Sustainability through Consumer Operations

PWR Alignment: P R

Affected Stakeholders: E C **UN SDGs:**

Operational efficiency remained central to our sustainability agenda. Expanded adoption of digital billing, self-care channels and remote support reduced the need for printed materials and physical dispatches, lowering cost-to-serve while improving customer convenience and contributing to TM's broader sustainability aspirations.

Customer Experience as a Competitive Advantage

PWR Alignment: W R

Affected Stakeholders: E C **UN SDGs:**

In 2025, improved operational consistency and AI-enabled service optimisation contributed to the stabilised net additions in the second half of the year and strengthened retention performance. Our CX commitments focused on zero broken-promise commitment, scaling the Elite Crew service standards and transforming the Unifi Contact Centre. Digitisation and automation strengthened the end-to-end customer journey, while experience quality remained a key driver of retention and win-backs.

As a result of our initiatives, we scored 45 in overall customer satisfaction or Net Promoter Score (NPS).

BUSINESS-TO-CONSUMER (B2C)

AI in Everyday Life to Deliver Smarter Support and Better Experiences for Millions

In a mature connectivity market, trust is earned through consistent experience. We apply AI to make services more responsive, inclusive and intuitive, enabling customers to spend less time resolving issues and more time benefiting from a reliable digital lifestyle.

Through Unifi, AI-driven service optimisation enhances operational consistency and strengthens customer retention, supported by initiatives such as the transformation of the Unifi Contact Centre. Here, AI moves from abstract capability to everyday impact: faster issue resolution, more consistent service delivery and digital-first customer journeys that reduce friction for households while improving cost-to-serve efficiency for the Group.

This customer-facing progress is built on the same AI foundations that power national and enterprise use cases. Our conversational AI capabilities — designed to support multilingual chat and voice interactions — enable always-on engagement and broader inclusion.

All these efforts reflect our unified AI strategy, where the value of AI flows seamlessly from Government services to industry and ultimately into the daily experiences of millions of Malaysians.

PERFORMANCE HIGHLIGHTS

Revenue	Fixed Broadband Subscribers	Convergence	Unifi TV 2.0 Adoption
2025 **RM5,674.2 million** 2024 RM5,633.3 million	2025 **3.2 million** 2024 3.18 million	**> 1.1 million**	**1 million downloads within a month**
↑ 0.7 YoY growth		Broadband customers subscribing to mobile and content services	Achieved within one (1) month of launch

Looking ahead, Unifi will continue to deepen ecosystem integration, expand convergence penetration and accelerate digital adoption. As household digital consumption evolves, we remain focused on increasing lifetime customer value through disciplined execution of initiatives.

STRATEGIC EXECUTION

Initiative	What Changed	Outcome
Expanding Convergence UN SDGs:	Adoption of combinations of home, Unifi Mobile, Unifi TV and lifestyle solutions	Convergence customers grew year-on-year and ARPU was stable, demonstrating stronger household monetisation and retention resilience.
Next-Generation TV (NGTV) rollout UN SDGs:	Refreshed Unifi TV	Unifi TV 2.0 recorded 1 million app downloads within one (1) month of launch, signalling accelerated platform adoption and stronger digital engagement.
IoT platform and upgraded Smart Home plans UN SDGs:	Introduction of scalable, future-ready digital services	Smart Home expansion strengthened household stickiness and supported convergence monetisation.
Transformation of the Unifi Contact Centre UN SDGs:	AI enablement and operational best practices	AI-enabled service optimisation and Elite Crew contributed to the stabilised net additions in the second half of the year with improved retention consistency.

UNIFI BUSINESS: DRIVING MSME-LED DIGITAL AND ECONOMIC GROWTH

CONTEXT

PWR Alignment: P

Micro, small and medium enterprises (MSMEs) contributed approximately 39.5% of the national GDP and accounted for most business establishments and employment. While connectivity penetration among businesses in Malaysia is relatively high, digital maturity remains uneven.

In 2025, most MSMEs are still behind larger enterprises in their digitalisation journey, constrained by limited digital skills, resource capacity and the ability to adopt integrated business solutions. This creates a clear opportunity for us to lead in the MSME segment, positioning Unifi Business as a trusted partner through reliable connectivity, onboarding, training and scalable digital tools tailored to MSME realities.

PRIORITIES

PWR Alignment: P W

In 2025, via Unifi Business, our priorities were centred on defending fixed broadband leadership while accelerating our evolution from a connectivity provider to a structured digital growth partner for MSMEs nationwide.

STRATEGIC HIGHLIGHTS

Strengthening Our Position as Malaysia's Preferred Digital Partner for MSME

PWR Alignment: W

Affected Stakeholders: BP C **UN SDGs:**

We continued to serve over 400,000 MSMEs nationwide with a strong Fixed Broadband market leadership, driving continued growth by scaling our MSME footprint while deepening account penetration and solution adoption. We accelerated fixed and mobile growth with convergence bundles combining digital solutions, devices and plans curated for MSMEs, supporting higher value per account and improved customer stickiness in a competitive SME connectivity market.

Sustainability Through MSME Empowerment

PWR Alignment: P

Affected Stakeholders: BP CO C **UN SDGs:**

Through programmes such as Usahawan Digital@TM, micro, B40 and underserved entrepreneurs gain access to connectivity, digital tools and structured guidance. In 2025, more than 100,000 MSMEs were supported, with tools, training and connectivity assistance, accelerating structured digital transformation across underserved segments. These initiatives reinforce Unifi Business' role as an inclusive growth enabler, strengthening economic participation while building long-term customer relationships grounded in capability development and trust.

Strengthening Connectivity and Beyond

PWR Alignment: P R

Affected Stakeholders: BP C **UN SDGs:**

We further strengthened our Fixed Broadband leadership through business plans and premium service experience, while expanding mobile growth through in-base penetration, coupled with value-focused business solution bundles.

Adoption of digital solutions such as Digital Marketing Solution, e-Commerce Hub, Cloud Storage, Go Bookit and cybersecurity has expanded during the year. This enabled MSMEs to move beyond basic connectivity towards integrated productivity tools that support revenue generation, operational efficiency and cyber resilience.

Beyond individual solutions, IMPAK Biz strengthened structured digital onboarding, offering complimentary digital maturity assessments and practical recommendations aligned to MSME operational realities. Ecosystem partnerships enhanced access to financing, advisory support and certification pathways, reinforcing coordinated enablement of digital solutions.

In support of Visit Malaysia 2026 (VM2026), we also enhanced our Hospitality Entertainment Solution (HOTES), equipping hotels and other accommodation providers with high-speed connectivity of up to 2Gbps, premium entertainment, cybersecurity and cloud services. HOTES strengthens our sector-focused vertical strategy, supporting hospitality operators with scalable digital infrastructure ahead of anticipated tourism growth under VM2026.

BUSINESS-TO-CONSUMER (B2C)

Empowering MSME Growth with Practical Digital Tools

Malaysia's MSMEs are fundamental to inclusive economic growth, yet digital maturity remains uneven. We strengthen MSME resilience by combining reliable connectivity with practical digital solutions and structured onboarding, enabling more businesses to adopt digital ways of working without the need for large in-house IT teams.

Through Unifi Business, we support MSMEs nationwide with integrated solution bundles that extend digital solutions. These include digital marketing tools, e-commerce enablement, cloud storage and cybersecurity services, complemented by structured programmes such as IMPAK Biz that lower adoption barriers and accelerate digital uptake. The strategy is deliberate: by helping MSMEs digitalise foundational workflows first, they are better positioned to adopt AI-enabled productivity tools next — from automated meeting intelligence and enhanced customer engagement to data-driven decision support — all built on trusted local infrastructure.

MSMEs gain new channels to reach customers, improve operational efficiency and strengthen cyber resilience. In parallel, Malaysia benefits from broader participation in the digital economy, reinforcing long-term competitiveness and inclusive growth. Through this approach, we translate advanced digital capabilities into practical, everyday business outcomes — enabling progress at scale across the nation.

PERFORMANCE HIGHLIGHTS

KPI / Indicator	FY2025 Performance	Strategic Outcome
MSMEs Served	>400,000 MSMEs	Sustained nationwide footprint and inclusive growth at scale
Fixed Broadband Position	Strong market leadership	Defended core connectivity dominance
Fixed-Mobile Penetration	Increased adoption within MSME base with smart device bundling	Higher value per account and improved customer stickiness
Digital Solutions Adoption	Increased uptake of Digital Marketing, e-Commerce Hub, Cloud Storage, Go Bookit, Cybersecurity	Expanded digital solution into productivity enablement, improved operational efficiency and cyber resilience
MSMEs Supported Through Programmes	>100,000 MSMEs	Strengthened inclusive participation and enablement
Enablement Value Delivered	Training and connectivity assistance	Accelerated structured digital transformation

STRATEGIC EXECUTION

Initiative

Fixed Broadband leadership with convergence bundles

UN SDGs:

What Changed

Scaled MSME footprint and strengthened account depth

Outcome

Expanded convergence adoption within the MSME base, increased account depth and supported stronger revenue resilience in a highly competitive SME connectivity market.

Initiative

Expansion of digital solutions portfolio

UN SDGs:

What Changed

Rolled out Digital Marketing Solution, e-Commerce Hub, Cloud Storage, Go Bookit and cybersecurity

Outcome

Increased uptake of productivity-led digital solutions enabled MSMEs to improve online presence, operational efficiency and cybersecurity readiness, supporting longer-term business sustainability.

Initiative

IMPAK Biz and ecosystem partnerships

UN SDGs:

What Changed

Delivered digital readiness assessments and ecosystem access

Outcome

IMPAK Biz strengthened structured onboarding pathways, combining digital maturity assessments, ecosystem partnerships and connectivity solutions to reduce adoption barriers and accelerate MSME's digital transformation journeys.

INDUSTRY RECOGNITION

In 2025, we received dual accolades at the PC.com Readers' Choice Awards for Best Home Broadband Service Provider and Best Fixed Business Service Provider, recognising our excellence in convergence, reliability and customer experience.

Overall, we received numerous industry recognitions across brand, marketing, digital commerce and customer experience in 2025. These recognitions reinforce our convergence leadership across both Consumer and MSME segments, validating the effectiveness of UniVerse integration, service reliability and customer experience transformation initiatives.

For the full list of awards and accolades received by Unifi in 2025, please refer to pages 12 to 13.

OUTLOOK 2026: SUSTAINING CONVERGENCE-LED GROWTH AND DIGITAL RELEVANCE

PWR Alignment: P W R

In 2026, we will continue executing our Defend and Grow mandate by strengthening convergence penetration and deepening multi-product adoption across households, building on our 2025 momentum, where convergence customers grew year-on-year. This focus ensures we continue expanding the value of our ecosystem and reinforcing the role of convergence as a core driver of household stickiness and long-term customer value.

Sustaining ARPU and maintaining disciplined value-based monetisation will remain central to protecting earnings quality and supporting long-term value creation in a mature and increasingly competitive market environment.

A core priority will be to expand services by strengthening bundled propositions, including continued optimisation of Unifi Mobile, expansion of device play and enhancement of content and entertainment experiences through Unifi TV 2.0. Smart Home solutions will position us at the centre of in-home connectivity, entertainment and security. These offerings are intended not only to diversify revenue streams, but also to strengthen our relevance to households as digital consumption patterns continue to evolve.

Customer experience will remain a defining competitive advantage in 2026. Increased adoption of digital self-care, automation and data-driven insights will reduce cost-to-serve while improving satisfaction and trust, reinforcing our role as a dependable digital partner in everyday life. In parallel, we will sustain our focus on network reliability, installation timeliness and service assurance, recognising that consistency of experience is a decisive differentiator in a mature connectivity market.

At the same time, we will focus on increasing convergence penetration within the Unifi Business base, expanding productivity-led digital solutions and strengthening structured enablement programmes to support long-term economic resilience and inclusive growth while reinforcing Unifi Business as a trusted digital growth partner. Sustainability will continue to be embedded through operational efficiency and inclusive enablement.

Through Unifi Business, we empower MSMEs with connectivity and digital solutions to strengthen operations and expand market reach.

BUSINESS-TO-BUSINESS (B2B)

CONTEXT

Malaysia's overall ICT market is projected to exceed RM190 billion by 2028, growing at a CAGR of more than 15%, with expansion driven primarily on cloud-based platforms and services. Enterprises and Government agencies are increasingly adopting hybrid and multi-cloud environments to modernise legacy systems and enhance security, compliance and data sovereignty.

AI adoption grew by 35% in 2025, with more organisations deploying AI to improve efficiency, reliability and decision-making. Uptake among large enterprises and the public sector remains focused on automation, predictive maintenance, analytics and citizen services, underscoring the need for secure and scalable AI deployment.

Enterprise interest in private 5G and advanced network solutions continues to rise, particularly in industrial and mission-critical environments. In parallel, the cybersecurity market is projected to grow at a CAGR of 7.25% between 2025 and 2030, driven by increasing threat exposure, regulatory developments and expanding digital footprints. These priorities are closely aligned with the Public Sector Digitalisation Strategic Plan (PSPSA), which emphasises cloud-first adoption, interoperable platforms, data governance and cyber resilience.

PRIORITIES

PWR Alignment: P W R

In 2025, our Business-to-Business (B2B) segment continued advancing the structural transition of TM One from a connectivity-led portfolio to a more service-led, platform-driven digital solutions ecosystem. This evolution reflects growing demand from the enterprise and public sectors for integrated connectivity, digital platforms, and managed services. Our priorities focused on two (2) growth engines: strengthening core connectivity and accelerating the expansion of digital solutions.

We continued to defend our market position in enterprise and Government connectivity through partnership renewals such as the StateNet project, as well as the expansion of SD-WAN and enterprise 5G, ensuring organisations benefit from secure, high-performance networks that support increasingly digital and data-intensive operations. These capabilities are essential in enabling enterprises and Government agencies to modernise operations and support mission-critical digital services.

Building on this strong connectivity foundation, we advanced our digital solutions portfolio. This included smart services, data centre, cloud, AI, cybersecurity and managed services. We enabled enterprises and public sector organisations to accelerate digital transformation and adopt secure, AI-enabled platforms. Our focus included modernising public service delivery through secure cloud migration and digital platforms. We also accelerated enterprise digitalisation across sectors such as BFSI, manufacturing, energy, utilities, transport, and logistics. Additionally, we strengthened national cybersecurity through advanced cyber defence capabilities.

The disciplined execution of these priorities translated into measurable momentum during the year. Revenue for 2025 stood at RM2,782.8 million, with performance strengthening in the second half, including an 11.4% improvement in the fourth quarter compared to the third.

Digital solutions comprising IT services, data centre and cloud also recorded quarter-on-quarter growth during the year. This was partly driven by increased colocation demand from the banking sector and higher contributions from a global digital travel agency, reflecting renewed strength in our enterprise-focused data centre proposition. In addition, recurring revenue remained solid, supported by a deliberate shift towards longer-term contracts that enhance revenue visibility, mitigate seasonality and strengthen portfolio resilience.

At the same time, demand for cybersecurity, cloud, smart services and managed services continued to rise as organisations increasingly prioritise integrated, outcome-based digital solutions. This supports longer-term service-based engagements that generate more stable and recurring revenue streams.

Taken together, these developments reflect the early phase of a broader structural shift towards a more client-centric, service-led portfolio, supporting our aspiration to become a Digital Powerhouse by 2030.

STRATEGIC HIGHLIGHTS

Our 2025 strategic highlights include defending core connectivity while accelerating growth across cloud, cybersecurity, AI and smart services through a sector-led, outcome-driven model.

Advancing Government Digitalisation and National Resilience

PWR Alignment: P W

Affected Stakeholders: G&R BP CO C **UN SDGs:**

We strengthened our position as a key partner in advancing Government digitalisation and national resilience by modernising legacy systems, expanding cloud adoption and strengthening cyber resilience.

Cloud Alpha Edge (CAE) supported the secure migration of sensitive workloads, while ensuring data residency, regulatory compliance and high availability.

Government engagements increasingly shifted from one-off infrastructure deployments to **integrated platforms and managed services,** enhancing transaction processing, interoperability and data-driven governance in line with PSPSA objectives.

Cybersecurity capabilities were also strengthened through the TM Cyber Defence Centre, which provides continuous threat monitoring, incident response and compliance-aligned controls across critical public-sector systems.

The nationwide deployment of Next Generation Emergency Response Services 999 (NG MERS 999) replaced the legacy MERS 999 platform with a fully digital, AI-enabled system hosted on sovereign cloud. It Integrates Advanced Mobile Location (AML), real-time analytics and unified inter-agency workflows to improve response times, situational awareness and coordination. Inclusive features such as SaveMe 999 and the Responder App further improved accessibility for all users. Beyond its national public safety impact, the platform establishes a scalable digital infrastructure that supports ongoing system operations, capability enhancements and inter-agency collaborations.

We also connected about 8,000 schools through SchoolNet programme and across four (4) states through the continuation of StateNet projects.

In parallel, our participation in MyCity Expo 2025 provided a strategic platform to showcase AI-powered city management solutions, enhancing stakeholder engagement and strengthening pipeline development across smart city initiatives.

Scaling Sector-Led Enterprise Modernisation

PWR Alignment: W

Affected Stakeholders: BP C **UN SDGs:**

In 2025, engagements shifted from product-centric sales to solution-led delivery, integrating connectivity, cloud, cybersecurity and applied AI within operational workflows.

In banking and energy sectors, priorities centred on hybrid cloud adoption, managed security services and enterprise SD-WAN to strengthen resilience and regulatory compliance. Manufacturing, logistics and utilities continued to drive demand for Smart Industry solutions, including automation, predictive maintenance and enterprise 5G-enabled use cases. Tourism and transport deployments increasingly leveraged computer vision and data analytics to enhance safety, planning and experience management.

These industry priorities were reflected throughout several collaborations and partnerships:

- A collaboration with a major development-focused financial institution to deliver secure, scalable connectivity in urban, rural and semi-urban areas, supporting nationwide access to financial services.
- A partnership with a leading industrial developer to modernise operations and enhance customer experiences through advanced connectivity, smart solutions, cloud and ICT services at a next-generation industrial park.
- State-level tourism initiative to apply AI-driven analytics for better visitor insights, crowd management and destination planning.
- A digitalisation initiative with a key port operator to support its transition toward a fully digital and more sustainable port ecosystem.

These collaborations illustrate ongoing efforts to expand reliable digital connectivity, support AI adoption, and help organisations improve operations. By partnering across different sectors, the initiatives aim to deliver practical solutions, benefiting businesses and end users alike.

BUSINESS-TO-BUSINESS (B2B)

Strengthening Data Centre and Cloud Momentum

PWR Alignment: W R

Affected Stakeholders: C **UN SDGs:**

Connectivity continues to anchor the business, while our new core offerings, including IT services, data centre colocation and cloud solutions, recorded meaningful quarter-on-quarter growth. This reflects strengthening traction in solution-led engagements, as customers increasingly adopt integrated connectivity and cloud propositions to support mission-critical operations.

Demand in 2025 was driven by rising data centre colocation requirements from the banking and tourism sectors. This renewed momentum underscores the resilience and competitiveness of our enterprise-focused data centre and cloud solutions portfolio.

Recurring revenue remained robust, supported by a deliberate shift towards longer-term, service-based contracts.This approach enhances revenue visibility, reduces seasonality and strengthens portfolio resilience, reinforcing TM One's position as a trusted digital transformation partner for Government and enterprise clients.

Cybersecurity and Managed Services Expansion

PWR Alignment: W R

Affected Stakeholders: G&R BP CO C S **UN SDGs:**

The product mix continues to shift towards cybersecurity and managed solutions as customers opt for longer-term, service-based engagements.

Cybersecurity and Managed Solutions, including the BPO–Budi MADANI project, gained traction during the year, reinforcing a transition towards stable, recurring service-led revenue streams and strengthening our sustainable business model.

Automation and AI were embedded into service assurance, incident management and customer experience processes; improving reliability and reducing time-to-value across complex programmes.

Capability building was reinforced through our partnership with SIRIM Academy, combining our managed cybersecurity capabilities with certification and training programmes aligned ISO/IEC 27001 and ISO/IEC 42001:2023.

AI, Data and Smart Services Innovation

PWR Alignment: P **UN SDGs:** **Affected Stakeholders:** G&R BP CO

Through applied deployments, we introduced AI solutions across public and private sectors. AI deployments and use cases are strong, particularly for the public sector. Deployments are in accordance with AI governance framework, data privacy safeguards and responsible AI control in compliance to regulatory requirements.

These included computer vision for industrial safety, transport and tourism; predictive maintenance for utilities and manufacturing; and digital twins for complex infrastructure environments.

In Government, advanced analytics platforms supported automated decision workflows, improved service planning and resource optimisation. These initiatives focused on enterprise-ready deployment rather than experimentation, reinforcing our role in advancing responsible and scalable AI adoption.

The performance momentum in the second half of the year signals the early phase of a structural transition. With clearer execution priorities, refreshed leadership and a more resilient portfolio mix, TM One enters 2026 on a stronger footing to support sustained, long-term growth.

AI for Safer Workplaces and Smarter Operations, Turning Vision into Action

AI delivers real value when it enhances safety, consistency and productivity in real-world environments. We deploy applied AI solutions that help organisations reduce risk, strengthen compliance and accelerate decision-making — built on secure, resilient infrastructure designed for mission-critical operations.

Our Vision AI solution converts live camera feeds into actionable intelligence, enabling use cases such as PPE compliance detection, as well as people and object tracking across environments including retail, manufacturing, enforcement and agriculture. This transforms monitoring from a manual, retrospective review into a proactive, real-time detection — allowing teams to intervene earlier and prevent incidents before they escalate.

In parallel, we continue to scale applied AI across sectors through computer vision, predictive maintenance and embedded analytics integrated directly into operational workflows. The focus is clear, move beyond isolated pilots toward sustained deployment with measurable operational impact.

Regardless of scale, our strategic advantage lies with our strong foundation trusted foundations such as locally governed cloud infrastructure and scalable compute capacity. These allow us to deploy AI confidently in regulated or high-risk environments without compromising governance or oversight. For businesses, this translates into safer operations and improved efficiency. For Government agencies and regulators, it enables stronger compliance outcomes and more effective allocation of enforcement resources.

PERFORMANCE HIGHLIGHTS

In 2025, we delivered resilient performance aligned with the Defend and Build phase, supported by disciplined contract structuring, sector-led solution delivery and increased contributions from higher-value digital services.

We recorded a 4.2% decline year-on-year in revenue due to a one-off settlement recognised in the previous year (2024). However, revenue performance was further strengthened by sustained government sector project delivery, ongoing enterprise digitalisation initiatives and RM1.2 billion in new sales secured during the year. Recurring revenue also remained solid, supported by our deliberate shift towards longer-term, service-based engagements that enhance revenue visibility and reduce seasonality. The overall account base remained relatively stable. Variations between Enterprise and Government segments are attributed to reassignment of account ownership and business focuses.

Revenue	Total Government Customers	Total Enterprise Customers	Revenue Mix Shift
2025 **RM2,782.8 million** 2024 RM2,906.2 million	2025 **>2,000** 2024 ~2,350	2025 **>5,000** 2024 ~4,750	**Higher contribution from IT services, cloud, data centres and cybersecurity**
↓ 4.2% YoY			

STRATEGIC EXECUTION

Initiative

NG MERS 999 Deployment

UN SDGs:

What Changed

Replaced legacy emergency response system with an AI-enabled cloud platform

Outcome

- Strengthened national emergency capability and positioned Malaysia as a regional leader in digital emergency services
- Improved response times, situational awareness and inter-agency coordination
- Recognition from the European Emergency Number Association (EENA) and Global Social PPP Project of the Year further validates execution excellence at a national scale

Initiative

Agrobank ICT Modernisation

UN SDGs:

What Changed

Integrated CAE, cybersecurity and managed services

Outcome

- Enhanced regulatory compliance and service reliability for over one (1) million customers
- Demonstrates a scalable banking sector

Initiative

NCT Smart Industrial Park (NSIP) Phase 2

UN SDGs:

What Changed

Integrated connectivity, automation and smart services

Outcome

- Accelerated development of a digital-ready, energy-efficient industrial ecosystem
- Aligns digital transformation with ESG priorities

Initiative

Bintulu Port Smart Port Partnership

UN SDGs:

What Changed

Established a long-term digitalisation roadmap for a major infrastructure operator

Outcome

- Enables transition towards a fully digital and sustainable port by 2030
- Reinforces TM One's mission-critical infrastructure capabilities

Initiative

TM Cyber Defence Centre & SIRIM Partnership

UN SDGs:

What Changed

Enhanced threat monitoring, compliance controls and ISO/IEC alignment

Outcome

- Strengthened cyber resilience and regulatory readiness
- Reinforces trusted national digital partner positioning

BUSINESS-TO-BUSINESS (B2B)

Initiative

BPO – Budi MADANI Project

UN SDGs:

What Changed

Expansion of managed service engagements

Outcome

- Increased stable, recurring revenue contribution
- Supports structural shift towards service-led, sustainable revenue model

Initiative

Enterprise Regional Data Centre & Cloud Expansion

UN SDGs:

What Changed

Increased data centre demand from the global banking sector and the global digital travel agency

Outcome

- Quarter-on-quarter uplift in new core performance
- Re-strengthens enterprise-focused data centre proposition and supports recurring infrastructure revenue

INDUSTRY RECOGNITION

Throughout 2025, we actively participated in key regional and national platforms, including the ASEAN AI Summit, Smart City Expo Kuala Lumpur, Cyber Defence Symposium and Cloud Forum Asia. These engagements reinforced our role in shaping policy discourse on cloud, cybersecurity and AI governance, while demonstrating live, production-grade solutions at a national scale.

Our execution strength was recognised through multiple industry accolades and awards that we received throughout the year, affirming customer confidence in our enterprise and government solutions.

Read more of the awards that we received in the year in recognition of our capabilities on pages 12 to 13.

BUSINESS PROCESS OUTSOURCING: PT VADS INDONESIA

PWR Alignment:

PT VADS Indonesia continued to strengthen its position in digital customer experience solutions across Southeast Asia, complementing TM One's enterprise portfolio with scalable, technology-enabled engagement services. The subsidiary serves as TM One's regional customer experience (CX) delivery arm, enabling integrated digital engagement capabilities that complement the Group's connectivity, cybersecurity and managed services offerings. In 2025, the subsidiary achieved improved record Net Promoter Score (NPS) and Customer Satisfaction (CSAT) performances, reflecting operational excellence and service quality improvements.

PT VADS received multiple industry recognitions, including Gold for Best Digital Service (TBCCI 2025), Silver for Technology Innovation (TBCCI 2025) and Best Execution Award (SPEX2 2025).

Investments in workforce development enhanced the capabilities of its contact-centre professionals, strengthening service delivery standards and reinforcing long-term customer retention. Through integration with TM One's managed services and cybersecurity capabilities, PT VADS enhances end-to-end enterprise engagement models, supporting recurring revenue growth and service-led portfolio expansion. The business continues to contribute to the our Group's enterprise services growth, while strengthening our TM One's regional delivery capabilities.

OUTLOOK 2026: ADVANCING LEADERSHIP IN GOVERNMENT AND ENTERPRISE DIGITAL TRANSFORMATION

PWR Alignment: P W R

In 2026, we will continue executing our Defend and Build mandate by maintaining leadership in Government and enterprise connectivity. Execution priorities will remain aligned with our infrastructure strengths, delivery governance and disciplined risk management frameworks.

In the public sector, our focus will remain on supporting increasingly complex workloads requiring assured data residency, security and compliance. We will continue advancing cloud adoption and evolving digital Government platforms towards integrated, consumption-based service models that improve efficiency, transparency and resilience.

Cybersecurity will remain a foundational pillar supporting national resilience. We will deepen managed detection and response capabilities, strengthen compliance-aligned controls and scale proactive threat intelligence across mission-critical environments.

Across enterprise segments, we will further embed sector-led strategies in BFSI, energy, manufacturing, transport, utilities, healthcare and tourism. Our approach integrates connectivity, cloud, cybersecurity, smart services and applied AI within operational workflows, enabling measurable performance outcomes rather than standalone infrastructure deployments.

Demand across cybersecurity, cloud, data centre and smart solutions continues to grow, providing visibility into our 2026 growth trajectory and reinforcing confidence in our structural portfolio transition.

ESG considerations will be embedded into solution design through energy-efficient platforms, digital monitoring systems and automation-led operational optimisation. Automation and AI-enabled operations will continue to strengthen end-to-end delivery excellence, improving time-to-value and service reliability.

The strengthened second-half performance in 2025 signals the early phase of a structural repositioning. With clearer execution priorities, refreshed leadership and a more resilient revenue mix anchored on recurring contracts, we enter 2026 on a more stable footing to support sustainable long-term growth and shareholder value creation.

Through these priorities, we will continue enabling secure, scalable and future-ready digital transformation, supporting Malaysia's economic competitiveness and digital resilience.

Our B2B segment accelerates the digital transformation across enterprises and the public sector with advanced connectivity and digital solutions such as SD-Wan, Enterprise 5G, cloud, smart services, and cybersecurity

ARTICLE:

ENABLING SMART CITIES IN MALAYSIA

Smart Cities as a National Imperative

Malaysia's cities are experiencing rapid urbanisation, climate pressures and rising expectations for reliable public services. According to the Department of Statistics Malaysia, more than **77% of the population now lives in urban areas,** concentrating economic activity, infrastructure and daily life within cities. As urban centres expand, the demands placed on transport systems, utilities, public safety and municipal services grow more complex.

Recognising these pressures, smart cities have become an important pillar of Malaysia's digital and development agenda. The **MyDIGITAL Blueprint** identifies smart cities as a key enabler of national transformation, alongside connectivity, cloud and data infrastructure. Complementing this, the **Malaysia Smart City Framework (MSCF)** provides a national reference architecture to guide the adoption of interoperable, secure and citizen-centred digital solutions across local authorities.

Malaysia's digital economy is also expanding rapidly. Studies estimate that the country's digital transformation market could reach **USD25.4 billion by 2030,** nearly 2.5 times its 2025 base. This growth is driven by the increasing adoption of digital platforms and data-driven services across Government, urban centres and regulated industries.

Local authorities are therefore prioritising technologies that help cities function more efficiently and respond more quickly to everyday challenges. These include congestion, flooding, public safety concerns and service disruptions that affect citizens' daily lives. Integrated digital infrastructure is becoming essential not only for operational efficiency but also for strengthening governance, supporting climate resilience and ensuring that cities remain liveable for generations to come.

An Integrated Digital Ecosystem for Public Value

Effective smart cities depend not only on technology but also on the integration of digital infrastructure, governance and public participation. The **World Bank's Malaysia Digital Economy Monitor** highlights the importance of connectivity, trusted digital platforms and capable institutions in improving public-sector productivity and delivering citizen-centred services.

National initiatives such as **MyGovCloud** and **MyDigital ID** are laying important foundations for secure and interoperable digital services across Government. Together with national connectivity and data infrastructure, these platforms allow local authorities to deploy digital solutions with greater efficiency, security and scale.

TM contributes to this ecosystem through nationwide connectivity, secure cloud platforms and cyber-resilient operations that support the deployment of critical digital systems across cities and communities. Working with local authorities and public-sector developers, TM helps integrate platforms that support traffic management, public safety, utilities monitoring and municipal operations.

By strengthening the digital backbone of cities, these capabilities enable more coordinated decision-making, improve service reliability and support greater accountability in urban governance.

Pillar 1:
Smart Communities – Making Cities Safer and Easier to Live In

Smart technologies are increasingly embedded in the everyday functioning of cities. In **Ipoh and Melaka,** as well as residential developments led by agencies such as **PR1MA,** digital systems are being used to address practical challenges, including congestion, public safety and service responsiveness.

Integrated platforms provide local authorities with a real-time understanding of city conditions. Traffic flows can be managed through adaptive signal systems, while AI-enabled monitoring and enforcement help create safer public spaces. Municipal command centres are connected directly to field teams, enabling officers to coordinate responses and deploy resources more efficiently.

Digital workforce platforms further strengthen coordination between agencies and replace fragmented processes with a more unified approach to city management. Authorities can track issues, assign tasks and monitor outcomes with greater clarity.

In residential townships, mobile applications and digital reporting platforms enable residents to report safety, facilities and environmental concerns directly to estate managers and municipal authorities. Field teams can then be deployed quickly through integrated tasking systems.

The result is a city that responds more effectively to the needs of its people. Neighbourhood facilities are maintained more consistently, safety concerns are addressed more quickly and public services become more visible and accessible. By embedding digital tools into daily operations, cities can move from reactive responses to more anticipatory governance, improving quality of life and strengthening public trust.

Pillar 2:
Smart Industry – Strengthening Urban Economies and Employment

Industrial parks and logistics hubs are closely linked to the health of surrounding cities. Efficient urban infrastructure supports workforce mobility, utilities reliability and the movement of goods, all of which are essential for economic growth.

As Malaysia seeks to attract higher-value investments under initiatives such as the **New Industrial Master Plan (NIMP) 2030** and regional development programmes, including the **Northern Corridor Economic Region (NCER),** cities must be able to support more advanced and efficient industrial ecosystems.

Digital infrastructure is therefore being integrated into new industrial developments to improve operational efficiency, safety and environmental monitoring. In collaboration with partners such as NCT Group, large-scale industrial developments in **Bukit Kayu Hitam, Kedah,** near the Malaysia–Thailand growth corridor are incorporating digital connectivity and monitoring systems into their operations.

These systems enable operators and tenants to better manage logistics flows, safety systems and facility operations while maintaining compliance with regulatory and sustainability requirements. Utilities and infrastructure can be monitored more closely, while incidents and operational risks can be identified and addressed earlier.

For surrounding communities, this helps reduce spill-over impacts such as congestion and service disruptions while creating safer workplaces and more orderly industrial activity. By supporting better coordination between industrial estates and municipal services, digital platforms enable cities to accommodate economic growth while safeguarding liveability and environmental standards.

Pillar 3:
Smart Urban Forestry - Strengthening Climate Resilience and Liveability

Urban green assets also form an important part of city infrastructure. Trees moderate urban heat, absorb stormwater and improve air quality, contributing to healthier and more liveable environments. However, without proper monitoring and maintenance, they may also pose safety and liability risks.

To support more systematic management of these assets, TM has developed **Smart Urban Forestry,** a digital approach that helps local authorities and developers manage trees as accountable public infrastructure.

Using **AI and LiDAR technologies,** digital records of individual trees can be created at scale, capturing their location, structural condition and potential risk indicators. This allows councils to assess tree health more systematically, prioritise maintenance and identify potential hazards to pedestrians, vehicles and surrounding infrastructure.

By complementing traditional inspections with data-supported assessments, urban forestry management becomes more consistent and transparent. For residents, this translates into safer streets, healthier urban environments and more resilient neighbourhoods.

The approach also supports **Environmental Impact Assessments,** local authority compliance requirements and sustainability reporting, providing cities with stronger tools to demonstrate responsible environmental stewardship.

A Foundation for Trusted and Inclusive Urban Growth

When digital systems are integrated across agencies and services, cities gain the ability to plan, monitor and respond with greater confidence. Fragmented decision-making can give way to more coordinated governance, enabling local authorities to address issues more transparently and efficiently.

For communities, this means safer environments, more reliable public services and greater opportunities to participate in shaping the places where they live and work.

Smart cities are ultimately defined not by the sophistication of their technology but by the public value they create. By strengthening digital infrastructure, safeguarding public assets and supporting accountable governance, we are helping cities build trusted and resilient urban systems.

Through initiatives spanning smart communities, smart industry and environmental resilience, TM continues to support Malaysia's journey toward inclusive, sustainable and digitally empowered urban development.

ARTICLE:

CLOUD ALPHA EDGE (CAE): THE NATIONAL PLATFORM ADVANCING DIGITAL RESILIENCE

For large enterprises and the public sector, cloud computing has become a strategic foundation for service delivery, data governance and operational resilience across large enterprises and the public sector. As digitalisation accelerates, the question is no longer whether to adopt cloud but how to do so while preserving sovereignty, security and legal control.

The MyDIGITAL Blueprint recognises cloud as a critical national enabler alongside broadband networks, data centres and submarine cables. In 2025, Malaysia reinforced this priority through the introduction of the National Cloud Computing Policy, which aims to accelerate cloud adoption while strengthening governance, security and compliance requirements. Together, these initiatives signal a clear policy direction: digital infrastructure must evolve in step with national safeguards and legal accountability.

The stakes are significant. Public sector platforms manage sensitive citizen data, fiscal systems, healthcare records and national security information. Regulated industries such as banking, financial services and insurance (BFSI), utilities and telecommunications operate under strict frameworks, including the Personal Data Protection Act (PDPA) and Bank Negara Malaysia's Risk Management in Technology (RMiT) guidelines. In this environment, reliance on offshore hyperscale platforms may introduce legal, operational and geopolitical exposures that organisations must carefully manage.

Sovereign cloud addresses these concerns by ensuring data residency, jurisdictional authority and security governance remain within national boundaries. It allows organisations to harness the scalability and agility of cloud technologies while maintaining compliance, accountability and strategic autonomy.

Cloud Alpha Edge: A Sovereign Cloud Built for Malaysia

Cloud Alpha Edge (CAE) is our sovereign cloud platform, developed, managed and operated by Credence, the cloud and digital services arm. It is designed to deliver high assurance for data protection, operational resilience and regulatory compliance.

At its core, CAE is defined by four (4) principles:

1. **Data Residency and Control**
   All data hosted on CAE is stored and processed exclusively in TM-owned Tier III data centres in Malaysia. Data does not transit or replicate outside the country. This ensures compliance with domestic regulations, while removing exposure to foreign surveillance laws or extraterritorial legal claims.

2. **Legal Jurisdiction**
   Data hosted on CAE remains subject solely to Malaysian law. This provides clarity and assurance for public sector and regulated workloads, where accountability, audit rights and legal jurisdiction are essential.

3. **Operational Authority**
   The cloud infrastructure, platform management and security operations are owned and operated locally. Malaysian teams manage access, monitoring and recovery protocols, ensuring transparency and accountability. For Government customers, this includes exclusive ownership of the Hardware Security Module (HSM), securing cryptographic keys for high-security environments.

4. **Security by Design**
   CAE incorporates multiple layers of protection-layered security controls, including private cloud architecture, air-gapped environments for sensitive workloads, encryption with customer-owned keys and continuous monitoring through our Cyber Defence Centre. The platform is aligned with SOC 2 Type 1 assurance standards and national cybersecurity governance frameworks.

Together, these principles ensure that CAE delivers more than a cloud service that goes beyond physical data localisation, addressing the full lifecycle of trust, control and governance.

ARTICLE – CLOUD ALPHA EDGE (CAE): THE NATIONAL PLATFORM ADVANCING DIGITAL RESILIENCE

Infrastructure Designed for Performance and Resilience

CAE operates across multiple in-country Availability Zones, enabling latency of under two (2) milliseconds for domestic users and supporting active-active resilience for mission-critical systems. This architecture supports real-time digital services such as financial platforms, emergency response systems and national digital applications where reliability and response times are critical.

The platform is modular and scalable, supporting Infrastructure-as-a-Service (IaaS), Platform-as-a-Service (PaaS) and specialised workloads without requiring heavy upfront investments. CAE also avoids foreign exchange exposure and international data egress charges, allowing organisations to manage costs with greater predictability.

TM's nationwide fibre networks and protected data centre facilities reinforce CAE's reliability – integrating network, compute and security infrastructure that cannot be easily replicated through offshore cloud arrangements.

Operational Impact: From Policy to Service Delivery

CAE supports high-impact use cases across the public sector and national digital platforms.

National Data Platforms

Government initiatives increasingly rely on integrated data platforms to analyse information across ministries and agencies. Hosting these platforms in Malaysia ensures that sensitive information remains subject to domestic law while enabling near real-time analytics to support evidence-based policymaking and programme delivery.

Education Services at National Scale

CAE has supported national education platforms during major peak events. In one (1) deployment, over 4.5 million Sijil Pelajaran Malaysia (SPM) results were accessed within 15 minutes. This demonstrates the platform's ability to maintain service reliability under nationwide demand.

Public Sector Digital Learning

Government training platforms have also been migrated from on-premises environments to CAE, expanding capacity to support more than 10,000 learners per day. This transition improved system resilience, reduced downtime and enabled data-driven insights into training outcomes while maintaining compliance with national data security requirements.

Supporting Economic and Digital Transformation

Malaysia's cloud ecosystem is projected to reach approximately USD15 billion by 2032, expanding at a compound annual growth rate of about 14.6% between 2025 and 2032[1]. Realising this economic potential, advances national priorities alongside commercial innovation.

CAE contributes directly to MyDIGITAL Strategic Thrust 3, which focuses on building resilient, secure and future-ready digital infrastructure. By enabling organisations to scale digital services, harness advanced analytics and prepare for AI-driven applications, sovereign cloud platforms help ensure that innovation proceeds without compromising national sovereignty or data integrity.

For investors and regulators, sovereign cloud infrastructure reduces regulatory uncertainty, strengthens operational resilience and supports long-term value creation from digital infrastructure investments.

As Malaysia accelerates its digital transformation journey, sovereign cloud will play an essential role in enabling secure innovation and sustained economic growth. Through CAE, we reinforce our aspiration to become a Digital Powerhouse by 2030, with infrastructure at scale, governance discipline, and technological advancement, all grounded in national trust.

[1] *DataBridge Malaysia Cloud Service Market to 2032*

CARRIER-TO-CARRIER (C2C)

POSITIONING MALAYSIA AS THE DIGITAL HUB FOR THE REGION

CONTEXT

Malaysia continues to strengthen its position as a strategic digital gateway, connecting the nation to the world while serving as a key hub for global traffic flowing across the region. Anchored by its central ASEAN location, competitive infrastructure ecosystem and rapidly advancing digital economy, the country continues to attract large-scale investments in next-generation digital infrastructure. Johor and Cyberjaya have emerged as priority clusters, serving as focal points for hyperscale data centre development and regional connectivity growth.

As AI workloads accelerate, the demand is shifting beyond traditional capacity provisioning towards high-density, GPU-optimised environments underpinned by scalable, high-bandwidth and ultra-low-latency data-centre interconnection. This evolution is driving exponential growth in cross-border traffic flows, reinforcing the need for resilient international routes, diversified submarine cable connectivity and programmable wholesale platforms capable of supporting distributed AI architectures across multiple regional hubs.

Malaysia's data centre market was valued at USD5.5 billion in 2025 and is projected to grow at nearly 20% CAGR through 2030, reaching USD13.6 billion. Meanwhile, 5G adoption is expected to grow at approximately 11.4% CAGR (2025–2030), backed by exponential mobile data growth.

International connectivity needs are intensifying as digital traffic grows. Key submarine cable systems—including Asia Link Cable (ALC), CANDLE and AUG East—are extending high-capacity routes linking Southeast Asia to major global markets, supporting seamless cross-border flows and bolstering east-west routing reliability.

Collectively, these developments are reshaping the wholesale telecommunications landscape, strengthening the strategic value of TM Global's integrated connectivity, hyperconnected data centre, infrastructure and platform-enabled services.

PRIORITIES

PWR Alignment: P W R

TM Global is TM's domestic and international wholesale arm, anchoring the Group's Carrier-to-Carrier (C2C) segment and reinforcing Malaysia's role as a regional digital gateway. We underpin TM's digital infrastructure ecosystem through international connectivity, cross-border terrestrial fibre, 5G backhaul, carrier-neutral cable landing stations, hyperconnected data centres and platform-enabled wholesale services including GPU-as-a-Service (GPUaaS), Edge services and Edge gaming.

In 2025, we further strengthened our position as Malaysia's largest wholesale connectivity provider and Southeast Asia's leading international carriers. Our extensive submarine cable network connects Malaysia to major global digital hubs across Asia, the Middle East, Europe and the United States, while domestic fibre assets provide resilient and diversified traffic pathways.

STRATEGIC HIGHLIGHTS

Our 2025–2027 strategy prioritised infrastructure expansion, hyperscale-ready data centre development and platform-led wholesale transformation. Execution was anchored on strengthening regional connectivity, scaling AI-ready infrastructure and enhancing digital engagement across the wholesale ecosystem.

Driving the Frontier of Edge, Platform-based Solutions and Carrier-neutral Infrastructure

PWR Alignment: P **UN SDGs:** **Affected Stakeholders:** G&R BP CO C

In 2025, the Edge Facilities were renamed Edge Data Centres to reflect their evolution into fully equipped, hyperscale-ready sites. This transformation delivers greater value through advanced workspace solutions, on-demand smart-hands support and an expanded suite of operational services. The innovative distributed edge infrastructure brings content closer to the users and enables a seamless, high-quality internet experience.

At the same time, TM Global continues to scale its GPUaaS offerings, supporting the growth of local AI development and applications while providing AI-ready infrastructure aligned with hyperscaler demand.

Further strengthening the network backbone, the Morib Cable Landing Station (CLS), a carrier-neutral and open-access facility, became operational during the year. The new station enhances redundancy and route diversity for Trans Pacific connectivity while reinforcing the resilience of diversified east–west traffic routes.

Strengthening Malaysia's Connectivity and Regional Leadership

PWR Alignment: W

Affected Stakeholders: G&R BP CO C **UN SDGs:**

Domestic growth remained stable in 2025, supported by the continued expansion of 4G and 5G backhaul and rising demand for High-Speed Broadband Access (HSBA), driving stronger network utilisation and sustaining recurring wholesale revenue streams.

TM Global continued to play a key role in Malaysia's 5G evolution, deploying a cumulative 7,600 5G backhaul sites for both 5G wholesale network providers, supporting the country's dual 5G network strategy.

On the international front, cross-border capacity was upgraded to 16.2 Tbps and fully utilised by hyperscalers and OTT providers, reflecting sustained demand for high-capacity international routes and reinforcing Malaysia's position within key regional traffic corridors.

Investments in the CANDLE and AUG East submarine cable systems progressed as part of strategic ASEAN-focused collaborations, expanding high-capacity links between Southeast Asia and major global markets.

Together, these investments positions us to capture the next phase of cross-border digital growth while reinforcing Malaysia's role as a strategic connectivity gateway for the region.

Upgrading Infrastructure, Enabling On-Demand Connectivity

PWR Alignment: R

Affected Stakeholders: G&R BP CO C **UN SDGs:**

To meet the growing requirements of cloud-native and AI workloads, capacity was expanded at the IPDC and KVDC, delivering a combined 20MW IT load. IPDC Block 2 was completed in October 2025 and achieved more than 40% immediate take-up, reflecting strong demand from hyperscalers and AI-driven platforms.

These enhancements revitalise existing data centre assets into more advanced, hyperscale-ready facilities capable of supporting sovereign hosting, multi-cloud environments and compute-intensive GPU workloads. The ongoing development of the TM Nxera data centre further strengthens Malaysia's position as a regional digital infrastructure hub.

Sustainability remains integral to this infrastructure expansion. Our data centres incorporate energy-efficient cooling systems, renewable energy sourcing through the Green Electricity Tariff (GET) and water-efficiency initiatives, including rainwater harvesting.

In parallel, TM Global is rejuvenating how connectivity services are delivered through greater digitalisation and automation. In October 2025, the company launched MYNE (My Network Engine), Malaysia's first fully digital infrastructure marketplace.

MYNE enables carriers and partners to procure bandwidth instantly through a fully digital platform with transparent pricing and real-time provisioning. By shifting from traditional manual processes to on-demand, consumption-based service subscriptions, the platform significantly accelerates service activation while enhancing operational efficiency and partner experience.

CARRIER-TO-CARRIER (C2C)

Making AI Accessible, Fast and Secure

Building and scaling AI should not be limited by hardware costs, infrastructure complexity, or compliance concerns. TM Global's GPUaaS removes these barriers, giving organisations instant access to high-performance AI compute that is local, secure and ready to integrate with existing digital workflows.

Teams can train, optimise and deploy models faster, turning experimentation into production-ready solutions without large capital investment. Sensitive workloads remain protected under cloud foundations, providing compliance and governance confidence for regulated industries.

By connecting local AI compute to a broader regional ecosystem, TM's GPUaaS enables partners and customers to scale efficiently while maintaining control and security. We not only power the networks, we also unlock Malaysia's AI potential, provide accessible, reliable and agile compute that accelerate innovation and sustainable digital growth.

PERFORMANCE HIGHLIGHTS

In 2025, we delivered another solid performance, underpinned by predominantly recurring revenue and disciplined infrastructure expansion. Revenue grew 7.6% year-on-year, supported by consistent domestic and international demand.

Revenue composition remains structurally resilient, with one-off revenue contributing approximately 15% of total C2C revenue, reinforcing earnings visibility and stable Group support.

Domestic growth was driven by continued 4G and 5G backhaul rollouts and HSBA demand, while international performance strengthened on rising cross-border traffic flows and growing demand across submarine cable routes. Expansion of KVDC and completed IPDC Block 2 added a total IT load capacity to 20MW, with more than 40% of new capacity immediately taken up, underscoring strong hyperscaler and AI-driven demand.

Revenue	Cross-Border Capacity	International Traffic Growth
2025 **RM3,292.6 million** 2024 RM3,061.4 million	**16.2 Tbps**	**>170TB YoY**
↑ 7.6% YoY growth		

5G Backhaul Deployment	Data Centre Expansion	Total customers Domestic and International		
		Total customers	Domestic	International
7,600 sites	**+ 20MW**	2025 **774** 2024 ~800	2025 **194** 2024 193	2025 **580** 2024 557

STRATEGIC EXECUTION

Initiative

Cross-Border Capacity Upgrade

UN SDGs:

What Changed

Increased capacity to 16.2 Tbps; operationalised submarine cable systems

Outcome

- Grew international traffic by >170TB YoY, demonstrating monetisation of upgraded infrastructure and rising AI-driven cross-border demand.

Initiative

Submarine cable expansion

UN SDGs:

What Changed

Invested in CANDLE and the AUG East submarine cable systems

Outcome

- Increased international capacity by >30 Tbps

Initiative

Introduce open Cable Landing Station (CLS) in Morib

UN SDGs:

What Changed

Operationalised TM's first open cable landing station (CLS) in September 2025

Outcome

- Morib CLS is able to host multiple submarine cable providers

Initiative

IPDC & KVDC Expansion

UN SDGs:

What Changed

- Expanded DC capacity with combined IT load up to 20MW
- Completed IPDC Block 2 expansion in October 2025

Outcome

- Achieved >40% immediate take-up for IPDC Block 2
- Strengthened hyperscaler and AI workload positioning

Initiative

GPUaaS customer onboarding enhancement

UN SDGs:

What Changed

Explore a customer portal to automate the customer onboarding process

Outcome

- Customer can subscribe to the service through this self-serve portal once made available

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Initiative

5G Backhaul Deployment

UN SDGs:

What Changed

Deployed cumulatively 7,600 sites supporting both 5G network providers

Outcome

- Reinforced nationwide 5G resilience, supported mobile data growth and enhanced recurring domestic revenue base

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Initiative

MYNE Marketplace Launch

UN SDGs:

What Changed

Introduced a fully digital, real-time provisioning platform for connectivity services

Outcome

- Automated, on-demand bandwidth with real-time provisioning and flexible, consumption-based pricing

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Initiative

Automation & AI-enabled monitoring

UN SDGs:

What Changed

Ramped up automation and AI-enabled monitoring

Outcome

- Strengthened uptime, predictive maintenance and service continuity across terrestrial and submarine cable routes

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Initiative

Energy-Efficient Data Centre Operations

UN SDGs:

What Changed

- Implemented IPDC Block 2 with PUE ≤1.4 target
- Sourcing of renewable energy via Green Electricity Tariff (GET)
- Implemented water efficiency initiatives such as rainwater harvesting

Outcome

- Reinforced responsible infrastructure expansion aligned to Sustainability commitments and long-term operational efficiency

GLOBAL RECOGNITION FOR LEADERSHIP, INNOVATION AND OPERATIONAL EXCELLENCE

In 2025, our leadership in regional digital infrastructure and wholesale innovation was acknowledged through multiple international accolades, reinforcing its position as a trusted regional enabler of digital connectivity.

Our commitment to operational excellence continues to be validated through initiatives like the Zero Outage Approval Programme with T-Systems, ensuring resilience, uptime and seamless service continuity for global partners.

For more information about awards that TM Global received, please refer to pages 12 to 13.

CARRIER-TO-CARRIER (C2C)

OUTLOOK 2026: ADVANCING REGIONAL LEADERSHIP AND PLATFORM-LED GROWTH

PWR Alignment: P W R

In 2026, we will continue executing our Defend and Build mandate, strengthening Malaysia's position as a regional digital gateway. This will be anchored on a disciplined infrastructure investment, platform-enabled innovation and high recurring revenue stability.

Connectivity remains a strategic cornerstone. We will expand and optimise international submarine cable and cross-border terrestrial networks across ASEAN and Indo-China, enhancing capacity, route diversity and resilience to meet rising data-centre-to-data-centre interconnect and AI-driven traffic flows.

Hyperconnected data centres will continue to scale to support growing cloud-native, GPUaaS and AI workloads, with capacity expansion aligned to secure demand and utilisation thresholds to ensure disciplined capital deployment and sustainable long-term returns.

The digital marketplace, MYNE, will continue to expand with enhanced automated provisioning, consumption-based models and value-added services, including network security and AI-enabled infrastructure orchestration, strengthening partner experience while enabling more agile, digitally driven wholesale engagement.

We are increasingly shifting towards cloud-based solutions to provide flexible, scalable digital services to complement these initiatives. This transition reduces reliance on physical nodes and points of presence, optimises infrastructure utilisation and enables the business to meet evolving customer demands for agile, cloud-native connectivity—showcasing our pioneering approach to next-generation service delivery.

Sustainability will remain embedded across all initiatives, with continued focus on energy efficiency, renewable sourcing and responsible capital deployment in line with international standards, ensuring future-ready, environmentally conscious operations.

The strong performance momentum in 2025 underscores our structurally resilient wholesale model, capable of supporting long-term, capital-intensive growth while delivering stable contributions to TM Group's overall performance.

Through sustained focus on resilience, innovation and execution excellence, we remain committed to powering the region's digital economy.

Positioning Malaysia as a Digital Gateway for the AI Economy

As AI adoption accelerates, connectivity demands are evolving beyond mere bandwidth. Today, performance is defined by ultra-low latency, route resilience and high-performance data-centre interconnects capable of supporting dense AI workloads and GPU-ready infrastructure. We are strengthening Malaysia's role as a regional digital gateway by integrating international connectivity, hyperscale data centres and platform-enabled wholesale services into a cohesive, future-ready infrastructure strategy.

We have expanded cross-border terrestrial fibre capacity, enhanced submarine cable route diversity and strengthened cable landing capabilities to meet rising regional traffic flows and growing hyperscaler demand.

Simultaneously, data centre expansion at facilities such as IPDC and KVDC has added significant IT load, with new capacity achieving strong take-up — demonstrating that AI and cloud demand are driving tangible utilisation growth and disciplined infrastructure investment.

This is more than a story of wholesale connectivity. It is the foundational infrastructure layer that enables everything above it — from national cloud adoption to AI services delivered closer to enterprises and communities. By building resilient regional networks and scalable digital infrastructure, we aim to attracting investment into Malaysia, to position the nation as a trusted hub for the AI-driven economy.

MULTIMEDIA UNIVERSITY (MMU)

CONTEXT

Multimedia University (MMU), TM's education arm continues to contribute to nation building by developing digitally skilled, industry-ready graduates and strengthening Malaysia's research and innovation ecosystem. We play a strategic role in expanding the country's digital talent pipeline, advancing research excellence and supporting sustainable institutional and national digital growth.

In 2025, we demonstrated strong financial performance, record enrolment growth, higher global rankings and stronger graduate employability, reinforcing its position as a future-ready, research-led and an industry-driven university.

PRIORITIES

PWR Alignment: P W R

Aligned with TM's PWR 2030 strategy pillars, we advance our institutional priorities through initiatives that strengthen academic excellence, support sustainable growth and enhance stakeholder value. Through the MMU PLUS U agenda, we ensure our growth remains purposeful, performance-driven and anchored in long-term institutional resilience.

P **Population & Popularity:**
Being the preferred university, shaping future leaders and innovators

L **Learning & Research:**
Creating transformative learning experiences and driving high-impact research

U **University Reputation:**
Building exceptional collaborations, trust and impact in academia and research to enhance our university's reputation

S **Sustainability:**
Promoting research commercialisation and diversifying revenue streams

U **Us (Unity & Teamwork):**
Cultivating unity within the MMU community

MULTIMEDIA UNIVERSITY (MMU)

STRATEGIC EXECUTION

Our initiatives are translated into measurable institutional outcomes, supporting the PWR 2030 priorities and reinforcing how we bring value to our stakeholders. These initiatives help to strengthen our long-term competitiveness and sustainability.

We continue to strengthen our academic differentiation and research capabilities in high-impact digital domains. We introduced new digital learning programmes and industry-relevant curricula to prepare future-ready graduates.

Initiative

Advancing academic and research leadership

PWR Alignment: P W R

UN SDGs:

Key Improvements

- The first private university in Malaysia to launch the Faculty of Artificial Intelligence and Engineering (FAIE).
- Launch of the Bachelor of Science (Honours) in Applied Artificial Intelligence, designed to equip students with industry-aligned competencies.
- Secured RM32.0 million in funding to develop 13 advanced AI laboratories to enhance its research and innovation capacity.

Outcome

- The Faculty registered 364 undergraduate students intake, reflecting an uptick of interest in pursuing AI-learning.
- The Faculty and researchers benefited from advanced labs and funding to inculcate and increase innovation and knowledge transfer to the wider community.

Why it Matters

- Students' access to advanced facilities and industry-relevant programmes prepares them for careers in AI and high-demand digital fields.
- Faculty and researchers enhance research capabilities through advanced AI laboratories supporting industry-driven innovation.

Collectively, these efforts position us at the forefront of AI-driven education and research in Malaysia, reinforcing our position to produce future-ready digital talents and drive Malaysia's digital transformation.

Initiative

Expanding market penetration to local and international market segments

PWR Alignment: W R

UN SDGs:

Key Improvements

- Strengthened school outreach initiatives through increased engagement with local schools.
- Expanded presence at international education fairs.
- Improved brand visibility across key local and international markets where we are positioned as a competitive choice.

Outcome

- Record intake of 8,080 students.
- Growth in international enrolment to 1,293 students.
- Increased postgraduate intake to 709 students.

Why it Matters

- Supported record enrolment growth among local and international students.
- Increased the University's appeal to a broader student base.
- Enhanced financial stability through enrolment expansion.
- Strengthened our position as a more competitive global institution.

Initiative

Strengthening research publications

PWR Alignment: W

UN SDGs:

Key Improvements

- Sponsored page charges for Scopus-indexed publications.
- Recognised and rewarded high-performing researchers.
- Expanded post doctoral appointments to boost research capacity.
- Strengthened research visibility and performance through support for indexed journals.

Outcome

- Increased Scopus publications to 1,217.
- Citations rose to 35,315.
- Strengthened our global academic reputation.
- Attracted greater research collaborations and funding opportunities.
- Enhanced performance in international university rankings.

Why it Matters

- Enhances global academic reputation.
- Attracts collaborations and funding.
- Strengthens international ranking performance.

We enhance graduate employability, strengthen student engagement, build future skills and reinforce long-term institutional sustainability.

Initiative

Enhancing Employability and Student Experience

PWR Alignment:

UN SDGs:

Key Improvements

- Expanded industry partnerships to strengthen internships and industry-on-campus experiences.
- Introduced career readiness programmes and digital skill certifications aligned with evolving workforce needs.

Outcome

- Achieved 99.5% graduate employability rate.

Why it Matters

- Graduates gain enhanced employability and clearer career pathways.
- Employers benefit from access to highly skilled, industry-ready talent.
- Industry partners deepen collaboration through joint initiatives.
- The economy gains from a digitally capable workforce that drives innovation and growth.

Initiative

Transforming customer experience through enhanced stakeholder engagement

PWR Alignment:

UN SDGs:

Key Improvements

- Expanded tNPS usage across frontline teams to capture real-time student feedback.
- Introduced a centralised dashboard for Heads of Department to monitor service delivery as part of the student experience.
- Strengthened student-centric service monitoring and response mechanisms.

Outcome

- Improved student satisfaction and enhanced service delivery, with tNPS scores increasing from 90% in 2024 to 93% in 2025.

Why it Matters

- Strengthened a culture of accountability across all departments.
- Ensured that student feedback directly drives service enhancements.
- Contributed to higher student retention and increased positive advocacy.
- Reinforced our position as a student-centred institution.

We remain committed to ensuring that financial constraints do not prevent capable students from accessing higher education. Through a comprehensive ecosystem of scholarships, financial assistance and collaborative funding programmes, the University continues to widen access to quality tertiary education for students from diverse socio-economic backgrounds.

Initiative: Enabling Accessible Education

What We Did

Strengthened MMU-funded scholarships and financial assistance

We continue to offer a broad range of scholarships and financial assistance schemes to recognise academic excellence and support students in need. These include the MMU President's Awards Scholarship, Merit Scholarship, High Achievers Scholarship, Talent Scholarship and International Student Rebate, as well as Alumni and Siblings Discounts that help reduce the financial burden for families pursuing higher education.

Outcome

Scholarships and financial assistance disbursed

- Disbursed RM14.4 million in scholarships and financial aid, benefitting 5,531 students across multiple levels of study.

Recipients by level of studies	Total
Diploma	316
Foundation	580
Undergraduate (UG)	4,188
UG Open and Distance Learning (ODL)	43
Postgraduate	404

MULTIMEDIA UNIVERSITY (MMU)

What We Did

Expanded scholarship opportunities through Yayasan Universiti Multimedia (YUM) and partners

We strengthen collaborations with industry and institutional partners through Yayasan Universiti Multimedia (YUM) to provide additional financial assistance opportunities.

Key programmes include:
- Eight (8) scholarship and financial assistance programmes such as the Ibnu Haitham Scholarship and the Fisabilillah Scheme for Foundation Studies; and
- Industry-supported scholarships from organisations including ZTE, Huawei, Government-Linked Universities (GLU) and Yayasan Tunku Abdul Rahman (YTAR) and SO AlHabshi.

Outcome

Scholarships supported through YUM and partners

- Benefitted 143 students through targeted scholarship programmes:

Scholarship	Total
Ibnu Haitham Scholarship	114
Fisabilillah Scheme for Foundation Study	11
ZTE Scholarship	5
Huawei Scholarship	6
YTAR Scholarship	3
GLU Scholarship	2
Chancellor's Scholarship	1
SO AlHabshi Scholarship	1

What We Did

Broadened financial access through Government and industry collaborations

We expanded financial access by providing scholarships, convertible loans and funding programmes in collaboration with Government agencies, corporate partners and initiatives such as the Penang Future Foundation and OCBC Bank Scholarship.

Why it Matters

- Scholarships and financial aid help talented students overcome financial barriers, promoting social mobility and workforce readiness.
- Initiatives support inclusive education, student success and the development of future-ready graduates.
- Contributes to UN Sustainable Development Goal 4: Quality Education by improving equitable access to tertiary education and expanding lifelong learning opportunities.

Outcome

External scholarships facilitated through strategic partnerships

- RM11.3 million in external scholarships facilitated through Government and corporate partners benefitting 939 students.

Scholarship	Total
Diploma	112
Foundation	98
Undergraduate (UG)	562
Postgraduate	167

PERFORMANCE HIGHLIGHTS

Financial performance improved steadily, reflecting enrolment expansion and operational discipline. Research output and citations increased significantly, strengthening our academic standing and global visibility.

PWR Alignment: W R

FINANCIAL

Revenue

RM362.2 million

↑ 4.0% YoY growth

(2024: RM348.2 million)

NON-FINANCIAL

6-star ratings
Employers' Choice of University recognition from Talentbank

Ranked 148
in QS Asia University Rankings 2026
(2025: 207)

Ranked 124 in the Times Higher Education (THE) Interdisciplinary Science Rankings 2026 (2025: 401–500 band) position MMU among the top three (3) universities in Malaysia and as the leading private institution in the country.

Graduate Employability
99.5%
(2024: 98%)

Total Student Population
17,989
(2024: 16,938)

Scopus Publications
1,217
(2024: 1,025)

Citations
35,315
(2024: 23,006)

For more information about awards that MMU received, please refer to pages 12 to 13.

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SUSTAINABILITY MESSAGE

2025 marks an important chapter in TM's sustainability journey. As we advance our aspiration to become a Digital Powerhouse by 2030, we are moving beyond traditional ESG frameworks. Sustainability is no longer treated as a standalone programme at TM. Instead, it is embedded into the way we operate, make decisions and create value. This year, we transitioned from building frameworks to integrating them across strategy, governance and execution, ensuring our growth remains competitive, responsible, resilient and future-ready.

NOR FADHILAH MOHD ALI
Chief Corporate Officer (CCO)

Integrated Governance & Strategic Execution

In a strategic move to reinforce sustainability as a core business priority, the Sustainability Division is now consolidated under Group Corporate as a Centre of Excellence (CoE) for sustainability. This central placement reflects our conviction that sustainability must be driven from the heart of the organisation, moving beyond a siloed ESG model. Delivered through interconnected teams across regulatory, risk and business continuity management, strategic communications, branding and partnerships, as well as programme management and execution, Group Corporate now serves as the integrator translating sustainability ambitions into Group-wide action. This structure embeds sustainability into core business decisions and incorporates sustainability-related risks and opportunities into Enterprise Risk Management (ERM), ensuring that major investments, from hyperscale data centres to network modernisation, are guided by sustainability principles from the outset.

Global Standards & Transparency

We have proudly embraced the National Sustainability Reporting Framework (NSRF) this year, aligning our disclosures with global ISSB standards. To ensure a robust transition, we are utilising the available transition reliefs through a phased adoption approach. Our Sustainability Statement 2025 is therefore structured into two (2) key sections:

Part One: Focuses on IFRS-aligned disclosures, where we have identified four (4) climate-related risks and one (1) major opportunity in low carbon revenue streams.

Part Two: Aligns with the Bursa Malaysia Sustainability Reporting Guide (3rd Edition), recognising that our stakeholders value insights that extend beyond standard reporting requirements.

Our Pillars of Impact

A major milestone in our three (3)-year policy cycle was the completion of an enhanced Double Materiality Assessment. Through close engagement with our Board and stakeholders, we identified 14 material matters that influence both our financial performance and impact outcomes. While several titles were refined to reflect the evolving landscape, all 14 matters are now aligned under our Prosperity, Planet and People framework, reinforcing our commitment to position sustainability as a core business driver.

Prosperity
Delivering Innovative & Sustainable Solutions

Under Prosperity, we continue to move beyond traditional boundaries through digital transformation, responsible business practices and strong governance. As we progress towards our Digital Powerhouse 2030 aspiration, sustainability also presents new business opportunities. Sustainable digital solutions are increasingly becoming a key pillar in unlocking new revenue streams. At the same time, we have raised expectations across our value chain by implementing ESG due diligence for new suppliers, ensuring our value chain progresses alongside us.

Planet
Decarbonising Our Footprint

On the Planet, I am pleased to report TM achieved a **34%** carbon emission reduction against our 2019 baseline, marking steady progress towards achieving 62% by 2030 and our aspiration of net zero emissions by 2050. Scope 3 disclosures have been expanded to include Category 4 (Upstream Transportation and Distribution), Category 8 (Upstream Leased Assets) and Category 13 (Downstream Leased Assets). While these expanded boundaries introduce greater complexity, our focus remains firmly on strengthening data integrity and accuracy to ensure our transition planning is built on a foundation of trust.

People
Creating Positive Impact

For People, we remain committed to TM's longstanding role as a nation builder. Through community initiatives such as Jangkau Digital TM and TM Future Skills programme with 35 adopted schools, we designed initiatives to bridge the digital divide and equip the next generation with the skills needed to participate in Malaysia's digital economy.

A Legacy of Value

None of this progress would be possible without strong governance. Sustainability oversight is now a permanent agenda at the Board Risk & Investment Committee (BRIC) and 2025 marks the second year that sustainability metrics and targets have been embedded into the KPIs and remuneration of key leadership positions. TM's efforts earned significant recognition this year, being listed as a 3-star lister by UN Global Compact Network Malaysia-Brunei, ranking 7th among 847 companies in the NACGSA Overall Excellence Awards and receiving the Industry Excellence Award for Telecommunications & Media.

Looking ahead, our next journey moves beyond decarbonisation. As we continue strengthening our sustainability disclosures in alignment with global ISSB standards towards full adoption by 2027, we are advancing talent development and inclusivity while embedding sustainability as a core business priority across the organisation. As TM marks 80 years of empowering Malaysia's social and economic progress across generations, we recognise that our responsibility extends far beyond building digital infrastructure. Our ambition is to create lasting value for the nation, by connecting communities, nurturing talent and enabling opportunities that will shape Malaysia's digital future for decades to come.

We are not just building networks, we are **Empowering the Future Together**.

EMBARKING ON A NEW SUSTAINABILITY JOURNEY

In 2025, TM is proud to embark on the transition of our Sustainability Statement into the National Sustainability Reporting Framework (NSRF) requirements, aligning with the International Sustainability Standards Board (ISSB) beginning the financial year 2025. This move responds to the Bursa Malaysia announcement, which mandates that the enhanced Listing Requirements "*foster the use of IFRS S1 and IFRS S2 as the baseline*" to "*improve transparency and accountability of sustainability-related risks and opportunities*."

We approach this transition with intention to strengthen how we govern, manage and disclose sustainability-related risks and opportunities. We reinforce internal controls, enhance climate risk assessments and improve data governance to ensure our disclosures are reliable and informed decisions. We apply the available transition relief to adopt the requirements in phases while building long-term capability across the Group.

For clarity, our 2025 Sustainability Statement is structured into two (2) parts:

PART ONE

Sustainability-related Financial Information Report
(Aligned to ISSB Standards)

Pages 113 to 148

Aligned with NSRF phased adoption, this section focuses on IFRS S2 Climate-related Disclosures and provides a 'climate-first' view of the financial impacts of climate-related risks and opportunities.

PART TWO

Impact Materiality

Pages 149 to 251

Guided by the Bursa Malaysia Sustainability Reporting Guide (3rd edition), this section addresses other material ESG topics. As part of the S1 General Requirements transition relief, this part emphasises critical matters not covered in the climate-specific disclosures, ensuring a comprehensive view of our broader societal and environmental impacts.

ASSESSING TM's SUSTAINABILITY STATEMENT AND FEEDBACK

Sustainability reporting is an ongoing journey and we continue to strengthen the quality, clarity and relevance of our disclosures each year.

We welcome feedback and concerns on our sustainability performance, initiatives and reporting approach as we move forward. Our open and accessible communication approach supports this progress.

As part of our commitment to continuous improvement, stakeholders may share any sustainability-related feedback at

sustainability@tm.com.my

SUSTAINABILITY AT TM

SUSTAINABILITY JOURNEY

OUR PROGRESS

TM adopts a balanced and holistic approach to sustainability. While climate remains a priority under the ISSB-aligned framework, we recognise that our responsibilities extend beyond climate to broader environmental, social and economic impacts. Our sustainability journey continues to evolve through a disciplined focus on transparency, accountability and long-term value creation.

Part 1 of this report outlines our climate-related risks and opportunities in alignment with ISSB standards, while **Part 2** expands on the broader pillars of our sustainability strategy, covering other Material Matters across economic, social and environmental impacts beyond climate.

For this reporting year, TM adopts the additional transition relief recommended by Bursa Malaysia in alignment with the NSRF as we progress towards full adoption by 2027. We remain committed to strengthening our internal processes, data governance and reporting capabilities over time.

Guided by our strategies, frameworks and policies, sustainability is embedded across our operations to support responsible growth, deliver value to stakeholders and advance a greener, smarter and more inclusive Digital Malaysia. Our commitment continues to evolve in response to regulatory developments, stakeholder expectations and our ambition to build long-term resilience and value.

Phase 1: Foundation (2019-2022)

Commitment
Established TM's first ESG commitments and targets, and publication of our inaugural TCFD report

Formalised our sustainability foundation from 2019 to 2022 by achieving the following milestones:

- the establishment of our **first ESG commitments and targets**, marking an important foundational step, providing a clear baseline for integrating sustainability considerations into our business strategy and operations.
- the publication of our **inaugural Task Force on Climate-related Financial Disclosures (TCFD) report**, strengthening our approach to climate risk governance, scenario analysis and transparency.

Phase 2: Transition (2023-2025)

We are here

Framework & Roadmap
Activity-based approach to align with TM's core business and value creation

Strategic Alignment
- Transitioned our sustainability framework to the Triple Bottom Line (TBL), balancing Prosperity (Profit), Planet and People
- Conducted an enhanced Double Materiality Assessment (DMA)

During the Transition Phase (2023–2025), TM accelerated the shift from initial commitments to structured execution. We operationalised our three-year **Sustainability Framework and Roadmap** to embed sustainability into core business functions, strengthen governance, and enhance data quality across the Group. As a committed member of the UN Global Compact Network Malaysia and Brunei (UNGCMYB) since 2023, TM actively upholds the **10 Principles of the UNGC** and consistently aligns its performance with the Sustainable Development Goals (SDGs).

In 2025, we further advanced our strategic approach by adopting the **Triple Bottom Line (TBL)** framework, integrating Prosperity, Planet, and People to promote balanced value creation.

To ensure long-term resilience, we executed an enhanced **double materiality assessment** that integrates with our Enterprise Risk Management (ERM) framework. This process identified critical sustainability-related risks and opportunities while evaluating TM's broader impacts on the economic, environmental, social and governance.

Phase 3 : Lead with Purpose (2026-2030)

Sustainability as Business Strategy
Focusing on sustainability strategic priorities based on five (5) material matters:

Innovation & Technology	Customer Experience	Sustainable Value Chain
Climate Change	Community Empowerment	

Looking ahead, the period from 2026 to 2030 marks our next phase, **Leading with Purpose**. In this phase, we will:

- Elevate sustainability from operational execution to strategic leadership
- Strengthen sustainability as a core imperative of PWR 2030 as we move towards becoming a Digital Powerhouse

- *For details of the materiality assessment, including the approach and process, please refer to page 121.*
- *The materiality matrix is presented on page 122.*

SUSTAINABILITY AT TM

OUR SUSTAINABILITY FRAMEWORK & GOVERNANCE

Realigning our Sustainability Framework to the 3Ps

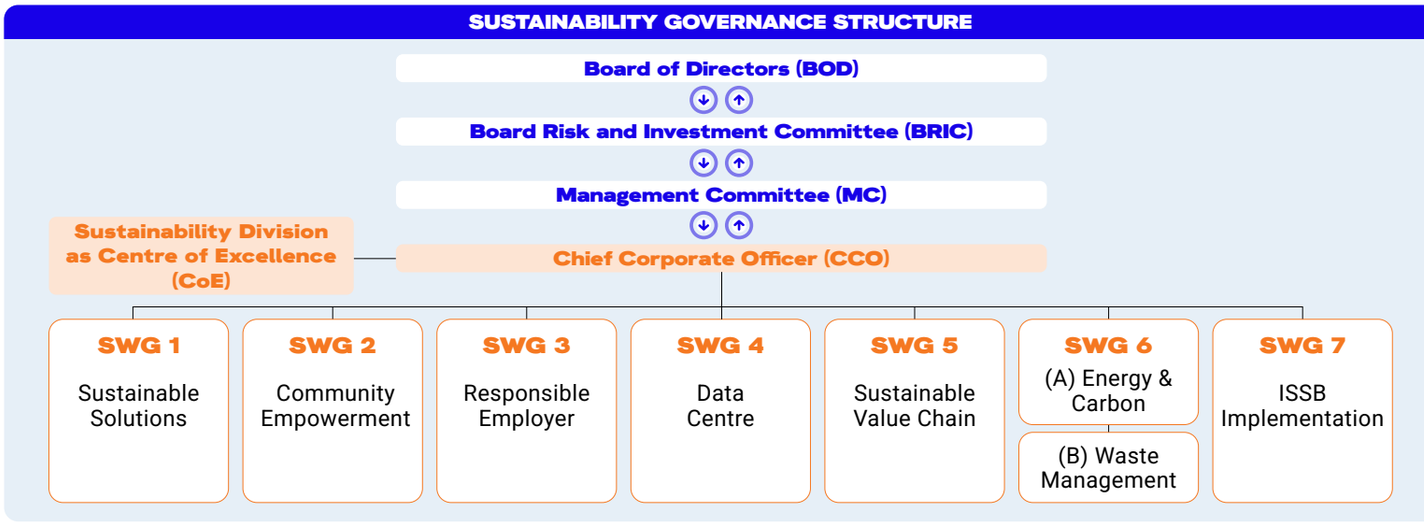
SUSTAINABILITY FRAMEWORK

Building on this governance foundation, we refined the way sustainability is structured and operationalised across the Group. In 2025, we formally adopted the Triple Bottom Line (TBL) approach within our sustainability framework, structured around three (3) core pillars: **Prosperity, Planet and People** (“3Ps”). This adoption is part of our journey from 'Transition' to 'Lead with Purpose' phase, aligning to our sustainability objectives with our aspirations to become a Digital Powerhouse by 2030.

Under our theme, “Empowering the Future Together,” we drive two (2) primary sustainability objectives: 'Enabling Sustainable Growth' for our customers and communities, and 'Ensuring Business Resilience' across TM and our value chain. We anchor these goals in the Triple Bottom Line (Prosperity, Planet and People) and execute them through our 14 material matters.

SUSTAINABILITY GOVERNANCE

Our sustainability governance structure begins with Board-level oversight and cascades through the Board Risk and Investment Committee (BRIC), Management Committee (MC), and the Chief Corporate Officer (CCO). This leadership drives action down to our operational teams through seven (7) specialised Sustainability Working Groups (SWGs). This structure establishes clear accountability and reporting lines across all levels of the organisation.



Reporting to the CCO, the Sustainability Division provides guidance on TM's sustainability-related risks and opportunities while serving as the Secretariat for the SWGs. The roles of each governance structure are described below:

Board

- Provides strategic direction for TM's sustainability efforts
- Approves sustainability targets and monitors progress
- Integrates material matters into TM's vision, mission and strategies

BRIC

- Reviews sustainability strategies and targets prior to decisions made by the Board
- Oversees the progress of Board-approved strategies and targets
- Incorporates sustainability considerations, including climate-related issues into committee discussions
- Evaluates and manages physical climate risks across various functions in the organisation, specifically under the purview of Risk Management

MC

- Implements Board-approved sustainability strategies and targets, including climate-related targets
- Allocates responsibilities, KPIs and resources for achieving targets
- Proposes adjustments to sustainability strategies and targets to the Board as needed

CCO

- Provides the executive oversight and strategic direction on all sustainability-related risks and opportunities, ensuring they align with TM's long-term business goals
- Oversees the SWGs and the Sustainability Division, ensuring the seamless flow of ESG data and the execution of the 14 material matters across the Group

Sustainability Division as Centre of Excellence (CoE)

- Led by General Manager (GM) of Sustainability, the Sustainability Division acts as TM's Centre of Excellence for sustainability.
- Provides expertise and guidance on sustainability-related risks and opportunities
- Coordinates cross-functional initiatives and streamlines the flow of ESG data across the Group

SWGs

- Comprise relevant functional team members across the Group
- Implement SWG-related tasks according to targets and KPIs
- Report and recommend actions to the CCO and MC
- Regularly update the CCO on the status of various initiatives, targets and outcomes

INTEGRATION OF SUSTAINABILITY INTO BOARD GOVERNANCE

Sustainability considerations are embedded in all Board discussions and decisions, as it is integral to the Board agenda. It also features prominently on the BRIC agenda, highlighting its importance across all areas of Board deliberation.

Led by its Chairman the BRIC reviews and manages climate-related risks on a quarterly basis. The GCFO, Chief Network Officer (CNO), and Executive Vice President (EVP) TM Global share responsibility for overseeing our carbon emission reduction targets.

This governance structure is supported by a set of policies and frameworks that guide how sustainability commitments are implemented across the Group.

For more information on sustainability governance, please refer to page 123.

SUSTAINABILITY AT TM

COMMON POLICIES

We drive consistent sustainability execution through robust policies and a commitment to sustainable and ethical business practices. Our key policies include:

TM Sustainability Policy
Governs how TM conduct business responsibly, ensuring we create long-term value for all stakeholders through ethical and sustainable practices

TM Sustainability Framework
Establishes a structured approach around three (3) core pillars, Prosperity, Planet and People (3Ps). The BRIC endorses and governs this framework, maintaining rigorous oversight of our sustainability strategy and its execution across TM

Group Communication Policy
Governs all corporate messaging to ensure consistency and strategic alignment across the Group.

- Internal and External Communications Policy & Best Practices: Sets clear principles for internal and external communications to provide accurate, compliant information while protecting TM's brand
- Crisis & Media Communication: Establishes protocols for managing sensitive issues and public-facing responses

First-Tier Financial Limit of Authority (LoA)
The Board of Directors delegates specific financial authority limits to TM officers, enabling efficient decision-making while maintaining robust internal controls

Business Initiative Governance Framework
Defines the controls and compliance standards governing all business initiatives and projects. It ensures that process owners execute Board-approved strategies within established risk and operational boundaries

TM Data Governance Policy & Framework (TMDGPF)
Promotes Group-wide awareness, accountability and the adoption of best practices in data governance

Procurement Policy and Processes
Ensures transparent, efficient and compliant acquisition of goods and services

Privacy Notice
Serves as information for customers and/or prospective customers of TM and its group of companies on the collection, processing and protection of personal data in compliance with the Personal Data Protection Act 2010 (PDPA 2010)

TM Business Continuity Management (BCM)
Sets and enforces minimum BCM requirements across all TM divisions and subsidiaries to ensure continuity of critical functions and essential services during any crisis or disruption including climate-related events

To learn more, scan the QR code for the full List of Policies and Guidelines or visit our List of Policies and Guidelines at www.tm.com.my/sustainability/policies-guidelines

LIST OF MATERIAL MATTERS

The TM Sustainability Policy has mandated a three (3)-year cycle of materiality assessment. In 2025 we conducted an enhanced double materiality assessment to align with evolving sustainability reporting expectations including the adoption of IFRS Sustainability Disclosure Standards. This assessment evaluates the financial implications of sustainability-related risks and opportunities, as well as TM's impacts on the economy, environment and society.

As a result of the enhanced double materiality assessment, we reassessed and refined a few material matters with the intention to sharpen the strategic focus and resource allocation, as summarised below:

Material Matters	Changes from 2024 to 2025	Priority
Prosperity		
M1 Innovation & Technology	Remain	1
M2 Customer Experience	Remain	1
M3 Network Stability & Quality	Remain	2
M4 Sustainable Value Chain	Previously known as Sustainable Supply Chain	1
M5 Responsible Communication	Remain	3
M6 Cyber Resilience	Remain	2
M7 Good Governance	Remain	3
Planet		
M8 Environmental Management	Previously known as Environmental Quality	2
M9 Climate Change	Remain	1
People		
M10 Labour Practices & Human Rights	Previously known as Fair Employment	2
M11 Learning & Development	Remain	2
M12 Health & Safety	Remain	3
M13 Digital Inclusion	Previously known as Affordability & Inclusion	2
M14 Community Empowerment	Previously known as Community Development	1

We prioritise each material matter based on its strategic alignment to TM's Digital Powerhouse 2030 aspiration. Other considerations include financial and non-financial implications, risk exposure, regulatory expectations and potential to create sustained value for shareholders and stakeholders. By linking every priority level to a defined time horizon, we translate material matters into clear action pathways, strengthen accountability across organisation and enable measurable outcomes that support resilient and responsible growth, as described below:

Description	Action plan
1 Priority 1 • High priority with potential opportunities • Increase market share and revenue innovation	• Strategic action plan to be established for short- (<1 year), medium- (2-3 years) and long-term (>4 years) • Amplifying advocacy strategy
2 Priority 2 • Operational efficiency and cost reduction	Strategic action plan to be established for short- (<1 year), medium- (2-3 years) and long-term (>4 years)
3 Priority 3 • Risk mitigation and license to operate	Long-term (>4 years) action plans to be established

For more information on the materiality assessment, please refer to pages 121 to 123.

SUSTAINABILITY AT TM

OUR SCORECARD

We embed sustainability measures into our Corporate Scorecard through clearly defined, time-bound targets and qualitative goals for emerging focus areas, in order to drive accountability. For the second consecutive year, we formally integrated sustainability metrics into the KPIs of our pivotal positions, directly linking environmental and social performance to executive remuneration.

This approach translates our sustainability ambitions into actionable targets across the leadership team, aligning our efforts with the goal of becoming a Digital Powerhouse by 2030.

The following table details our **2025 Corporate Scorecard**, outlining the specific targets and metrics we use to measure our sustainability performance:

Measure	Pivotal Positions carrying the KPI	Performance 2025	Our Target	Status
Prosperity				
1) **S&P Global ESG Scores**	GCEO, CCO	57	60	Not achieved[1]
2) **Sustainability as a Business Use Cases**	EVP TM One, EVP TM Global and Chief Commercial Officer Consumer & Business (Unifi)	Minimum two (2) Use Cases completed by each LOB	Two (2) Use Cases completed by each LOB	Achieved
3) **Management Review of Anti-Bribery Initiatives**	All Pivotal Positions and all GCEO Direct reports	Minimum three (3) Management Reviews per division	Three (3) Management Reviews per division	Achieved
4) **National Corporate Governance Sustainability Award (NACGSA)**	CCO, Group Company Secretary	Ranked 7th	Ranked 10th	Surpassed
Planet				
5) **Carbon Emissions Reduction**	GCFO, CNO, EVP TM Global	34%	34%	Achieved
People				
6) **Women in Senior Management**	CHCO	36%	35%	Surpassed
7) **Sustainability Competency Programme and Maturity Assessment**	All Pivotal Positions	More than 90%	80%	Surpassed
8) **Number of TVET Participants Trained for 2025**	CHCO	416 TVET participants trained for 2025	375 TVET participants trained for 2025	Surpassed

Note:

[1] *Although the 2025 score of 57 did not meet our target of 60, it reflects an improvement from 55 in 2024, demonstrating continued progress in strengthening our ESG performance amid increasingly stringent assessment criteria. Nevertheless, we hold the highest rating among local industry peers. We noted on the improvement needed and areas of better disclosures.*

For more information on our awards and achievements in 2025, please refer to the Awards & Accolades section on pages 12 to 13.

OUR ESG RATINGS

As one (1) of the drivers in our sustainability journey, we recognise the increasing importance of strong ESG performance within our business strategy and evolving stakeholder expectations. We honour our ESG ratings as an independent benchmark that helps us assess how the market evaluates our sustainability performance and identify areas for enhancement.

In 2025, our ESG ratings demonstrate steady progress in the maturity and effectiveness of our sustainability approach and performance, as shown in the table below:

Measure	2023	2024	2025	Review of 2025 achievements
S&P Global ESG	46/100	55/100	**57/100**	**Improvement on our disclosures and sustainability initiatives**
FTSE4Good	3 out of 4 stars	3 out of 4 stars	**4 out of 4 stars**	**The highest achievement**
FTSE Russell	3.6	3.6	**3.8**	**Improvement on our disclosures relating to Sustainable Value Chain and Environmental Management**
MSCI ESG Ratings	BBB	A	**A**	**Rating maintained**
CDP	B	C	**C**	**Priority area for improvement in 2026 especially in the disclosures of Scope 3 GHG and adoption of plastic reduction practices**

In addition to our ESG ratings, TM received recognition as a 3-Star Lister under the inaugural UN Global Compact Network Malaysia & Brunei ESG Select List, in the following areas:

★ **ESG Trailblazer**
Launched the first AI-enabled Global Business Services Centre on Malaysia's East Coast, creating high-value digital jobs and driving inclusive regional development

★ **ESG Breakthrough Innovation**
Deployed the Smart Distributed Radio Access Network (D-RAN) in Putrajaya, a pioneering model that lowers the environmental footprint through network sharing

★ **Purposeful Partnership**
Developed the Smart Urban Forestry, an AI tool that collects forest data 96% faster and more accurately

This recognition reflects our ongoing efforts in embedding sustainability across strategy, innovation and partnerships, to deliver long-term value for our stakeholders.

Further strengthening this achievement, TM was honoured at the UNGCMYB Forward Faster Sustainability Awards 2026, where our Chief Corporate Officer received the Forward Faster Chief Sustainability Officer Award for Large Corporate. This accolade reflects the leadership, strategic clarity and disciplined execution that continue to shape TM's sustainability journey.

It reinforces our resolve to accelerate responsible growth in line with our aspiration to become a Digital Powerhouse by 2030, where sustainability, innovation and performance are embedded across our strategy to deliver lasting value and impact for Malaysia.

SUSTAINABILITY AT TM

OUR CONTRIBUTIONS TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS)

As a responsible organisation, we recognise our duty to contribute meaningfully to the UN SDGs. We integrate sustainability into our operations, prioritising environmental stewardship, social well-being and strong governance. Through focused initiatives and continuous improvement, we aim to create positive, lasting impact for our stakeholders and support broader national and global sustainable development efforts.

SDG	SDG Targets		Related Sections	Initiative/Programme Objectives
No Poverty	1.4	Equal Rights to Economic Resources & Basic Services	• Usahawan Digital TM Programme • TM Graduate Programme (TMGP)	• Empowering B40 entrepreneurs with digital tools and skills • Building a high-performing young talent pipeline for future excellence
	1.a	Mobilisation of Resources to Implement Programmes to End Poverty	• Rural Empowerment and Community Help (REACH) 2.0	• Empowering communities with digital entrepreneurship skills
Zero Hunger	2.1	Ensure Access to Safe, Nutritious & Sufficient Food	• *Program Cahaya Ramadan*	• Supporting communities with Ramadan aid and essentials
Good Health & Well-Being	3.4	Promote Mental Health & Well-Being	• GCEO Body Mass Index (BMI) Challenge • TM health and well-being app • Well-being webinars	• Promoting employee health and wellness • Ensuring employee access to digital wellness tools • Providing monthly holistic well-being webinars
	3.a	Strengthen Implementation of Tobacco Control	• TM Smoke-Free Workplace Policy	• Ensuring a smoke-free workplace in compliance with Malaysian law
	3.d	Strengthen Capacity for Health Risk Management	• TM's Occupational Safety and Health Management System (OSHMS)	• Implementing a framework to manage workplace safety and health risks
Quality Education	4.3	Equal Access to Affordable Technical, Vocational & Higher Education	• Future Leaders Scholarship and Young Leaders Scholarship • TVET MADANI	• Delivering education financial assistance to deserving students • Strengthening TVET education through facilities, funding and training
	4.4	Increase Skills for Employment & Entrepreneurship	• Vendor Capacity & Capability Development Programme • Usahawan Digital TM Programme	• Enhancing vendor competitiveness, resilience and technical capability • Equipping B40 entrepreneurs with digital tools and skills
	4.5	Eliminate Gender Disparities in Education	• ASPIRE Programme	• Preparing high potential women for senior leadership roles
	4.7	Education for Sustainable Development	• Employee Sustainability Capability Programmes	• Building human rights capabilities through the UN Global Compact Accelerator • Strengthening senior leaders' understanding of the Sustainability Framework • Building sustainability awareness among non executives
	4.a	Build and Upgrade Education Facilities	• *Sekolah Angkat* MADANI • Multimedia University	• Equipping students and B40 communities with STEM training and digital learning hubs • Providing a tertiary education arm, cultivating future-ready digital talent
Gender Equality	5.1	End All Forms of Discrimination Against Women	• TM Responsible Employer Commitment	• Integrating responsible labour practices across TM's operations
	5.2	Eliminate Violence & Harassment Against Women	• Zero-tolerance towards all forms of harassment (sexual or non-sexual) • Grievance and Escalation Reporting Process • Employee Training and Awareness of Discrimination and Harassment	• Implementing statement to strict zero-tolerance towards harassment. • Delivering a formal channel to address discrimination and harassment • Providing regular training on preventing discrimination and harassment
	5.4	Recognise and Value Unpaid Care & Domestic Work	• Flexible Working Arrangement (FWA) • Progressive Parental Paid Leave • On-site childcare facilities	• Enhancing productivity via flexible workspaces and working hours • Ensuring paid maternity and paternity leave • Providing affordable on-site childcare facilities for employees
	5.5	Ensure Women's Full Participation & Leadership	• ASPIRE Programme	• Preparing high potential women for senior leadership roles
	5.b	Enhance Use of Technology to Empower Women	• Equal opportunity for women in technology	• Achieving 46% women workforce in data centre core function
Clean Water & Sanitation	6.3	Improve Water Quality & Reduce Pollution	• Sewage water management	• Safeguarding public health and local water quality
	6.4	Increase Water-Use Efficiency	• Rainwater harvesting • Baselining of water consumption at Data Centre	• Reducing reliance on municipal water for common areas • Enabling data measurement for future water efficiency programme
	6.6	Protect Water-Related Ecosystems	• *Jangkau Digital TM* initiative Programme in Kampung Mukut, Pulau Tioman	• Executing a coral rehabilitation study
Affordable and Clean Energy	7.2	Increase the Share of Renewable Energy	• Solar Power Purchase Agreement (SPPA) with GENTARI • SPPA with Network Facility Provider (NFP) for renewable energy at mobile base station	• Supplying renewable energy across our facilities
	7.2	Double the Rate of Energy Efficiency	• Legacy Network Element shutdown • Energy Efficiency Optimisation (EEO) • Cooling Unit Upgrading (CUU) • Energy Performance Contracting (EPC) • Power Usage Effectiveness (PUE) Monitoring	• Implementing energy efficiency programmes to reduce electricity consumption
	7.b	Expand Infrastructure and Upgrade Technology for Modern Energy Services	• Electricity vehicle and charging station	• Reducing carbon emissions by shifting our fleet to EVs with inhouse charging
Decent Work and Economic Growth	8.2	Higher Productivity Through Diversification & Innovation	• Talent Marketplace Platform • 60% Digital Conversant Programme	• Building a central digital talent database to match skills with growth opportunities • Creating a tech aware workforce with basic digital skills
	8.3	Promote Decent Job Creation & Entrepreneurship	• Supplier Capability Development	• Strengthening vendor competitiveness, resilience and capability.
	8.5	Full & Productive Employment with Equal Pay	• TM Responsible Employer Commitment	• Integrating responsible labour practices across TM's operations
	8.6	Reduce Youth Unemployment	• Internship programmes	• Offering youth hands-on work experience
	8.7	Eradicate Forced Labour & Child Labour	• Commitment to human rights standards	• Upholding a strict zero tolerance policy against any form of human rights issues
	8.8	Protect Labour Rights & Safe Working Conditions	• Integrating OSHE principles and safety KPIs across the group • Well-being webinars • Grievance and Escalation Reporting Process	• Embedding health and safety in every decision • Providing monthly holistic well-being webinars • Delivering a formal channel and process to address issues
	8.9	Promote Sustainable Tourism	• *Jangkau Digital* Programme in Kampung Mukut, Pulau Tioman	• Executing a smart eco-village that weaves together digital connectivity, social and environmental care • Promote local entrepreneurs through visitmukut.com, a tourism website developed by TM

SDG	SDG Targets		Related Sections	Initiative/Programme Objectives
Industry, Innovation & Infrastructure	9.1	Develop Quality, Reliable & Sustainable Infrastructure	• Smart Industry Transformation with NCT Group • Sustainable Smart Port Digitalisation • TM Data Centres • TM Edge Data Centres • Smart D-RAN	• Implementing digital infrastructures and solutions for sustainable future
	9.2	Promote Sustainable Industrialisation	• Smart Urban Forestry • Smart Workforce: Digital Field Workforce Management Tool	• Executing AI-powered environmental monitoring and forest carbon assessment • Integrating an intelligent automated mobile workforce management system
	9.3	Increase Access of SMEs to Finance & Value Chains	• TM Vendor Financing Programme PERINTIS and ASPIRASI Financing Programme TERAJU	• Collaborating with 25 financial institutions to provide SME vendors with flexible funding solutions
	9.4	Upgrade Infrastructure & Retrofit for Sustainability	• Smart Traffic Analytics and Recognition System (STARS)	• Obtaining real-time analytics solutions to optimise traffic light sequences
	9.5	Enhance Research & Innovation	• Multimedia University • Invested in TM Research & Development	• Providing a tertiary education arm, cultivating future-ready digital talent • Advancing TM's R&D arm, delivering innovative digital solutions
	9.b	Support Domestic Technology Development	• *Jangkau Digital* Programme in Kampung Mukut, Pulau Tioman	• Executing a smart eco-village that weaves together digital connectivity, social and environmental care
	9.c	Universal Access to Information & Communication Technology	• TM-managed National Information Dissemination (NADI) centres	• Supporting MCMC's programme to improve digital reach to rural communities
Reduced Inequalities	10.3	Ensure Equal Opportunity & Reduce Discrimination	• TM Responsible Employer Commitment • House call assistance service for persons with disabilities (PwD) and priority lane for elderly, PwD and pregnant customers	• Integrating responsible labour practices across TM's operations • Enhancing service inclusivity with accessible support for customers with additional needs
Sustainable Cities and Communities	11.2	Safe, Affordable, Accessible & Sustainable Transport	• TM EZFleet	• Implementing a car-sharing platform to optimise vehicle usage • Encouraging adoption of electric vehicles (EVs)
	11.6	Reduce Environmental Impact from Cities	• Future-ready Digital Infrastructures e.g Data Centres, Smart D-RAN • Sustainable Digital Solutions e.g Smart Urban Forestry, STARS	• Building high-performance, scalable and sustainable infrastructure • Empowering customers and businesses to progress responsibly
	11.c	Support Sustainable & Resilient Building Construction	• Green Data Centre	• Certifying TM's Data Centre with LEED, GBI, GreenRE, ISO EMS, ISO EnMS • Ensuring Power Usage Efficiency (PUE) between 1.4 and 1.8
Responsible Consumption and Production	12.2	Sustainable Management & Efficient Use of Natural Resources	• Energy Efficiency initiatives Sustainability Working Group 6A	• Improving energy efficiency and reducing electricity consumption across operations
	12.7	Promote Sustainable Public Procurement	• Technical Specifications	• Integrating sustainability clauses in technical specifications
Climate Action	13.2	Integrate Climate Change Measures into Policies & Strategies	• TM Sustainability Framework	• Outlining TM's commitment to a Net Zero 2050 pathway focusing on reducing Scope 1, 2 and 3
	13.3	Build Knowledge & Capacity on Climate Change	• Hello Sustainability!	• Building sustainability awareness among non executives
Life Below Water	14.1	Reduce Marine Pollution	• Single Use Plastic Guideline	• Standardising TM's Single Use Plastic Guideline
	14.2	Protect Marine & Coastal Ecosystems	• *Jangkau Digital* Programme in Kampung Mukut, Pulau Tioman • ACL Submarine Cable Environment Impact Assessment (EIA)	• Executing a coral rehabilitation study • Incorporating submarine cable construction controls, pollution-prevention measures and ecological protection
Life On Land	15.1	Conserve Terrestrial & Freshwater Ecosystems	• Biodiversity conservation through forest restoration	• Turning ecological liabilities into resilient forest ecosystems
Peace, Justice and Strong Institutions	16.3	Promote the Rule of Law & Ensure Equal Access to Justice	• Ethics Line, accessible 24/7 • Whistleblowing Policy • Integrity Pledge	• Guiding responsible conduct, promoting sustainability and building stakeholder confidence
	16.5	Substantially Reduce Corruption & Bribery	• Ethics Line, accessible 24/7 • Whistleblowing Policy • Integrity Pledge • Anti-Bribery Management System (ABMS) • ABMS Annual Audit by SIRIM QAS, an independent third-party auditor	• Ensuring every action upholds our values and legal standards, with zero tolerance for corruption
	16.6	Develop Effective, Accountable & Transparent Institutions	• TM Integrated Annual Report 2025	• Fostering transparency in corporate financial and non-financial reporting
	16.7	Ensure Responsive, Inclusive & Representative Decision-Making	• Women on the Board, Senior Management and Workforce	• Promoting diverse workforce in workforce and decision-making levels
	16.10	Ensure Public Access to Information & Protect Fundamental Freedoms	• Building trust, transparency and accountability with all stakeholders	• Upholding trust and protecting TM's reputation through responsible, clear and consistent communication
	16.b	Promote and Enforce Non-Discriminatory Laws & Policies	• Employee Training and Awareness on Discrimination and Harassment	• Providing regular training on preventing discrimination and harassment
Partnerships for the Goals	17.6	Enhance Global Cooperation on Science, Technology & Innovation	• Multimedia University • Invested in TM Research & Development	• Providing a tertiary education arm, cultivating future-ready digital talent • Advancing TM's R&D arm, delivering innovative digital solutions
	17.7	Promote Environmentally Sound Technologies	• Solar Power Purchase Agreement (SPPA) with GENTARI • SPPA with Network Facility Provider (NFP)	• Supplying renewable energy across our facilities, including off-grid mobile base stations
	17.14	Enhance Policy Coherence for Sustainable Development	• TM Sustainability Policy	• Enabling growth and ensuring business resilience are aligned to UN SDGs

SUSTAINABILITY AT TM

SUSTAINABILITY HIGHLIGHTS

April

- TM activates relief measures for customers and communities affected by Putra Heights fire incident

July

- TM introduces digital entrepreneurship programme for over 2,000 B40 MSMEs

September

- TM and Scicom form strategic partnership to deliver world class, AI-powered customer experience
- TM and NCT Group expand partnership to deliver smart, sustainable industrial parks across Malaysia
- TM joins Candle submarine cable system consortium to connect Malaysia and ASEAN countries to Japan
- TM unveils new open cable landing station to boost regional connectivity

November

- TM One and SIRIM Academy partnership boosts cybersecurity and AI governance in Malaysia

May

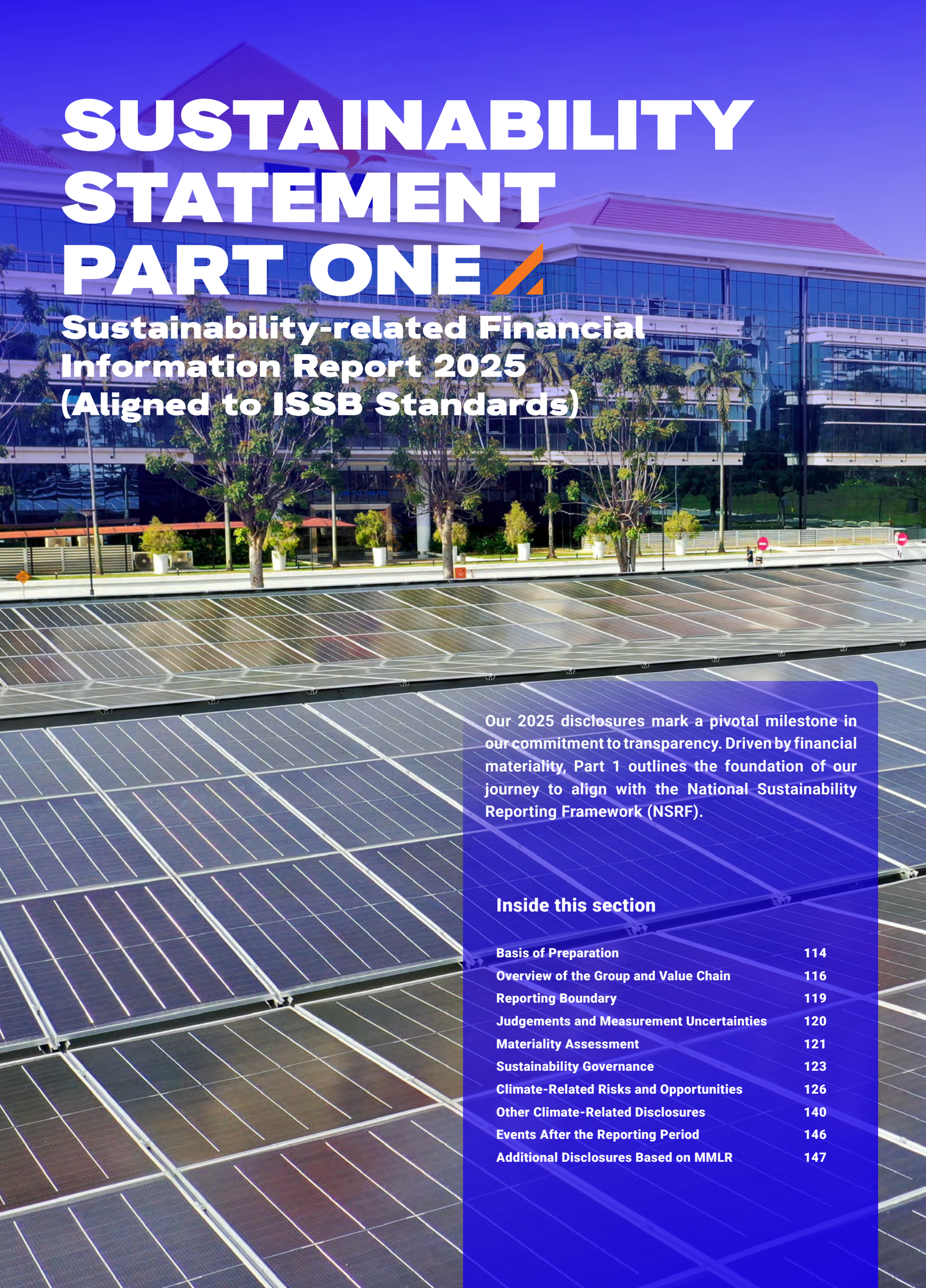
- Unifi Mobile offers over 32k free prepaid SIM cards for Malaysian Hajj pilgrims
- TM named official partner of the national *sepak takraw* team, reaffirming commitment to Malaysia's sports development

August

- TM strengthens national talent pipeline with RM25 million through Yayasan TM Future Leaders Scholarships 2025
- TM showcases AI and digital leadership at ASEAN AI Summit 2025
- *Jangkau Digital* TM reimagines Kampung Mukut, Pulau Tioman as Malaysia's first smart eco-village, driving rural digital inclusion and nation-building
- Unifi Mobile launches Malaysia's first postpaid plan with Netflix
- TM adopts 35 schools under *Sekolah Angkat* Malaysia MADANI, strengthening commitment to nation-building under the TM Future Skills programme
- Unifi Business launches IMPAK BIZ to accelerate MSME digital readiness
- TM celebrates *Hari Kebangsaan* and *Hari Malaysia* 2025 with 'Helo Malaysia', a mission to empower the neurodivergent community in Malaysia

SUSTAINABILITY STATEMENT PART ONE

Sustainability-related Financial Information Report 2025 (Aligned to ISSB Standards)



Our 2025 disclosures mark a pivotal milestone in our commitment to transparency. Driven by financial materiality, Part 1 outlines the foundation of our journey to align with the National Sustainability Reporting Framework (NSRF).

Inside this section

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SUSTAINABILITY-RELATED FINANCIAL INFORMATION REPORT 2025

(ALIGNED TO ISSB STANDARDS)

The following diagram serves as the navigator for our sustainability statement in Part One, illustrating the interconnected structure of the disclosure in alignment with ISSB standards. To ensure full transparency, each section is cross-referenced to specific Notes found throughout Part One, where detailed explanations of data and methodologies are provided.

Group Structure and Reporting Boundaries

- **Basis of Preparation** (Note 1)
- **Overview of the Group and Value Chain** (Note 2)
- **Reporting Boundary** (Note 3)

Overview of Process and Governance

- **Materiality Assessment** (Note 5)
- **Sustainability Governance** (Note 6)

Climate-related Risks and Opportunities (Note 7)

Risks

1. **Physical risk - Extreme weather events** (Note 7.1)
   Increasing frequency and severity of weather events such as floods, storms, landslides, heatwaves and chronic sea-level rise can damage TM Group's infrastructure and assets, disrupt operations, cause prolonged service outages and escalate preventive and recovery costs.
2. **Physical risk - Water consumption and management risk** (Note 7.2)
   Rising water consumption for data centres may increase investment costs in alternative or more efficient cooling technologies and infrastructure.
3. **Transition risk - Regulatory** (Note 7.3)
   Evolving climate-related regulations both directly and indirectly impact TM Group's energy and compliance cost.
4. **Transition risk - Technology** (Note 7.4)
   Shifting towards low-carbon solutions exposes TM Group to technology and ecosystem risk arising from immature technologies, skills gaps and national decarbonisation dependencies.

Opportunity

1. **Low-carbon products, services and solutions** (Note 7.5)
   TM Group can expand market reach and unlock new revenue streams through low-carbon products, services and solutions, which directly or indirectly contribute to sustainable practices compared to conventional alternatives.

Judgements and measurement uncertainties (Note 4)

Other Climate-related Disclosures

- **TM Group's Decarbonisation Strategy** (Note 8.1)
- **Climate Scenario Analysis** (Note 8.2)

Events after the Reporting Period (Note 9)

1. BASIS OF PREPARATION

1.1 Compliance with IFRS Sustainability Disclosure Standards

[IFRS S1.72]

The sustainability statement of Telekom Malaysia Berhad ("TM") and its subsidiaries ("the Group" or "TM Group") has been prepared in accordance with the IFRS Sustainability Disclosure Standards as issued by the International Sustainability Standards Board (ISSB), in compliance with Bursa Malaysia's Main Market Listing Requirements aligned with the National Sustainability Reporting Framework (NSRF). Additional information required to be disclosed under the Main Market Listing Requirements (MMLR) has been included in pages 147 to 148 of this report.

Disclosure topics in the Sustainability Accounting Standards Board (SASB) standards have been referred to and considered when preparing this statement. Refer to Note 5 on page 121 for further information on how the SASB Standards disclosure topics have been considered in the materiality assessment process.

1.2 Connectivity with financial statements

[IFRS S1.20, IFRS S1.22, IFRS S1.24, IFRS S1.30(b)(c), IFRS S1.31, IFRS S1.B38, IFRS S2.10(d)]

This sustainability statement has been prepared for TM Group and should be read in conjunction with TM Group's consolidated financial statements. These financial statements are prepared in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia. This report covers the financial year ended 31 December 2025, aligned with the reporting period of the related consolidated financial statements.

TM Group defines time horizons based on when sustainability-related risks and opportunities are reasonably expected to occur. These time horizons which guide strategic decision-making are categorised as follows:

1. **Short-term**
   Up to 2026
2. **Medium-term**
   Up to 2028
3. **Long-term**
   More than 2028

We apply different time horizons in assessing climate-related physical risks as part of our climate scenario analysis. Further information on the respective time horizons is provided in Note 8.2 Climate Scenario Analysis.

The sustainability-related financial disclosures cover the same reporting entity as the consolidated financial statements, comprising TM Group and our subsidiaries. In preparing these disclosures, we have assessed our own operations and value chain, which includes a joint venture and an associate.

All disclosures are presented in Malaysian Ringgit (MYR) as the presentation currency, even though the Group operates in other jurisdictions with different currencies. Unless specified otherwise, all amounts are rounded to the nearest million.

For more information on Note 8.2, please refer to page 141.

1.3 First-time adoption of IFRS Sustainability Disclosure Standards

[IFRS S1.E1, IFRS S1.E2, IFRS S2.C1, IFRS S2.C3]

TM Group is reporting under the IFRS Sustainability Disclosure Standards for the annual reporting period ended on 31 December 2025, marking our first year of adoption. For the reporting period beginning 1 January 2025, the Group has applied the following standards:

- **IFRS S1: General Requirements for Disclosure of Sustainability-related Financial Information ("IFRS S1")**
- **IFRS S2: Climate-related Disclosures ("IFRS S2")**

The IFRS Sustainability Disclosure Standards provide certain transition reliefs to entities adopting it for the first time. In addition, Bursa Malaysia's Main Market Listing Requirements provide additional transition reliefs[1] for listed issuers. TM Group has applied the following transition reliefs in our first annual reporting period:

1. Relief from the requirement to disclose comparative information
2. Relief from disclosing Scope 3 greenhouse gas (GHG) emissions
3. Relief from reporting information about sustainability-related risks and opportunities beyond climate-related risks and opportunities

While this statement focuses solely on TM Group's climate-related risks and opportunities under financial materiality, we have also disclosed our ongoing efforts to address broader sustainability-related impacts, in Part 2 of our Sustainability Statement.

For more information on part 2 of our sustainability statement, please refer to pages 149 to 251.

Note:
[1] *"Guidance Note 11A: Saving and Transitional Provisions for Sustainability Statement" published by Bursa Malaysia on 31 December 2024*

SUSTAINABILITY-RELATED FINANCIAL INFORMATION REPORT 2025
(ALIGNED TO ISSB STANDARDS)

Amendments that have been issued but not yet effective

Certain new amendments to sustainability standards have been published but are not mandatory for 31 December 2025 reporting periods and have not been adopted by the Group, namely the IFRS S2 'Amendments to Greenhouse Gas Emissions Disclosures' (effective 1 January 2027).

In summary, the amendments to IFRS S2:

1. Clarify that entities are permitted to limit the measurement and disclosure of Scope 3 Category 15 GHG emissions to financed emissions as defined in IFRS S2
2. Remove the requirement to use the Global Industry Classification Standard to disaggregate information about financed emissions, and instead, allow the use of a classification system that enables the entity to provide useful information about its exposure to climate-related transition risks
3. Clarify that the jurisdictional relief allows entities to use an alternative method to the GHG Protocol if required by their jurisdiction, applies to an entity either in whole or in part
4. Provide a jurisdictional relief that applies to an entity either in whole or in part, from using Global Warming Potential values from the latest Intergovernmental Panel on Climate Change (IPCC) Assessment Report when converting GHG emissions to CO_2 equivalent values

None of these are expected to have a significant effect on the sustainability statements of the Group.

For more information on additional disclosure required under the MMLR, please refer on pages 147 to 148.

2. OVERVIEW OF THE GROUP AND VALUE CHAIN

2.1 Overview of TM Group

TM Group's key business activities

[IFRS S1.32, IFRS S2.13(b)]

TM Group has an extensive operational footprint in the telecommunications sector across Malaysia and internationally, serving the Business-to-Consumer (B2C), Business-to-Business (B2B) and Carrier-to-Carrier (C2C) segments. In addition to these segments, the Group's activities also include others/shared services. These activities contribute an immaterial proportion of consolidated revenue and do not represent our principal business segments (see 'Other activities').

For more information on revenue by business cluster, please refer to pages 76, 83 and 92.

Business-to-Consumer (B2C)

unifi

Unifi provides households and individuals with broadband, mobile and lifestyle services.

unifi BUSINESS

Unifi Business offers digital tools and resources to empower MSMEs, boost productivity, expand market reach and drive digital transformation.

Business-to-Business (B2B)

TM ONE

TM One is the business solutions arm of TM, delivering integrated digital solutions for enterprise and Government customers, including industry-specific solutions, smart services, Private 5G and cybersecurity platforms.

credence

Credence is the National Sovereign cloud provider offering analytics, Artificial Intelligence (AI) and Software-as-a-Service (SaaS) solutions for Enterprise Management and Applications.

Carrier-to-Carrier (C2C)

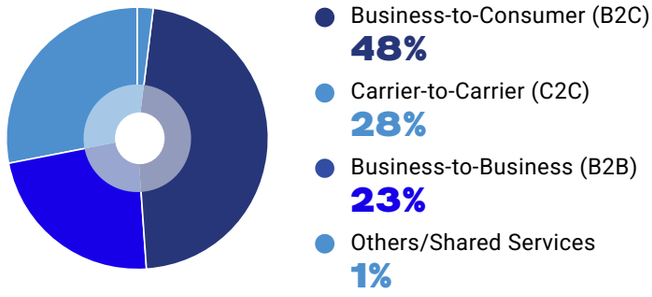
TM GLOBAL

TM Global delivers wholesale connectivity services to domestic and international carriers, leveraging TM's extensive nationwide fibre and submarine infrastructure.

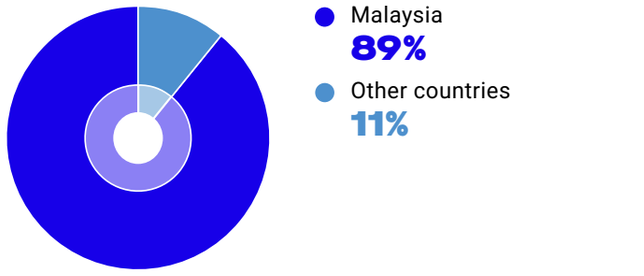
For more information on TM's coverage, please refer to pages 16 to 19.

Our key business activities, geographical presence and contribution to revenue by business cluster and geographical location are illustrated below:

Revenue by business cluster (%)



Revenue by geographical location (%)



Notes:

[1] *Total revenue includes inter-segment revenue arising between the Group's B2B and C2C operations amounting to RM162.3 million, which is eliminated on consolidation for financial year 2025 as described in Note 42 of the Group's financial statements for the year ended 31 December 2025.*

[2] *The Group's revenue from other countries is not further segregated as no individual overseas country contributed more than 10.0% of the consolidated operating revenue.*

The revenue disclosed represents the percentage contribution from external customers for each business activity. Further details can be found in Note 42 of the Group's financial statements for the year ended 31 December 2025.

The Group's other activities

[IFRS S1.32]

Beyond our key business activities, we are also involved in operations, which are not significant to the overall business and do not form part of TM Group's principal activities. This includes activities of subsidiaries that do not fall under the above-mentioned business segments, including University Telekom Sdn Bhd which manages and administers Multimedia University (MMU), representing TM's education arm.

Note 3.1 outlines how our entities, assets and operations are included within the sustainability reporting boundary.

For more information on Note 3.1, please refer to page 119.

The Group's strategy and sustainability-related goals

Aligned with our Pioneer, Win, and Revitalise (PWR) 2030 aspiration, we continue to advance sustainability as a strategic business imperative. During the year, we have aligned our initiatives with the Triple Bottom Line (TBL) framework, anchored on the three (3) pillars of Prosperity, Planet, and People. In line with the adoption of the IFRS Sustainability Disclosure Standards, we expanded our focus to encompass sustainability-related risks and opportunities beyond sustainability impacts on the environment and society, as identified through our enhanced double materiality assessment described in Note 5 of this report.

Prosperity

Innovative and sustainable solutions to create long-term value.

Expected outcome

Sustainable product and growth in low-carbon revenue stream.

Planet

Environmental stewardship towards achieving net zero.

Expected outcome

Reduction in carbon emissions towards net zero by 2050.

People

Positive impact for *Warga TM* and the community that we serve through inclusive and sustainable nation-building initiatives and efforts.

Expected outcome

Equipping our people with the right skills while addressing the 'just transition' to accelerate our sustainability performance.

Our sustainability aspirations aligned with PWR 2030 are currently being developed, with further details to be disclosed in future reports.

For more information on sustainability journey, framework and governance, please refer to pages 103 to 106.

SUSTAINABILITY-RELATED FINANCIAL INFORMATION REPORT 2025
(ALIGNED TO ISSB STANDARDS)

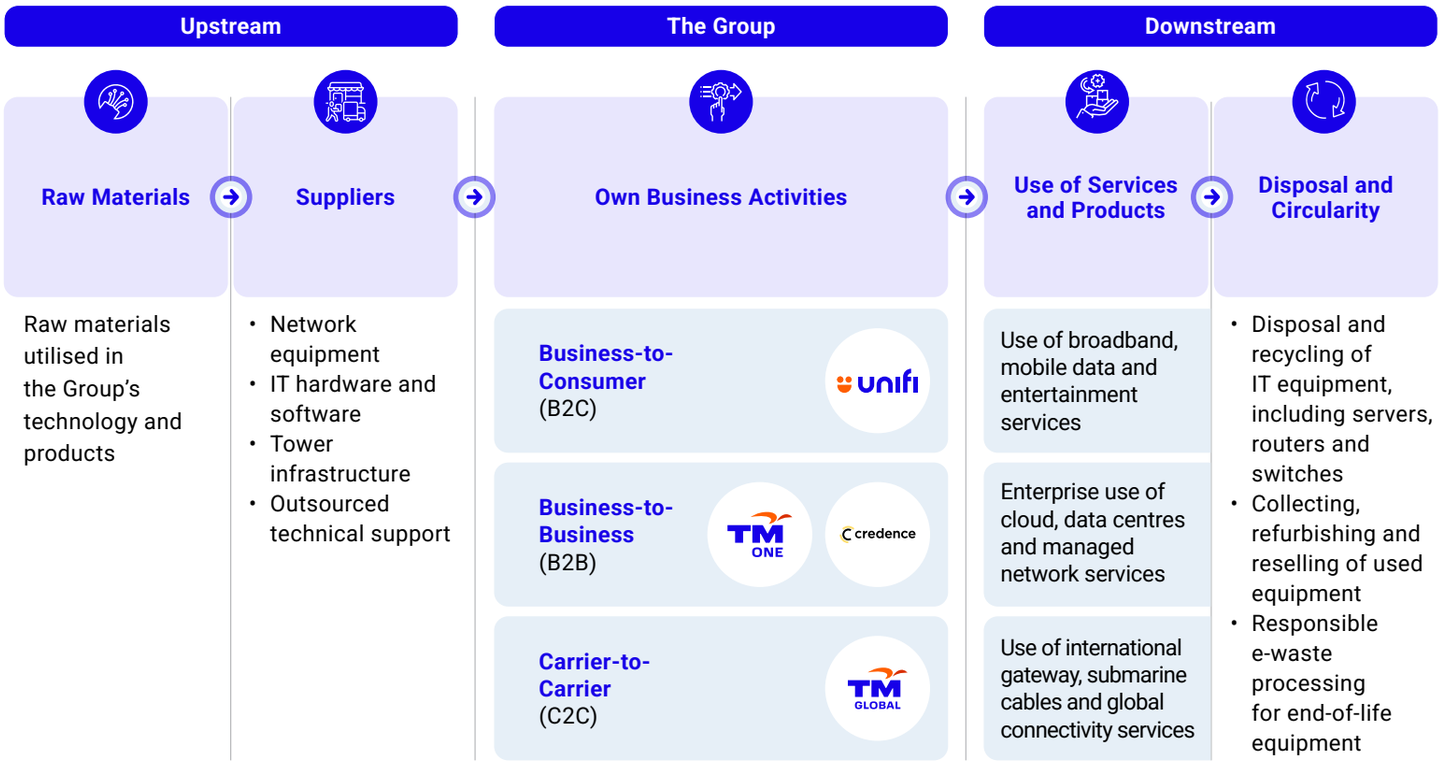
2.2 Our value chain

[IFRS S1.2, IFRS S1.B5]

We rely on a wide range of stakeholders across our value chain to develop and deliver our products and services. This includes end customers, employees, shareholders and investors, Government and regulators, key suppliers, business partners, media, communities and labour unions.

The illustration below summarises TM Group's key upstream and downstream value chain relationships:

TM Group's Value Chain



TM Group has other business relationships, primarily through our investments in the associate and joint venture, which are part of our value chain.

3. REPORTING BOUNDARY

3.1 Reporting boundary (excluding GHG emissions)

Reporting entity

[IFRS S1.20, IFRS S1.B38]

The entities, assets and operations (referred to as the 'reporting entity') included in this sustainability statement are the same as those included in TM Group's 31 December 2025 financial statements, excluding the Group's operations outside Malaysia unless otherwise stated. We continue to strengthen data collection for our international operations, with related disclosures expected to be provided in future reporting periods.

The reporting entity and the extent of sustainability-related information considered and included in this consolidated sustainability report are summarised below:

TM Group

Refer to Note 50 in the financial statements for further information on the list of subsidiaries under TM Group.

Leased assets (the Group is lessee)

The Group leases various assets, including telecommunications network, lands and buildings. These leases are recognised as right-of-use (ROU) assets with corresponding lease liabilities from the commencement date – the point at which the leased asset becomes available for use.

Refer to note 2(m)(i) in the financial statements for further information.

All sustainability information relating to TM Group and leased assets (where the Group is a lessee) is reported as part of the Group's consolidated reporting boundary.

There were no acquisitions or disposals during the current reporting period that resulted in changes to the consolidated reporting boundary.

Value chain

TM Group also has entities (including investments in an associate and joint venture), activities, resources and relationships that form part of our value chain. These have been considered in assessing the sustainability-related risks and opportunities of the Group. In the current reporting period, all reported metrics relate to the Group's own operations, except for GHG emissions, which also incorporate elements of the value chain.

3.2 Reporting boundary for GHG emissions

[IFRS S2.29(a)(ii)(iii), IFRS S2.B26(a), IFRS S2.B27]

Organisational boundary

We use the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (the 'GHG Protocol') to measure GHG emissions, unless otherwise stated by IFRS S2. We use the GHG Protocol Corporate Value Chain Standard 2011 ('Scope 3 Standard') to define the 15 Scope 3 categories as part of the requirement to disclose Scope 3 GHG emissions.

Our reporting boundary for GHG emissions includes our organisational boundary and operational boundary, excluding the Group's operations outside Malaysia, as well as our network towers (mobile operations) and chilled water purchased for district cooling, due to limitations in data availability. The Group is progressively strengthening data collection for our international operations, network towers, as well as purchased chilled water, and expects to provide related disclosures in future reporting periods.

The operational control approach is applied to establish our organisational boundary for emissions. We believe that the use of the operational control approach is the most appropriate method to measure our GHG emissions, as this approach best reflects how emissions are managed and controlled across our operations.

There were no acquisitions and disposals in the current reporting year that will be impacting the GHG emissions reporting boundary.

Operational boundary

Direct GHG emissions from sources that are owned or controlled by businesses and operations within our organisational boundary are reported as Scope 1 GHG emissions. GHG emissions from the generation of purchased electricity consumed by these businesses and operations are reported as our Scope 2 GHG emissions.

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4. JUDGEMENTS AND MEASUREMENT UNCERTAINTIES

In preparing this sustainability statement, we have applied judgement in several areas, including identifying sustainability-related risks and opportunities and determining material information for disclosure. The process also involved the use of estimates for certain amounts which cannot be measured directly. These estimates have been made where the sustainability information related to an entity in the value chain needs to be estimated, or where forward-looking information or data limitations are involved.

This note outlines the key judgements made by management in preparing this sustainability statement, as well as the amounts with significant measurement uncertainty. Details of the judgement made, or the sources of estimation uncertainty, are included in the disclosure note referenced.

4.1 Significant judgements

[IFRS S1.74, IFRS S2.22(b)(ii)]

The following are areas where significant judgements have been exercised in preparing this report:

Materiality process

Management applied significant judgement to identify the sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects, as well as the material information related to those risks and opportunities. The process followed by the Group in making the assessment of what information could reasonably impact the Group's financial prospects and influence decisions of primary users is set out in Note 5 of this report.

Judgement was also applied in considering, which metrics included within the disclosure topics in the industry-based SASB Standards were applicable to the Group.

Organisational boundary for GHG emissions

The Group's organisational boundary for GHG emissions reporting is determined using the operational control approach. The operational control approach requires TM Group to identify the operations over, which the Group has full authority to introduce and implement operational policies.

Both the determination of consolidation approach for organisational boundary and the identification of operations over, which the Group has operational control are areas of significant judgement.

Disclosure over the reporting boundary for GHG emissions is set out in Note 3.2 of this report.

Climate scenario analysis

Management applied judgement in defining the scope and assumptions used in the Group's climate scenario analysis, including the identification of asset classes considered to be exposed to climate-related physical risks. For the purpose of modelling, certain asset classes, such as movable assets, were excluded on the basis that these assets can be relocated and are therefore not expected to be exposed to extreme weather events on a sustained basis.

Judgement was also applied to exclude asset classes such as intangible assets, as these assets are not considered susceptible to the extreme weather events assessed in the scenario analysis.

In addition, judgement was applied in determining the materiality of assets to be included in the scenario analysis. Management determined that assets of subsidiaries comprising more than 95% of TM Group's total assets are material and were therefore included in the analysis. Assets with a zero net book value (NBV) as at the end of the current reporting period were excluded.

Disclosure relating to the climate scenario analysis is set out in Note 8.2 of this report.

4.2 Measurement uncertainties

[IFRS S1.78, IFRS S2.22(b)(ii)

The following areas have a high degree of measurement uncertainty:

GHG-related metrics

The Group's GHG emissions are measured in accordance with the GHG Protocol, unless otherwise specified under IFRS S2. The disclosed GHG metrics carry inherent uncertainty due to reliance on activity data and emission factors sourced from third parties. Where such data is unavailable or incomplete, estimates are applied.

Disclosure on GHG-related metrics are covered in Note 8.1 of this report.

Percentage of assets affected by climate-related physical risks

As the precise geospatial boundaries of exposure to climate risks for individual assets are not fully known, the Group estimates the percentage of assets affected by climate-related risks using postal codes as a proxy for geographic location. This approach is necessitated by the scale and nature of TM Group's operations, which comprise millions of network and infrastructure assets distributed nationwide.

In addition, due to limitations in asset-specific elevation data, the measurement of assets vulnerable to climate-related physical risk has assumed that the assets are located at ground level.

The above estimations and assumptions introduce measurement uncertainty as climate-related physical risks may not uniformly affect all assets within a given postal code and asset-level exposure may also vary within the same locality and by elevation.

Disclosure on the percentage of assets affected by climate-related physical risks is covered in Note 7.1 of this report.

Implementation of carbon tax in Malaysia

The Group assesses potential future exposures arising from Malaysia's proposed 2026 carbon tax. However, this is an area of measurement uncertainty as key aspects of the carbon tax, including scope, coverage, pricing mechanisms and implementation timelines, have yet to be finalised. As a result, assumptions and estimates are applied and no quantified amounts have been disclosed.

Disclosures on how the proposed carbon tax is expected to impact the Group are covered in Note 7.3 of this report.

For more information on:
Note 3.2, please refer to page 119.
Note 5, please refer to page 121.
Note 7.1, please refer to page 126.
Note 7.3, please refer to page 133.
Note 8.1, please refer to page 140.
Note 8.2, please refer to page 141.

5. MATERIALITY ASSESSMENT

[IFRS S1.32, IFRS S1.44(a)(iii)(iv)(v)(b)(c), IFRS S2.25(a)(i)(iii)(iv)(c)]

Although this is our first sustainability statement prepared in accordance with IFRS Sustainability Disclosure Standards, TM Group has long considered sustainability issues within our regular risk management processes. In the current reporting year, we conducted a double materiality assessment covering the areas of:

Financial materiality

Sustainability-related risks and opportunities that could reasonably be expected to affect the Group's prospects, as well as influence decisions made by primary users of general-purpose financial reports (covered within this report)

Impact materiality

Sustainability-related positive and negative impacts, which are not covered in this report

For more information on part 2 of our sustainability statement, please refer to pages 149 to 251.

A three (3)-step approach was adopted in TM Group's double materiality assessment process:

Step 1 Identification

We considered information from various sources to identify potential sustainability-related impacts, risks and opportunities. Key inputs included the Group's PWR 2030 strategy, insights from TM's Sustainability Working Groups (SWG) and TM's FY2024 Integrated Annual Report. References were also made to key regulatory and policy developments, such as Malaysia's Energy Efficiency and Conservation Act (EECA) and the proposed 2026 carbon tax. We also considered key resources, relationships and dependencies, such as critical materials, technology requirements, as well as suppliers and their locations.

In addition, we considered the SASB Standards relevant to TM's operations, specifically those for the Telecommunication Services and Internet Media & Services industries. Benchmarking was also performed against selected peers to ensure alignment with best practices.

Step 2 Validation

The preliminary list of sustainability-related impacts, risks and opportunities identified was validated and refined through engagement with key stakeholders. This included interviews with Board members, the Group CEO and senior management, as well as discussions with business units to assess time horizons, value chain impacts and strategic relevance. A survey was also conducted with internal and external stakeholders, who ranked the preliminary list of sustainability-related impacts, risks and opportunities based on their likelihood and potential for financial and non-financial impact.

Step 3 Prioritisation

Input from interviews and surveys were consolidated to prioritise the sustainability-related impacts, risks and opportunities. This prioritisation was guided by TM's Enterprise Risk Management (ERM) framework, which evaluates both likelihood and impact to produce a refined shortlist of material sustainability-related risks and opportunities, as well as positive and negative impacts.

The materiality assessment process was led by TM Sustainability Division, with input from other management personnel in the Group as well as external advisors. The outcome of the process was validated and approved by the Management Committee (MC) and noted by Board Risk and Investment Committee (BRIC), Board Audit Committee (BAC) and Board of Directors (BOD).

The Group's double materiality assessment was finalised at the end of the 2025 reporting period.

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Outcome of the process

[IFRS S1.30(a), IFRS S2.10(a)]

From the materiality assessment, 14 sustainability areas were identified to be relevant to TM Group, as illustrated in the double materiality matrix below:

PROSPERITY

- M1 Innovation & Technology
- M2 Customer Experience
- M3 Network Stability & Quality
- M4 Sustainable Value Chain
- M5 Responsible Communication
- M6 Cyber Resilience
- M7 Good Governance

PLANET

- M8 Environmental Management
- M9 Climate Change

PEOPLE

- M10 Labour Practices & Human Rights
- M11 Learning & Development
- M12 Health & Safety
- M13 Digital Inclusion
- M14 Community Empowerment

Further details on TM Group's efforts to address each sustainability topic are addressed under sections titled '*Financial materiality*' and '*Impact materiality*' below.

Financial materiality

[IFRS S1.32]

The table below summarises the sustainability-related risks and opportunity identified from the materiality process. Material information on each sustainability-related risk and opportunity can be found in the notes referenced in the table below:

Note reference	Risk/ Opportunity	Affected component of the reporting boundary: The Group's own operations and value chain
Note 7.1	**Physical risk - Extreme weather events** Due to climate change, climate physical risks arising from severe weather events such as floods, storms, landslides, heatwaves and chronic sea-level rise are becoming more common and intense. These can harm the Group's infrastructure, lead to stranded assets and disrupt service delivery, resulting in increased maintenance costs and capital expenditure.	✓
Note 7.2	**Physical risk - Water consumption and management** The expected expansion of TM's data centre operations to meet growing demand will increase water consumption for cooling purposes. Regulatory requirements and rising water tariffs will elevate operating costs, while seasonal droughts driven by climate variability may introduce water stress risks. These may lead to higher R&D spending on alternative cooling technologies, water-efficiency measures, infrastructure upgrades and upskill in water resource management.	✓
Note 7.3	**Transition risk - Regulatory** Evolving climate-related regulations can have both direct and indirect impacts on TM Group. For example, Malaysia's Energy Efficiency and Conservation Act (EECA) may directly result in higher energy efficiency requirements and compliance obligations, while the proposed carbon tax could indirectly increase energy and operational costs and place additional pressure on TM's capital allocation decisions.	✓

Note reference	Risk/ Opportunity	Affected component of the reporting boundary: The Group's own operations and value chain
Note 7.4	**Transition risk - Technology** The shift towards low and zero-carbon solutions may expose TM Group to climate-related technology transition risks arising from market barriers, technology immaturity or unavailability, skills gaps and broader ecosystem constraints stemming from dependence on the progress of national decarbonisation efforts, including decarbonisation of the grid. This can result in higher research and development (R&D) and technology investment costs, alongside increased operating expenses.	✓
Note 7.5	**Opportunity - Low-carbon products, services and solutions** There is opportunity for TM Group to expand our market reach and unlock new revenue streams through low-carbon products, services and solutions across B2B, B2C and C2C segments. These refer to products and services that directly or indirectly contribute to sustainability (e.g. by supporting a low-carbon economy or advancing social outcomes) compared to conventional alternatives that serve the same purpose.	✓

Impact materiality

For more information on our efforts to address our sustainability-related positive and negative impacts, please refer to part 2 of our sustainability statement on pages 149 to 251.

Our materiality assessment process is conducted every three (3) years, or more frequently as and when the need arises.

6. SUSTAINABILITY GOVERNANCE

Our sustainability governance structure anchors oversight at the Board and Board Risk and Investment Committee (BRIC), cascading through the Management Committee (MC) and seven (7) Sustainability Working Groups (SWGs).

For more information on our sustainability governance structure, please refer to page 105.

The responsibilities and activities of the Board of Directors and each of the committees are set out as follows:

6.1 Board oversight

[IFRS S1.27(a)(i)(ii)(iii)(iv), IFRS S2.6(a)(i)(ii)(iii)(iv)]

Board of Directors

The Board of Directors (Board) holds ultimate responsibility for guiding the Group's sustainability agenda and embedding it within the Group's vision, mission and overall corporate strategy. The Board comprises twelve (12) members and one (1) Alternate Director: one (1) Non-Independent Non-Executive Chairman (NINEC), one (1) Non-Independent and Executive Director (NIED), three (3) Non-Independent and Non-Executive Directors (NINED), seven (7) Independent and Non-Executive Directors (INED) and one (1) Non-Independent and Non-Executive Alternate Director.

The Board assumes six (6) core responsibilities as outlined in its Terms of Reference, otherwise known as the Board Charter, which are:

1. Reviewing and adopting the strategic plan for TM Group
2. Overseeing and evaluating the conduct of the Group's business
3. Risk management
4. Establishing internal controls
5. Monitoring succession planning
6. Developing and implementing an investor relations programme

In fulfilling these responsibilities, the Board considers sustainability-related (including climate-related) risks and opportunities in its decision-making processes, with sustainability considerations embedded across all Board deliberations.

The Board is kept informed of sustainability-related issues and developments on a quarterly basis by the Board Risk and Investment Committee (BRIC), following the Management Committee's (MC) deliberation and approval of the sustainability-related items prior to its tabling to BRIC and subsequently to the Board. The Board works with the BRIC to approve and ensure that sustainability targets are embedded within the Group's strategy and risk management processes and also oversees related matters such as remuneration together with the Board Nomination and Remuneration Committee (NRC) (see Note 6.3). Collectively, the Board has relevant sustainability expertise, which supports effective oversight of climate and sustainability-related risks and opportunities. In addition, the Board, on a continuous basis, evaluates and determines the training needs of its Directors to ensure they remain well-equipped to discharge their duties effectively. The Board Training Programme (BTP) provides a structured framework to address these needs, including the development of sustainability-related competencies. Both the Board and MC members regularly participate in sustainability training facilitated by external advisors and third-party subject-matter experts.

For more information on Note 6.3, please refer to page 125.

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Board Risk & Investment Committee (BRIC)

The BRIC oversees the Group's risk management framework and sustainability-related matters. The BRIC is made up of four (4) members comprising one (1) NINED, three (3) INEDs, including one (1) Senior Independent Director. As set out in its Terms of Reference, the BRIC's main roles are to:

1. Assist the Board in ensuring that the company has in place a sound and robust enterprise risk management (ERM) framework and such framework has been effectively implemented
2. Focus on risk issues by identifying, assessing and monitoring key business risks, including sustainability-related and climate-related risks
3. Review and provide guidance on strategic investment proposals, focusing on Management's assessment of the key associated risks and the mitigation strategies prior to the Board's approval
4. Assist the Board in setting the strategies, priorities, targets (including carbon emissions reduction targets[2]) and Group practices pertaining to sustainability and ensuring that the Group's strategies, goals and principles involving sustainability are aligned with the Group's commitments

In addition, the BRIC's specific duties and responsibilities relating to sustainability issues are:

1. Establish and review the frameworks, strategies, policies, plans and initiatives on sustainability
2. Review the sustainability framework to ensure relevant sustainability risks that affect or are likely to affect the operations, strategy or reputation of TM Group are identified, managed and mitigated
3. Review the sustainability framework to ensure continuous monitoring, assessment and review of current and emerging sustainability trends, relevant international standards and legislative requirements and their impact on Group
4. Monitor and report sustainability key performance indicators (KPIs) and their implementation through the Group's Sustainability Roadmaps and Aspirations
5. Facilitate the adoption of mindset in favour of sustainability throughout the Group to instil a performance culture inculcating sustainability in the work culture
6. Review TM Group's Sustainability Statement to ensure transparency regarding sustainability performance

The BRIC meets on a quarterly basis to review key risks (including sustainability and climate-related risks), assess sustainability progress against targets and deliberate on matters before providing recommendations to the Board.

6.2 Management's role in governance

[IFRS S1.27(a)(b), IFRS S2.6(b)]

Management Committee (MC)

Chaired by the Group Chief Executive Officer (GCEO) and comprising C-levels, the MC serves as the Group's executive-level decision-making body and plays a key role in embedding sustainability into the business strategy and operations. Among its key responsibilities, the MC facilitates, formulates, reviews and endorses the Group's strategies and policies, including the Group's sustainability strategy.

The MC receives regular updates on sustainability-related matters from the Chief Corporate Officer (CCO) and deliberates on these matters as part of its ongoing oversight. The CCO is supported by the Sustainability Division, which provides guidance on the Group's sustainability-related risks and opportunities and serves as the Secretariat to the Sustainability Working Groups (SWGs). Meetings are held monthly, or more frequently as required, to address strategic priorities, including sustainability considerations.

Sustainability Working Groups (SWGs)

Management's role in implementing the Group's sustainability action plans in alignment with the Group's Sustainability Roadmap 2024-2026 is embedded within seven (7) executive-level SWGs. Each group is responsible for a sustainability focus area, as follows:

SWG 1	SWG 2	SWG 3	SWG 4	SWG 5	SWG 6	SWG 7
Sustainable Solutions	**Community Empowerment**	**Responsible Employer**	**Data Centre**	**Sustainable Value Chain**	**(A) Energy & Carbon** **(B) Waste Management**	**ISSB Implementation**

Note:

[2] *Oversight of our carbon emissions reduction targets are shared between the Group Chief Financial Officer (GCFO), Chief Network Officer (CNO) and Executive Vice President (EVP) TM Global.*

As outlined in its Terms of Reference, the SWG's objectives include designing, producing, actualising and executing SWG-related action items in accordance with the Group's Sustainability Roadmap 2024–2026, while maintaining high standards of quality and integrity across all deliverables, including data sets, methodologies, market trends and related inputs.

The SWG's responsibilities primarily focus on the delivery of SWG-related action items, identifying and recommending relevant technical considerations, providing supporting data and inputs where required and ensuring timely completion of deliverables, taking into account deliberations by the MC and, where applicable, the Group's Board Committees.

The SWG convenes every two (2) months, or more frequently as needed.

6.3 Impact of sustainability on remuneration policies

[IFRS S1.27(a)(v), IFRS S2.6(a)(v), IFRS S2.29(g)(i)(ii)]

The Group has established the NRC, which has held a dual role since its inception, overseeing nomination and remuneration matters as well as corporate governance.

In relation to its remuneration function, the NRC is responsible for overseeing, reviewing and developing the TM Group Board Remuneration and Benefits Policy (BRBP) for Directors and Senior Management, including the Managing Director (MD)/GCEO. The NRC also oversees the TM Subsidiary Board Remuneration Framework (SRF), which governs the remuneration of directors at the subsidiary level.

Remuneration for senior management is structured to balance risk and reward and is performance-based, with performance assessed through a KPI scorecard. The scorecard is designed to incentivise the achievement of financial, strategic, operational and individual performance objectives and incorporates sustainability-related KPIs.

The Group has set climate-related KPIs in line with the Group's carbon reduction targets at the organisational level. These KPIs are assigned to the Group Chief Financial Officer (GCFO), Chief Network Officer (CNO) and Executive Vice President (EVP) TM Global and are cascaded across relevant management levels. Performance against these KPIs is incorporated into executive remuneration, comprising approximately 3% to 5% of overall performance assessment, including annual salary increments and bonuses.

6.4 Risk management

[IFRS S1.44(a)(iv)(v)(b)(c), IFRS S2.25(a)(iv)(v)(b)(c)]

Our corporate risks, including sustainability-related risks and opportunities, are managed through an Enterprise Risk Management (ERM) framework. Oversight of these risks and opportunities are led by the risk management team in collaboration with business units, with regular risk updates provided to the MC, BRIC and BOD.

The ERM framework provides a structured approach for the identification, assessment and management of the Group's corporate risks. The framework adopts both bottom-up and top-down perspectives to ensure that risks are captured across operational and strategic levels:

Bottom-up: Annual divisional and operational risk assessments conducted by business units, supported by designated Risk Champions across the business clusters.

Top-down: Periodic risk reviews at the MC level to evaluate key risks in the context of the Group's strategic objectives and risk appetite.

In addition, the ERM framework identifies emerging risks and opportunities through continuous monitoring of relevant internal and external developments in key areas, including sustainability-related risks and opportunities. The detailed process to identify, assess and prioritise the Group's sustainability-related risks and opportunities, including climate-related risks and opportunities, is set out in Note 5 of this report.

For more information on Note 5, please refer to page 121.

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7. CLIMATE-RELATED RISKS AND OPPORTUNITIES

7.1 Physical risk - Extreme weather events

a. Description

[IFRS S1.29(a), IFRS S1.32(a)(b), IFRS S2.10(a)(b)(c), IFRS S2.13(b)]

Climate change is increasing the frequency and severity of extreme weather events, resulting in heightened physical risks to our operations. These events can be attributed to rising GHG concentrations, which are driving higher global temperatures and contributing to the melting of polar ice caps.

Higher temperatures increase the amount of moisture held in the atmosphere, leading to changes in precipitation and weather patterns. This results in more intense rainfall events and stronger storms, which can overwhelm urban drainage systems and cause flash flooding. These impacts are further exacerbated by rapid urbanisation, where drainage and flood protection systems have largely been designed based on historical rather than future climate conditions. In addition, the melting of polar ice caps is driving sea-level rise, presenting a physical risk to our assets located in coastal areas.

Given the geographic spread of our network infrastructure and facilities, management has assessed the vulnerability and exposure of assets to climate-related physical risks across the short-, medium- and long-term time horizons across Malaysia and internationally. The time horizon used to assess climate-related physical risks is defined in Note 8.2.

The following extreme weather events (or "climate perils") have been identified as posing the greatest physical risk to TM Group and may result in damage to assets, disruption to operations and services and increased operating and recovery costs:

Storm (coastal flooding and wind)

Exposure to storm surges, high tides, strong winds and intense precipitation associated with tropical cyclones and severe storms, particularly in low-lying coastal areas.

Fluvial flooding (river flooding)

Exposure to river overflow arising from sustained or intense upstream rainfall exceeding channel capacity.

Landslides

Exposure to slope instability and ground movement triggered by heavy rainfall or seismic activity in susceptible areas.

Temperature (chronic heat)

Exposure to prolonged periods of elevated temperatures, particularly affecting buildings and data centre operations.

Sea-level rise

Gradual increases in sea levels, which may increase long-term exposure to coastal flooding, erosion and saltwater intrusion.

For more information on Note 8.2, please refer to page 141.

b. Effects on business model and value chain

[IFRS S1.29(b), IFRS S1.32(a)(b), IFRS S2.13(a)(b)]

The effects of extreme weather events on our business model and value chain during the year are summarised below:

Risk of flood and landslides at sites where TM Group's physical infrastructures are located

Flood (river and coastal) and landslide incidents may damage our above ground assets such as building structures and network equipment. Such impacts could disrupt network availability and reliability, increase repair and restoration costs and impede access to affected sites, delaying recovery efforts.

Supply chain disruptions which may delay maintenance and upgrade schedules

Extreme weather events can directly restrict physical access to sites and damage infrastructure, preventing the timely execution of planned network maintenance and upgrade activities. Prolonged adverse conditions may delay repairs, inspections and system enhancements, leading to increased asset downtime and may impact our ability to meet service performance requirements across our value chain.

Service outages or disruptions, impairing communication and provision of critical connectivity services

Extreme weather events as well as supply chain disruptions can affect the Group's network and provision of services. Such incidents may adversely affect our service reliability and customer satisfaction and increase customer compensation costs.

Impacts on the health and safety of staff working outdoors in extreme weather

Extreme weather events can adversely affect the health and safety of our employees and contractors working outdoors, particularly during periods of heavy rainfall and flooding, resulting in reduced productivity and higher costs to implement worker protection measures.

Stranded assets due to extreme weather events

Chronic weather events, such as sea-level rise and recurring acute weather events may reduce the economic viability or useful life of physical assets, particularly network infrastructure, buildings and facilities located in high-risk areas. In some cases, assets may require early retirement, relocation, significant retrofitting or abandonment, resulting in impairment charges, accelerated depreciation or increased capital expenditure. As of the current reporting period, none of our locations have been observed to be exposed to these extreme chronic and acute weather conditions.

c. Effect on strategy and decision-making

[IFRS S1.29(c), IFRS S1.33(a), IFRS S2.14(a)(i)(ii)(iii)(v)(b)]

We have continued to maintain compliance with regulatory requirements and expectations set from the technical standards as established under the Communications and Multimedia Act 1998 (CMA 1998) by the Malaysian Communications and Multimedia Commission (MCMC) in relation to network resilience. We also actively monitor weather advisories and alerts issued by the Malaysian Meteorological Department (MET Malaysia) to support operational preparedness in the face of extreme weather events. In particular, we have integrated various mitigation and adaptation actions, including the following:

First level site inspections

Conduct inspections at disaster-prone and critical sites to identify potential hazard and implementation of appropriate mitigation measures.

Structural strengthening & hardening

Implement reinforcement works to improve resilience of buildings and infrastructure.

Early warning & monitoring systems

Deploy flood sensors, fire detection systems and environmental monitoring tools at critical areas, integrated with Network Operation Centre.

Preventive maintenance programme

Carry out scheduled maintenance on roofs, drainage, towers, power systems and other critical assets.

Business continuity & disaster recovery exercises

Conducting simulation drills to ensure emergency response readiness. This also includes ensuring availability of disaster recovery assets and workers' personal protective equipment at flood-prone locations.

Asset relocation or elevation

Relocate or elevate critical equipment above identified risk levels (e.g. flood height) so that operations can continue uninterruptedly and assets are protected during disaster events.

Our mitigation and adaptation actions above are designed to address moderate levels of climate-related risks, including extreme weather events (see Note 8.2 - Climate Scenario Analysis) and we plan to use self-funding and existing human resources to implement these actions. As this is the first time we formalise our plans and actions to mitigate the impact of risks from extreme weather events, quantitative and qualitative information about the progress of these plans has not been disclosed.

For more information on Note 8.2, please refer to page 141.

Although no supply chain disruptions directly attributable to extreme weather events were recorded during the reporting year, we have begun to enhance the monitoring of supply chain impacts to inform future climate-related risk management measures.

d. Financial effects

Current financial effects

[IFRS S1.29(d), IFRS S1.34(a), IFRS S1.35(a), IFRS S2.15(a), IFRS S2.16(a), IFRS S2.29(e)]

The current financial effects of extreme weather events on TM Group's financial position, financial performance and cash flow are driven by efforts to operationalise our strategy. In the current reporting period, the Group incurred RM1.7 million in replacement costs and RM0.2 million in write-off for assets affected by extreme weather events, as well as RM1.8 million to reinforce existing assets. TM Group also incurred RM1.1 million in purchasing disaster recovery equipment in the current reporting period. These costs have been capitalised as part of the addition to the Group's Property, Plant and Equipment in Note 21 of the Financial Statements.

Depreciation, impairment and amortisation arising from climate-related capital investments, including reinforcement works and disaster recovery equipment, amounted to RM0.7 million during the current reporting period. This includes the RM0.2 million write-off for assets affected by weather events above.

In addition to capital expenditure, TM Group incurred operating expenses, including RM8.5 million in insurance costs to mitigate potential financial effects from extreme weather events and RM3.7 million in repair and maintenance costs to restore affected assets.

Although we have no contractual obligation to provide customer rebates for climate-related service disruptions, as such events are covered under force majeure clauses, a provision related to flood-related disruptions was recognised during the current reporting period in line with our commitment to social responsibility. The provision is minimal and not material to TM Group's financial statements.

Anticipated financial effects

[IFRS S1.29(d), IFRS S1.34(b), IFRS S1.35(b)(c)(i)(ii)(d), IFRS S2.15(b), IFRS S2.16(b)(c)(i)(ii)(d), IFRS S2.29(e)]

The anticipated financial effects of extreme weather events on TM Group's financial position, financial performance and cash flow could arise from impacts to our network infrastructure, data centres and operational continuity. If adaptation and mitigation actions are not effectively executed, extreme weather events could materially affect TM Group's financial position, financial performance and cash flows over the short term due to:

1. Increased operating costs and potential reduction in revenue arising from network disruptions and operational inefficiencies
2. Damage to network infrastructure, data centres and other critical assets, leading to increase in repair and replacement costs
3. Accelerated depreciation, write-offs or impairment of assets exposed to recurring or severe weather events
4. Higher expenditure associated with climate adaptation and mitigation measures, including ongoing repairs, reinforcement works and enhanced business continuity arrangements

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However, taking into account our ongoing and planned adaptation and mitigation measures, management anticipates that the financial impacts of extreme weather events will be partially mitigated over the medium-term (see Note 8.2 - Climate Scenario Analysis).

We intend to continue investing in climate resilience measures to mitigate the anticipated financial effects of extreme weather events.

In the short term, the Group expects to incur an annual capital expenditure of approximately RM5.0 million for the reinforcement and RM2.1 million replacement costs of existing assets. In addition, approximately RM0.3 million write-offs were estimated relating to assets affected by extreme weather events. TM Group also anticipates capital investment of approximately RM0.8 million in disaster recovery equipment. These investments are expected to be self-funded.

Based on the anticipated capital investments, TM Group expects incremental depreciation, impairment and amortisation expenses of approximately RM1.3 million to RM2.3 million in the short term. This includes the RM0.3 million write-offs for assets affected by extreme weather events above.

Compared to the current reporting year, TM Group also expects incremental costs of RM9.4 to RM10.4 million arising from flood insurance and RM5.4 to RM5.7 million in repair and maintenance activities with regards to assets affected by floods and landslide in the short-term. A portion of the increased insurance costs is expected to be partially offset by a compensation of RM0.6 to RM1.2 million.

In addition, a minor increase in operating expenses of approximately RM0.3 million is anticipated in relation to workforce protection measures, primarily for the procurement of personal protective equipment, which is expected to occur once every two (2) years in line with worker contract renewal cycles.

Based on current projections and planned mitigation actions, management does not expect any other material adjustments to the carrying amounts of the Group's assets and liabilities within the next 12 months.

The table below summarises the expected effect on the financial position, financial performance and cash flows of the Group over the short-term, considering the adaptation and mitigation action planned to manage extreme weather events.

In RM million	Current financial effects	Short-term financial effects (per annum)
Statement of Financial Position		
Property, plant and equipment		
- Additions		
- Replacement cost for assets affected by extreme weather events	1.7	2.1
- Purchase of disaster recovery equipment	1.1	0.8
- Reinforcement costs of existing assets	1.8	5.0
- Write-off arising from extreme weather events	(0.2)	(0.3)
Income Statement		
Operating Costs		
- Depreciation, impairment and amortisation	(0.7)	(1.3) – (2.3)
- Other operating costs		
- Insurance cost	(8.5)	(9.4) – (10.4)
- Repair and maintenance cost	(3.7)	(5.4) – (5.7)
- Expenditure on worker protection measures (e.g. personal protective equipment)	-	(0.3)
Other Operating Income		
- Compensation cost recovered/received from insurance companies	-	0.6 – 1.2
Statement of Cash Flows		
Cash flows used in operating activities	(12.2)	(14.2) – (15.6)
Cash flows used in investing activities	(4.6)	(7.9)

Note:
Due to limited availability of data, the numbers presented for the short-term horizon are only up to the financial year ending 31 December 2028, aligned with the Group's Annual Operating Plan.

Based on the climate scenario analysis (refer to Note 8.2), we have identified locations potentially impacted by extreme weather events. Management is evaluating the adoption of additional measures to mitigate the risk of extreme weather events at these sites, with material associated costs to be assessed and disclosed in future reporting periods.

For more information on Note 8.2, please refer to page 141.

e. Processes, controls and policies to manage climate-related physical risk

[IFRS S1.44(a)(i)(ii)(v), IFRS S2.25(a)(i)(ii)(v)(b)]

The process of identifying, assessing, prioritising and monitoring climate-related physical risks forms part of the general process described in Note 6.4.

For more information on Note 6.4, please refer to page 125.

Specifically, management uses climate-related scenario analysis, the details of which are described in Note 8.2, to assess climate-related physical risks and their direct impact on asset integrity and operations. Material assets are assessed at the coordinates level, incorporating geospatial location, elevation data and projected weather intensity under the SSP1-2.6, SSP2-4.5 and SSP5-8.5 climate scenarios, with a time horizon to 2050.

For more information on Note 8.2, please refer to page 141.

We have commenced efforts to proactively enhance monitoring of climate-related physical risks, with a focus on strengthening data, tools and site level visibility to support ongoing risk assessment and resilience planning.

f. Metrics and targets (Physical risk – Extreme weather events)

[IFRS S1.46, IFRS S1.48, IFRS S1.49, IFRS S1.50, IFRS S1.51, IFRS S2.33(a)(d)(f)(g), IFRS S2.34(c)]

We have developed and set targets in relation to our mitigation and resilience towards extreme weather events over the short-term. The metrics used to measure performance against the targets are set out below:

				Targets
	Methodology to calculate metric	Measuring unit	Actual metric – 2025	Short-term
Entity-developed metrics				
Total number of sites with elevated plinths in flood-prone locations	Total number of sites with elevated plinths mitigation based on historical data of flood incidents in that location	Amount (number of sites)	11	-
Average response time to flood alerts	Average response time upon receiving flood alerts	Units of time (Minutes / Hours)	30 minutes	Maintain current performance

Note: *The targets, metrics and methodologies above have not been subjected to third-party validation.*

We have also used the following metrics from the SASB standards for Software and IT Services industries to measure performance against the targets as set out below:

				Targets
	Methodology to calculate metric	Measuring unit	Actual metric – 2025	Short-term
Metrics adapted from SASB Industry Standard				
Number of performance issues (e.g., technology disruptions) as a result of extreme weather events (SASB TC-SI-550a.1)	Total number of tickets created as a result of extreme weather events	Amount (number of issues)	1,690	-
Number of service disruptions affecting isolated areas[3] as a result of extreme weather events (SASB TC-SI-550a.1)	Network Fault Rate (NFR)	In percentage (%)	0.3%	5.0% Network Fault Rate (NFR)
Average time for customer service restoration as a result of extreme weather events (SASB TC-SI-550a.1)	Average time for customer service restoration upon the creation of the network ticket as a result of extreme weather events	Units of time (Minutes/ Hours)	24 hours	-

Note: *The targets, metrics and methodologies above have not been subjected to third-party validation.*

As this is the first year in which we are reporting on our climate-related risks and opportunities, we are currently in the process of establishing further climate-related targets. Accordingly, 2025 is being used to support the establishment of baseline data. Further details on the baseline year and targets will be confirmed and disclosed in future reports.

Note:

[3] *'Isolated area' refers to a geographically confined location where any extreme weather event is localised and does not result in effects on the Group's operations in other locations.*

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7.2 Physical risk – Water consumption and management

a. Description

[IFRS S1.29(a), IFRS S1.32(a)(b), IFRS S2.10(a)(b)(c), IFRS S2.13(b)]

Water consumption and management risk is considered a climate-related physical risk for TM Group. The majority of our water use is attributable to our data centre operations, with a smaller proportion arising from high-occupancy commercial buildings, critical network infrastructure and Multimedia University (MMU) campuses. Climate change is expected to exacerbate pressures on water availability through increased climate variability, including more frequent seasonal droughts and changes in rainfall patterns, which may affect the reliability and security of water supply.

The expected expansion of our data centre operations, in support of our digital growth strategy, is expected to intensify our exposure to water consumption and management risks. This is driven by the increasing demand from hyperscalers and enterprise customers for sustainable data centres, as larger-scale data centre developments require higher water needs for cooling purposes.

Due to their high-water consumption, data centre operations are subject to mandatory requirements under national and state level water regulations. At the national level, Malaysia's water regulatory body, *Suruhanjaya Perkhidmatan Air Negara* (SPAN), announced in 2025 that the regulatory body is currently preparing stringent guidelines[4] which require data centre operators to progressively reduce reliance on potable water for cooling and to adopt alternative sources such as treated wastewater, reclaimed water and rainwater harvesting. At the state level, Johor has implemented higher industrial water tariffs specifically applicable to data centres[5], resulting in increased operating costs for such facilities in the state.

In addition, potential increases in water tariffs in the future are expected to further elevate operating costs and heighten the financial implications of water-use inefficiencies. In view of these factors, we have assessed our vulnerability and exposure to water consumption and management as a climate-related physical risk across the short-, medium- and long-term time horizons.

b. Effects on business model and value chain

[IFRS S1.29(b), IFRS S1.32(a)(b), IFRS S2.13(a)(b)]

The effects of water consumption and management risk on TM Group's business model and value chain during the year are as summarised below:

Implications for service level agreements

Water-related disruptions may affect cooling system performance at data centres, which in turn could impact our ability to deliver services to clients, including hyperscalers. As a result, we may need to reassess service level agreements to ensure they appropriately reflect operational risks associated with data centre water management and consumption.

Impact on data centre cooling architecture and planning

As cooling requirements are the primary driver of water consumption in data centre operations, increasing water availability constraints, regulatory requirements and cost pressures may require TM Group to reconsider how cooling systems are designed, selected and operated across our data centres.

The need to re-evaluate water sources

Although there are formal agreements with water providers for our data centres, anticipated growth and water supply uncertainties in selected areas may require us to evaluate alternative water sources. This affects upstream planning for site design, utility interfaces and supply arrangements across our data centres.

Potential issues such as scaling and corrosion due to changes in water supply

If not properly managed, issues such as scaling and corrosion can reduce cooling system efficiency and shorten the lifespan of our data centres and may occur especially in locations where water availability may be constrained.

Regulatory compliance requirements

Increasingly stringent regulatory requirements for data centres, including obligations to disclose information such as total water demand, water consumption and Water Usage Effectiveness (WUE), as well as requirements to use alternative water sources in place of potable supply, may affect our data centre planning, approval timelines and operational processes.

Notes:

4 *"Malaysia water regulator to set strict water rules for data centres as number grows" published by The Straits Times on 10 February 2025*

5 *"Water Services Industry (Rates for Water Supply Services) (State of Johor) (Amendment) Regulations 2025" published by Attorney General's Chamber under Suruhanjaya Perkhidmatan Air Negara on 30 July 2025*

c. Effect on strategy and decision-making

[IFRS S1.29(c), IFRS S1.33(a), IFRS S2.14(a)(i)(ii)(iii)(v)(b)]

To address water consumption and management risk particularly with regards to data centre operations, we plan to integrate various mitigation and adaptation actions, including the following:

Incorporate sustainability-related KPIs into service level agreements

We are assessing the incorporation of sustainability-related performance indicators into service level agreements such as with hyperscalers, including WUE and the proportion of non-potable water used for cooling, to encourage more water efficient operations as data centre utilisation increases.

Shift in data centre cooling system architecture

We are evaluating alternative cooling systems and architecture for our data centres as part of broader efforts to incorporate sustainability considerations in their design, while aligning with increasing market demand for more energy efficient data centre solutions. These include:

- **Investing in recycled water and closed-loop cooling systems:**
  We aim to prioritise cooling configurations that reduce dependency on potable water, including recycled-water or closed-loop cooling systems, such as air-cooled chillers, where feasible.

- **Adoption of water-independent and hybrid cooling solutions:**
  We plan to deploy water-independent cooling systems, such as air-cooled chillers, which enable fully water-free operation during periods of constrained supply, as well as hybrid cooling systems, which allow for alternating between water-based and air-based cooling, increasing flexibility and resilience across data centres.

Continuous water quality monitoring and controls

We plan to expand the adoption of IT-enabled water quality monitoring systems across data centres to mitigate scaling and corrosion risks, support preventive maintenance planning, improve WUE and safeguard asset integrity and cooling performance. During the current reporting year, such systems have been established at the Iskandar Puteri DC, Klang Valley DC, Brickfields DC and Kelana Jaya DC.

Integrate alternative water sources into data centre operations

We are actively evaluating the use of non-potable and alternative water sources to diversify water inputs and reduce reliance on potable supply. These include:

- **Collaboration with reclaimed water providers and equipment vendors:**
  We plan to engage reclaimed water providers and equipment vendors to assess the feasibility of using treated wastewater (e.g. from Indah Water), onsite greywater reuse and industrial non-potable water for data centre cooling purposes.

- **Utilising rainwater harvesting:**
  Rainwater harvesting systems have been implemented at the Iskandar Puteri Data Centre (DC) and Klang Valley DC to reduce reliance on potable water for cooling operations. We plan to progressively expand the adoption of such systems to other facilities where technically and operationally feasible, as part of our broader efforts to improve water efficiency and resilience.

Reporting and governance on water use

In line with regulatory requirements, we report on water consumption metrics, including WUE and potable water usage for our data centres. This also improves visibility over water use, enables the identification of high-usage areas for technical upgrades and improved resource management and informs future target-setting.

For more information on water-related initiatives, please refer to page 199.

d. Financial effects

Current financial effects

[IFRS S1.29(d), IFRS S1.34(a), IFRS S1.35(a), IFRS S1.40(a)(b), IFRS S2.15(a), IFRS S2.16(a), IFRS S2.21(a)(b), IFRS S2.29(e)]

We did not incur any material financial impacts arising from water consumption and water management risks during the current reporting year. This is attributable to the design and operation of our existing data centre cooling systems, which are configured to operate within the current water availability and regulatory requirements and the absence of any material water-related disruptions during the period.

In addition, TM Group's capital expenditure associated with rainwater harvesting systems at selected data centres is not assessed as material. Water quality monitoring and controls implemented at selected data centres are also embedded within existing operational workflows and have not resulted in material incremental costs during the reporting year.

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Anticipated financial effects

[IFRS S1.29(d), IFRS S1.34(b), IFRS S1.35(c)(i)(ii)(d), IFRS S1.40(a)(b), IFRS S2.15(b), IFRS S2.16(c)(i)(ii), IFRS S2.21(a)(b)]

We anticipate that water consumption and management risk may result in increased capital and operating expenditure over time. These financial effects are expected to arise from investments in more water-efficient cooling systems and technologies, as well as research and development related to advanced cooling solutions and water reuse and treatment. Additional costs may also be incurred to upgrade existing infrastructure to improve cooling efficiency and support compliance with evolving regulatory and customer requirements.

In addition, TM Group may incur workforce-related costs, including training and upskilling, to support the operation and maintenance of more complex water management and cooling systems. The magnitude and timing of these financial effects are expected to vary across the short-, medium- and long-term time horizons, as data centre capacity expands and utilisation increases.

At this stage, we have not disclosed quantified amounts for these anticipated financial effects, as the nature, scale and timing of future investments remain dependent on the evolution of regulatory requirements, market expectations and the availability and maturity of relevant technologies. Accordingly, these expenditures remain subject to uncertainty and ongoing assessment. Any related investments are expected to be funded through existing internal funding sources.

e. Processes, controls and policies to manage water management and consumption risk

[IFRS S1.44(a)(i)(ii)(v), IFRS S2.25(a)(i)(ii)(v)(b)]

The process of identifying, assessing, prioritising and monitoring climate-related physical risks, including water management and consumption risks, forms part of the general process described in Note 6.4. Specifically, management uses climate-related scenario analysis, the details of which are described in Note 8.2.

For more information on:
- *Note 6.4, please refer to page 125.*
- *Note 8.2, please refer to page 141.*

In addition, while water quality monitoring and control measures have been implemented at selected data centres, we continue to assess and strengthen monitoring requirements and internal controls as data centre operations expand. These efforts are intended to enhance visibility over water usage patterns and to proactively identify, manage and mitigate water consumption and management risks. Water consumption and management considerations are also expected to be incorporated into the planning and approval processes for new data centre developments.

f. Metrics and targets (Physical risk – Water consumption and management)

[IFRS S1.46, IFRS S1.48, IFRS S1.49, IFRS S1.50, IFRS S1.51, IFRS S2.33(a)(d)(f)(g), IFRS S2.34(c)]

We have used the following metrics from the SASB standards for Internet Media & Services industries to monitor our performance in relation to our mitigation and resilience towards water consumption and management risk. These metrics are as set out below:

	Methodology to calculate metric	Measuring unit	Actual metric – 2025
Total water withdrawn (SASB TC-IM-130a.2)	Total volume of water withdrawn during the reporting period	m^3	1,681,721Ⓐ
Percentage of total water withdrawn in regions with high or extremely high baseline water stress (SASB TC-IM-130a.2)	Percentage of water withdrawn in regions with high or extremely high baseline water stress as a total of water withdrawn during the reporting period	In percentage (%)	2.7%

Note:
The data presented above covers TM Group's data centre operations, high-occupancy commercial buildings, critical network infrastructure and Multimedia University (MMU) campuses. This totals up to 60 sites in Malaysia and has yet to cover the full reporting boundary for TM Group.

Ⓐ *Please refer to pages 336 to 339 on the assurance statement for the metrics above.*

As this is the first year in which we are reporting on our climate-related risks and opportunities, we are currently in the process of establishing climate-related targets. Accordingly, 2025 is being used to support the establishment of baseline data. Further details on the baseline year and targets will be confirmed and disclosed in future reports.

7.3 Transition risk – Regulatory

a. Description

[IFRS S1.29(a), IFRS S1.32(a)(b), IFRS S2.10(a)(b)(c), IFRS S2.13(b)]

We recognise that the rapidly evolving climate-related regulatory landscape presents a significant transition risk to our business operations across the short-, medium- and long-term time horizons. Malaysia's National Climate Change Policy 2.0, together with the anticipated Climate Change Act, are expected to introduce clearer obligations around emissions management, climate risk disclosure and accountability across sectors. For TM Group, this may translate into expanded reporting requirements, increased scrutiny of climate-related targets and performance and the need to further embed climate considerations into strategic planning, capital allocation and risk management processes.

Furthermore, the proposed Malaysian carbon tax presents another source of regulatory risk. While the current proposed scope is focused on selected sectors such as energy, iron and steel, TM Group may be indirectly affected through higher input costs across our value chain. Over time, carbon pricing mechanisms may also influence customer behaviour, supplier pricing and investment decisions, requiring us to adapt our operational and procurement strategies accordingly.

Another key regulatory development relevant to TM Group is the Energy Efficiency and Conservation Act (EECA), which introduces mandatory energy management, reporting and performance requirements for high energy consuming facilities, including network infrastructure and data centres. TM Group is currently undergoing assessments to determine the applicability and scope of the EECA to our operations and will disclose more details in future reports.

Collectively, these regulatory developments may increase compliance complexity, operating costs and capital expenditure requirements for TM Group, while also influencing strategic decisions related to network design, data centre operations and energy sourcing. The implications extend beyond our own operations and are also relevant to our value chain, particularly our suppliers.

b. Effects on business model and value chain

[IFRS S1.29(b), IFRS S1.32(a)(b), IFRS S2.13(a)(b)]

The effects of climate-related regulatory risks on TM Group's business model and value chain during the year are as summarised below:

Penalties from non-compliance of regulations

As regulatory requirements related to emissions reporting and energy efficiency evolve, non-compliance may result in financial penalties, higher compliance costs and reputational impacts, which could affect TM Group's profitability, particularly in the medium- and long-term.

Existing assets with higher emissions could be idle/devalued

Certain legacy network infrastructure, data centre equipment and backup power systems that rely more heavily on fossil fuels may face increased operating costs or reduced utilisation, potentially leading to asset idling, accelerated depreciation or devaluation over time. This creates transition risk to our asset portfolio and may influence future capital allocation decisions.

Transition from high-carbon to low-carbon infrastructure and assets

To ensure resilience and alignment with regulatory and customer expectations, TM Group may invest in lower-emissions infrastructure and assets, which may require higher upfront capital expenditure.

Increased costs arising from potential carbon tax

The introduction of the potential carbon tax in Malaysia may increase the cost of key inputs, including electricity, fuel and raw materials such as steel used in network infrastructure and construction activities. These cost pressures could affect TM Group's operating margins.

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c. Effect on strategy and decision-making

[IFRS S1.29(c), IFRS S1.33(a), IFRS S2.14(a)(i)(ii)(iii)(v)(b)]

To address climate-related regulatory risks, management has developed a decarbonisation strategy guided by the Group's Carbon Reduction Roadmap, which was approved by the Board in December 2021. This strategy is underpinned by a long-term ambition to achieve net zero GHG emissions by 2050. The Group's decarbonisation pathway is aligned with the SBTi GeSI guidance for the ICT sector, which calls for an approximate 62% reduction in carbon emissions by 2030, relative to a 2019 baseline, to remain consistent with a 1.5°C trajectory (refer to Note 8.1 for more information on the Group's decarbonisation strategy and GHG emissions targets).

As part of the decarbonisation strategy and initiatives to reduce GHG emissions, we have implemented and plan to implement the following:

Green Electricity Tariff (GET)

To reduce Scope 2 market-based emissions, we have purchased renewable energy through Tenaga Nasional Berhad's GET for selected data centres and network buildings, which are accounted for as contractual instruments for Scope 2 market-based emissions (refer to the section titled 'Contractual Instruments' under Note 8.1 for further details).

EECA applicability assessment

We are currently assessing the applicability and scope of the Act to our operations and have already commenced preparatory measures to support potential compliance requirements. Refer to the section titled 'Anticipated financial effects' below for more details on the expected associated costs.

d. Financial effects

Current financial effects

[IFRS S1.29(d), IFRS S1.34(a), IFRS S1.35(a), IFRS S2.15(a), IFRS S2.16(a), IFRS S2.29(e)]

There was no instance of non-compliance with climate-related regulations that impacted the Group within the current reporting period.

The current financial effects on mitigating actions for climate-related regulatory risks primarily reflect capital and operating expenditures incurred to support compliance readiness, decarbonisation and energy efficiency initiatives. During the current reporting period, the Group invested RM162.2 million in energy-efficient technologies to improve energy performance and reduce emissions intensity. These expenditures were capitalised as additions to Property, Plant and Equipment (PPE) and resulted in corresponding cash outflows from investing activities.

Depreciation and amortisation arising from the above capital investments amounted to RM95.9 million during the reporting period, which includes depreciation from previously capitalised assets amounting to RM507.0 million as of 31 December 2024.

In addition, the Group incurred RM29.7 million in expenses during the reporting period to support the implementation of energy efficiency measures at the Group's facilities. This expense has been recognised in the Group's income statement for the current reporting period.

We have also subscribed to the Green Electricity Tariff (GET) from Tenaga Nasional Berhad (TNB) to reduce our Scope 2 GHG emissions. Refer to Note 8.1 for further details.

Anticipated financial effects

[IFRS S1.29(d), IFRS S1.34(b), IFRS S1.35(b)(c)(i)(ii)(d), IFRS S2.15(b), IFRS S2.16(b)(c)(i)(ii)(d), IFRS S2.29(e)]

Non-compliance with regulatory requirements could result in financial and reputational impacts across the short- and medium-term time horizons, including potential disruptions to business operations, penalties and fines. However, based on our current compliance strategy, governance framework, and internal control processes, management considers the likelihood of such non-compliance to be low. Accordingly, any adverse financial impacts arising from this risk are not expected to be material to the Group.

With respect to anticipated capital expenditures, TM Group expects to incur between RM114.4 million in the short-term and RM245.8 million in the medium-term for further investments in energy efficient technologies, primarily driven by modernisation and optimisation initiatives that support our decarbonisation plan. In addition, we expect to invest approximately RM1.1 million in the short-term and RM0.9 million to RM1.3 million in the medium-term for the electrification of vehicles to further reduce emissions from our operations. These anticipated expenditures have been incorporated into the Group's capital and operating expenditure planning processes and are not expected to result in material unplanned financial impacts. Corresponding depreciation, impairment and amortisation expenses arising from these investments are expected to amount to RM123.0 million in the short-term and RM136.7 million to RM148.0 million in the medium-term.

Other operating costs primarily relate to energy efficiency measures, which are expected to amount to approximately RM30.8 million in the short-term and RM29.2 million to RM30.5 million in the medium-term. The timing and realisation of the associated costs will depend on the implementation and performance of the respective energy efficiency initiatives and will be recognised in the income statement in the periods in which they are incurred. These costs are not expected to increase materially over the longer term, as the arrangements are generally structured with fixed or performance-linked pricing over the contract duration and efficiency gains achieved over time are expected to offset additional service requirements.

In addition, while the proposed scope of the Malaysian carbon tax is currently focused on the iron, steel and energy industries and is not expected to directly apply to TM Group's operations, we anticipate potential indirect impacts through our reliance on products and services from these sectors, including energy supply and steel related inputs across our value chain.

For more information on Note 8.1, please refer to page 140.

At this stage, the absence of comprehensive details regarding the tax's implementation and scope limits our ability to estimate the potential financial impact. We will continue to closely monitor developments related to the proposed carbon tax and will update our assessment and disclosures as further clarity emerges.

Furthermore, while we are currently assessing the applicability and scope of the EECA to our operations, we anticipate that compliance requirements will result in an estimated RM0.1 to RM0.2 million in additional operating expenditure per building over time. This includes costs associated with energy audits and certifications, as well as the upskilling and certification of specialised personnel.

In RM million	Current financial effects	Short-term financial effects (per annum)	Medium-term financial effects (per annum)
Statement of Financial Position			
Property, plant and equipment			
- Additions			
- Investment cost for energy-efficient technologies	162.2	114.4	245.8
- Investment in electric vehicles	-	1.1	0.9 – 1.3
Income Statement			
Operating Costs			
- Depreciation, impairment and amortisation	(95.9)	(123.0)	(136.7) – (148.0)
- Other operating costs			
- Expenses in relation to energy efficiency measures	(29.7)	(30.8)	(29.2) - (30.5)
Statement of Cash Flows			
Cash Flows used in operating activities	(29.7)	(30.8)	(29.2) - (30.5)
Cash Flows used in investing activities	(162.2)	(115.5)	(246.7) - (247.1)

***Note**:*
The depreciation in the table above has included the impact of RM507.0 million in energy efficient technologies that have been capitalised in prior financial years to drive the Group's modernisation and optimisation efforts that supports our decarbonisation plan

e. Processes, controls and policies to manage climate-related transition risks

[IFRS S1.44(a)(i)(ii)(v)], [IFRS S2.25(a)(i)(ii)(v)(b)]

The process of identifying, assessing, prioritising and monitoring climate-related transition risks forms part of the general process described in Note 6.4. Specifically, management uses climate-related scenario analysis, the details of which are described in Note 8.2.

For more information on:
Note 6.4, please refer to page 125.
Note 8.2, please refer to page 141.

In relation to regulatory risks, this includes the ongoing monitoring of regulatory developments including the EECA, the integration of energy efficiency considerations into operational and capital planning and the implementation of internal controls to support compliance with applicable energy management, reporting and performance requirements.

Oversight of energy efficiency and conservation measures is assigned to our sustainability working group, which conducts periodic reviews of compliance status and energy performance to identify risks, assess potential impacts and inform mitigation actions. Progress on EECA compliance is reported to the MC and BRIC as and when needed.

f. Metrics and targets (Transition risk – Regulatory)

[IFRS S1.46, IFRS S1.48, IFRS S1.49, IFRS S1.50, IFRS S1.51, IFRS S2.33(a)(d)(f)(g), IFRS S2.34(c)]

We monitor our performance in relation to our mitigation and resilience towards climate-related transition risks through entity-developed metrics as well as metrics adapted from the SASB standards for Telecommunication Services as well as Internet Media & Services industries as set out below:

	Methodology to calculate metric	Measuring Unit	Data Centre (DC)	Non-DC	Total
Total network energy consumption (purchased electricity) (SASB TC-TL-130a.1) (SASB TC-IM-130a.1)					
- Renewable	Total renewable and non-renewable electricity purchased and consumed by the Group's facilities during the reporting period	MWh	84,512[A]	12,075[A]	96,587
- Non-renewable			31,818[A]	392,788[A]	424,606
Total			**116,330**	**404,863**	**521,193**

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	Methodology to calculate metric	Measuring Unit	Data Centre (DC)	Non-DC	Total
Percentage of network energy consumption (purchased electricity) (SASB TC-TL-130a.1) (SASB TC-IM-130a.1)					
- Renewable	Percentage of renewable and non-renewable electricity purchased and consumed as a total of total electricity purchased and consumed by the Group's facilities during the reporting period	In percentage (%)	73%Ⓐ	3%Ⓐ	19%
- Non-renewable			27%Ⓐ	97%Ⓐ	81%
Total			**100%**	**100%**	**100%**
Renewable energy capacity (entity-developed metric)					
Renewable energy capacity installed	Total installed renewable energy capacity across the Group's facilities during the reporting period, based on the rated output of renewable energy systems, including solar PV	kWp	1,826Ⓐ	2,473Ⓐ	4,299
GHG emissions (entity-developed metric)					
GHG emission intensity (GRI 102-8)(GRI 305-4)	Total Scope 1 and 2 emissions produced per unit of energy consumed	tCO_2e/MWh	0.769Ⓐ	0.720Ⓐ	-

Note:
Refer to Note 8.1 GHG Emissions for more details on metrics and targets relating to GHG emissions.

Ⓐ *Please refer to pages 336 to 339 on the assurance statement for the metrics above.*

As this is the first year in which TM Group is reporting on our climate-related risks and opportunities, we are currently in the process of establishing detailed, operational climate-related targets. The 2025 reporting year serves to develop our baseline data, with further disclosures on target scope, metrics and assumptions to be provided in future reports.

Notwithstanding the above, we have set a long-term ambition to achieve net zero GHG emissions by 2050, alongside a medium-term target to reduce total carbon emissions by 62% by 2030, relative to a 2019 baseline, as part of our decarbonisation strategy. Refer to Note 8.1 for further details.

For more information on Note 8.1, please refer to page 140.

7.4 Transition risk – Technology

a. Description

[IFRS S1.29(a), IFRS S1.32(a)(b), IFRS S2.10(a)(b)(c), IFRS S2.13(b)]

As expectations for lower emissions operations increase, TM Group may need to deploy low or zero-carbon technologies at pace across our operations. This presents a climate-related transition risk to the Group across the short-, medium- and long-term time horizons as delays or constraints in adoption may affect our competitiveness, investor confidence and financial resilience.

As cleaner technologies scale, legacy systems and infrastructure may no longer meet evolving regulatory requirements and market expectations on energy efficiency or emissions intensity. This raises the likelihood that certain existing assets could face shortened useful lives, accelerated replacement cycles, or impairment if upgrades are no longer cost-effective or compatible.

Transitioning to low- or zero-carbon technologies may also require significant capital investment under conditions of uncertainty relating to technology maturity, policy direction and customer demand, resulting in less predictable returns and the risk that capital deployed may not align with future requirements.

In addition, the adoption of low- or zero-carbon technologies may be constrained by ecosystem readiness. Many emerging solutions depend on the availability and maturity of external infrastructure and vendor capabilities that are not yet optimised for large-scale deployment. This includes continued reliance on conventional hardware and infrastructure with fossil fuel dependencies. In addition, the effectiveness and scalability of certain low-carbon technologies are also influenced by the pace of decarbonisation of the national electricity grid, which may be affected by broader geopolitical developments.

b. Effects on business model and value chain

[IFRS S1.29(b), IFRS S1.32(a)(b), IFRS S2.13(a)(b)]

The effects of climate-related technology risk on TM Group's business model and value chain during the year are summarised below:

Dependencies on infrastructure upgrades and operational integration

The availability, maturity and cost of low- or zero-carbon technologies, as well as the decarbonisation of the national grid, may affect the timing of infrastructure upgrades and the integration of new systems into existing network and data centre operations. Where viable technologies are underdeveloped, costly or limited to a small number of vendors, we may experience delays in implementing planned upgrades, which could affect operational efficiency and transition timelines across the value chain.

Challenges to capital deployment and investment decision-making

Investment in emerging low-carbon technologies may be subject to heightened uncertainty regarding performance, scalability and returns. In some cases, limited market precedent or perceived technology risk may restrict access to financing or delay investment approvals, potentially slowing our ability to execute planned developments and decarbonisation initiatives within the intended timeframe.

Implementation considerations during technology adoption

The introduction of new or unfamiliar technologies may increase execution risk, particularly where internal experience is limited or integration with legacy systems is complex. This may result in higher-than-expected implementation costs, project delays or temporary operational disruptions, which could affect service reliability and overall cost efficiency during transition phases.

Considerations on the execution of the decarbonisation strategy

Uncertainty over future technology pathways, limitations in the availability of commercially viable low-carbon solutions and gaps in data may constrain our ability to plan, prioritise and execute emissions reduction measures within expected timeframes.

c. Effect on strategy and decision-making

[IFRS S1.29(c), IFRS S1.33(a), IFRS S2.14(a)(i)(ii)(iii)(v)(b)]

Guided by our Carbon Reduction Roadmap, we have integrated various mitigation and adaptation actions to address climate-related technology risk, including the following:

Purchase of renewable energy

To mitigate technology-related transition risks arising from reliance on the pace of decarbonisation of Malaysia's national electricity grid, we have purchased renewable energy through TNB's Green Electricity Tariff (GET) for selected data centres and network buildings. We are also exploring virtual power purchase agreements (VPPAs), Solar Power Purchase Agreements (SPPAs) and the Corporate Renewable Energy Supply Scheme (CRESS) to source clean electricity (refer to Note 8.1). More information will be disclosed in future reports.

For more information on Note 8.1, please refer to page 140.

Development of new energy solutions through collaboration with third parties

We have maintained a strategic emphasis on developing new energy solutions as an opportunity to generate revenue, including small modular reactors, implementing advanced cooling systems and AI-driven energy optimisation in our operational processes. Though this is currently in its developmental stages, we recognise that these are essential for the organisation's long-term growth and competitive advantage.

Engagements with financiers to obtain transition-related financing

We engage with financiers to assess the availability of technology transition-related financing and incorporate potential financing constraints into investment planning and decision-making. This supports timely capital allocation and mitigates delays in investment decisions resulting from restricted funding.

Upskilling staff in emerging low- and zero-carbon technologies

We conduct upskilling sessions for our employees to become better equipped to manage new or unfamiliar complex technologies and energy efficiency. This results in improving internal capability to analyse, plan for and address future needs in areas affected by evolving low-carbon technology options.

Collaborative efforts with like-minded external parties

We have engaged in collaborative efforts with partners or other network providers with similar decarbonisation priorities to co-develop and deploy low- or zero-carbon technologies that will support in TM Group's long-term strategy towards becoming a Digital Powerhouse by 2030 and align with the Group's wider climate goal towards achieving net zero by 2050.

d. Financial effects

Current financial effects

[IFRS S1.29(d), IFRS S1.34(a), IFRS S1.35(a), IFRS S1.40(a)(b), IFRS S2.15(a), IFRS S2.16(a)]

TM Group incurred RM3.0 million in costs during the reporting period relating to the purchase of renewable energy certificates (RECs) through the Green Electricity Tariff (GET) (refer to Note 8.1 for further details).

In addition, costs incurred for the upskilling of employees in digital technologies and energy efficiency capabilities were assessed as not material and, accordingly, were not considered material for disclosure in this report.

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Anticipated financial effects

[IFRS S1.29(d), IFRS S1.34(b), IFRS S1.35(c)(i)(ii)(d), IFRS S1.40(a)(b), IFRS S2.15(b), IFRS S2.16(c)(i)(ii), IFRS S2.21(a)(b), IFRS S2.29(e)]

TM Group has not disclosed quantified amounts for most anticipated financial effects relating to climate-related technology transition risks, as the nature, scale and timing of related investments remain dependent on the pace of technological development, regulatory evolution and implementation decisions. Accordingly, these costs remain subject to uncertainty and ongoing assessment.

Nevertheless, TM Group expects that technology-related transition risks may give rise to incremental costs over the short- to medium term. These costs may arise from ongoing investments in technology assessment, system integration and capability development, as emerging low-carbon and digital solutions mature and are progressively deployed across the Group's operations. Such initiatives include the adoption of artificial intelligence (AI) and Internet of Things (IoT) solutions to support energy optimisation. This expenditure is expected to be incurred in a planned and phased manner and are integrated into our capital and operating planning processes.

In addition, the Group may leverage market-based instruments, including VPPAs, SPPAs and CRESS to source clean electricity from third party developers as an interim measure to manage transition risk and emissions intensity (refer to Note 8.1 for further details). During the current reporting period, TM Group entered into SPPAs with Gentari through Gentari Renewables Sdn Bhd, to supply solar energy to six (6) key facilities, including data centres in Cyberjaya and Iskandar Puteri, the TM R&D Complex, submarine cable landing station and MMU campuses. The solar installations are expected to be operational in 2026. Based on current contractual arrangements, we anticipate incremental costs of approximately RM1.4 million associated with these SPPAs that will be expensed off to the income statements with the corresponding increase in operating cash outflows.

For more information on Note 8.1, please refer to page 140.

e. Processes, controls and policies to manage climate-related transition risks

[IFRS S1.44(a)(i)(ii)(v), IFRS S2.25(a)(i)(ii)(v)(b)]

The process of identifying, assessing, prioritising and monitoring climate-related transition risks forms part of the general process described in Note 6.4. Specifically, management uses climate-related scenario analysis, the details of which are described in Note 8.2.

In managing climate-related technology risks, management monitors developments in low- and zero-carbon technologies and enabling infrastructure, including through market research, engagement with technology providers and industry peers and participation in relevant industry forums. This supports informed decision-making and enhances TM Group's ability to adapt our operations in response to evolving climate-related technology risks.

Any investments in new technologies will be subject to our established governance and procurement processes, which include assessments of technical feasibility, cost-effectiveness, operational readiness and alignment with strategic and sustainability objectives prior to approval and implementation.

For more information on:
Note 6.4, please refer to page 125.
Note 8.2, please refer to page 141.

f. Metrics and targets (Transition risk – Technology)

[IFRS S1.46(a), IFRS S1.48, IFRS S1.49, IFRS S1.50, IFRS S1.51, IFRS S2.33(a)(d)(f)(g), IFRS S2.34(c)]

We monitor our performance in relation to our mitigation and resilience towards climate-related transition risks through energy consumption and GHG emissions intensity metrics. These metrics are disclosed under Note 7.3.

For more information on Note 7.3, please refer to page 133.

7.5 Opportunity – Low-carbon products, services and solutions

a. Description

[IFRS S1.29(a), IFRS S1.32(a)(b), IFRS S2.10(a)(b)(c), IFRS S2.13(b)]

The transition to a low-carbon economy is expected to create a new growth opportunity for TM Group over the short-, medium- and long-term through the development and expansion of low-carbon products, services and solutions. This is driven by Malaysia's national commitment to achieve net zero by 2050, evolving climate regulations, rising expectations for emissions reporting and broader sustainability disclosures. Customer expectations are also changing, underpinned by market trends favouring low-carbon products and services, as well as growing consumer awareness of climate change. In addition, our own net zero commitment and role as a key enabler of Malaysia's digital economy further reinforces the importance of capitalising on this opportunity.

b. Effects on business model and value chain

[IFRS S1.29(b), IFRS S1.32(a)(b), IFRS S2.13(a)(b)]

Changes in regulatory requirements and customer expectations are reshaping TM Group's business model and value chain, especially in B2B and C2C segments, driving a stronger focus on a more sustainable and low-carbon products, services and solutions portfolio. As a result, we are expanding and diversifying our offerings beyond connectivity to capture the growing market demand for low-carbon products, services and solutions, while strengthening our competitive positioning and leadership within the industry.

In general, TM Group's low-carbon products, services and solutions can be categorised into two (2) main categories as below:

Core products, services and solutions

These refer to conventional products, services and solutions that are not inherently "green" by design, but are progressively aligned with sustainability criteria across the value chain, including product design and development processes. Where relevant, third-party certifications are obtained to substantiate green claims and support product classification.

Low-carbon and smart connectivity solutions

These refer to products, services and solutions that directly facilitate the transition to a low-carbon economy or advance social initiatives, often incorporating innovative technologies or sustainable practices.

c. Effect on strategy and decision-making

[IFRS S1.29(c), IFRS S1.33(a), IFRS S2.14(a)(i)(ii)(iii)(v)(b)]

To capitalise on this opportunity, we have implemented the following strategies:

Pursuing green building certification for data centres

We aim to achieve green building certifications, including Malaysia's Green Real Estate (GreenRE) rating system and the U.S. Green Building Council's Leadership in Energy and Environmental Design (USGBC LEED) for our data centres. Two of our data centres, Iskandar Puteri Data Centre (IPDC) and Klang Valley Data Centre (KVDC), have been GreenRE-certified as of the current reporting period.

Focusing on R&D to develop new low-carbon products, services and solutions at the design stage

We continue to invest in R&D to design new products, embedding sustainability and low-carbon considerations from the early stages of product design and development. This is achieved through close collaboration with relevant subject matter experts.

Upskilling of workforce on low-carbon products, services and solutions

We are strengthening workforce capabilities through targeted upskilling initiatives to enhance knowledge and technical competencies to support the development, delivery and operation of low-carbon products, services and solutions.

Collaborating with third-party vendors or partnerships to expand low-carbon products, services and solutions

We collaborate with third-party vendors and strategic partners to develop low-carbon products, services and solutions. One (1) example is our partnership with Nxera, the regional data centre arm of Singtel's Digital InfraCo unit, through TM Nxera to develop GreenRE and USGBC LEED certified data centres in Malaysia. In addition, we work with key suppliers to promote responsible sourcing practices and strengthen sustainability considerations across the supply chain.

In addition to the above, as we continue to further develop our decarbonisation strategy, sustainability and emissions-reduction considerations may be progressively incorporated into product and service design to support TM Group's and our customers' sustainability objectives, including facilitating alignment with relevant green standards and certification requirements.

d. Financial effects

Current financial effects

[IFRS S1.29(d), IFRS S1.34(a), IFRS S1.35(a), IFRS S1.40(a)(b), IFRS S2.15(a), IFRS S2.16(a)]

During the current reporting period, the commercialisation of TM Group's low-carbon products, services and solutions generated RM135.0 million in revenue, driven by increasing market demand.

Anticipated financial effects

[IFRS S1.29(d), IFRS S1.34(b), IFRS S1.35(b)(c)(i)(ii)(d), IFRS S1.40(a)(b), IFRS S2.15(b), IFRS S2.16(b)(c)(i)(ii)(d), IFRS S2.21(a)(b), IFRS S2.29(e)]

TM Group expects that the continued expansion of our low-carbon products, services and solutions portfolio will have a material financial impact on the Group over the short- and medium term. These impacts arise primarily from the increasing market demand for sustainability-aligned offerings, which is expected to contribute meaningfully to our revenue base as adoption continues to strengthen across domestic and global markets.

In the short- and medium term, the anticipated effects on TM Group's financial position, financial performance and cash flows are expected to be driven by higher revenue inflows as customers increasingly source green alternatives from the Group.

Although we expect green offerings to continue contributing positively to revenue growth, management acknowledges that performance remains dependent on evolving customer preferences, regulatory developments and competitive dynamics within sustainability-linked product markets. As such, TM Group recognises that the shifts in customer expectations or perceived product credibility could potentially influence revenue patterns over the longer term.

Based on TM Group's current strategy and commercial positioning, management considers that the anticipated financial effects associated with this opportunity can be managed within existing operational capacity. These projections do not indicate any material adjustments to the carrying amounts of reported assets and liabilities within the next 12 months.

e. Processes, controls and policies to manage climate-related opportunities

[IFRS S1.44(a)(i)(v), IFRS S2.25(a)(i)(v)(b)]

The overall process followed to identify, assess, prioritise and monitor climate-related opportunities forms part of the general process described in Note 6.4. We are currently developing a framework to categorise our low-carbon products, solutions and services and expect to disclose further information in future reports.

For more information on Note 6.4, please refer to page 125.

f. Metrics and targets (Opportunities)

[IFRS S1.46, IFRS S1.48, IFRS S1.49, IFRS S1.50, IFRS S1.51, IFRS S2.33(a)(d)(f)(g), IFRS S2.34(c)]

As this is the first year in which we are reporting on our climate-related risks and opportunities, TM Group has not yet established metrics and targets specific to our opportunity to capitalise on low-carbon products, services and solutions. The 2025 reporting year is being used to support the development of baseline data. Metrics and targets, including the baseline year, are currently under development and will be confirmed and disclosed in future reporting periods.

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8. OTHER CLIMATE-RELATED DISCLOSURES

8.1 TM Group's decarbonisation strategy

[IFRS S2.14(a)(iv)(v), IFRS S2.36(b)]

TM Group's Carbon Reduction Roadmap is anchored by a long-term ambition to achieve net zero GHG gas emissions by 2050, alongside a medium-term target to reduce 62% carbon emissions by 2030, relative to a 2019 baseline. The roadmap is structured around targeted actions and measurable outcomes across each emissions scope:

Scope 1

TM Group's Scope 1 emissions primarily arise from fossil fuel consumption in fleet operations and backup power generators supporting network resilience. To address these emissions, we focused on:

- Minimising reliance on fossil fuels through improved operational efficiency and optimisation of generator usage
- Progressively transitioning our vehicle fleet from internal combustion engine (ICE) vehicles to energy efficient vehicles (EEVs) and electric vehicles (EVs), where operationally feasible

These measures are intended to reduce direct emissions while maintaining service reliability across TM's nationwide network.

Scope 2

Scope 2 emissions are driven by electricity consumption across network infrastructure, data centres and office facilities. Our strategy prioritises:

- Energy efficiency initiatives to reduce overall electricity consumption, including optimisation of network equipment, cooling systems and building energy management
- Increased use of renewable energy, through a combination of renewable energy procurement, onsite solar photovoltaic installations at selected locations and other low-carbon energy solutions, to lower emissions intensity and enhance energy security

As part of our decarbonisation strategy, we are investing energy-efficient technologies to improve energy performance while supporting regulatory compliance and operational cost efficiency. This also strengthens the resilience of the Group against climate-related regulatory risks (refer to note 7.3 for more information).

For more information on Note 7.3, please refer to page 133.

Scope 3

Scope 3 emissions comprise indirect GHG emissions that occur across TM Group's value chain, including both upstream and downstream activities that are not owned or directly controlled by the Group. Although TM Group has applied the transition relief from disclosing Scope 3 GHG emissions (refer to Note 1.3), we recognise that Scope 3 emissions represent a material component of our overall emissions profile and are critical to achieving our net zero ambition.

For more information on Note 1.3, please refer to page 115.

In the current reporting year, we have disclosed Scope 3 emissions data for six (6) categories in Part 2 of our Sustainability Statement. We continue to strengthen data collection and management processes to improve the accuracy, completeness and granularity of Scope 3 information and will disclose all 15 Scope 3 categories in future reporting periods. These efforts also support the development of the Group's Scope 3 emissions baseline and future Scope 3 decarbonisation strategy, with further details to be disclosed in future reports.

For more information on other decarbonisation initiatives, please refer to pages 203 to 209.

Internal carbon pricing

[IFRS S2.29(f)]

We have not applied carbon pricing in our decision-making in the current reporting period. The Group is in the process of developing an internal carbon pricing mechanism to support the management of climate-related transition risks. Further details on the internal carbon price will be disclosed in future reports.

GHG emissions

The table below summarises, for the Group and other investees, total GHG emissions for the year:

Absolute gross GHG emissions for the year

[IFRS S2.29(a)(i)(iv)(v)]

Metric tonnes of CO_2 equivalent (tCO_2e)	2025	2019 baseline
Scope 1 GHG emissions		
The consolidated accounting group	**12,708**	15,435
Other investees within the organisational boundary	**-**	-
Total Scope 1 GHG emissions	**12,708**Ⓐ	15,435
Scope 2 (location-based) GHG emissions		
The consolidated accounting group	**267,235**	407,420
Other investees within the organisational boundary	**-**	-
Total Scope 2 GHG emissions	**267,235**Ⓐ	407,420
Total Scope 1 and Scope 2 GHG emissions	**279,943**	422,855

Ⓐ *Please refer to pages 333 to 335 on the assurance statement for the metrics above.*

Overall, TM Group's GHG emissions have declined by 34% since the 2019 baseline, reflecting the impact of ongoing decarbonisation and energy efficiency initiatives. We continue to refine our emissions management approach and strengthen data quality to support consistent tracking of performance against our baseline over time.

Contractual instruments

[IFRS S2.29(a)(v)]

Since 2022, we have subscribed to the Green Electricity Tariff (GET) from Tenaga Nasional Berhad (TNB) for selected data centres and network buildings, supporting our Scope 2 emissions reduction efforts, specifically for location-based emissions. The subscription constitutes a contractual instrument to procure renewable electricity verified with Malaysia Renewable Energy Certificates (mRECs). TM acquired 96,587 MWh of renewable energy through GET for 2025, the financial effects of which are disclosed under Note 7.3(d).

During the current reporting period, TM Group entered into Solar Power Purchase Agreements (SPPAs) with Gentari, through Gentari Renewables Sdn Bhd, to supply solar energy to six (6) key facilities, including data centres in Cyberjaya and Iskandar Puteri, the TM R&D Complex, submarine cable landing station and MMU campuses. The anticipated financial effects of our SPPA with Gentari are described under Note 7.3(d).

In addition, we are exploring virtual power purchase agreements (VPPAs) and the Corporate Renewable Energy Supply Scheme (CRESS) to source clean electricity from third-party developers. More information will be disclosed in future reports.

For more information on Note 7.3, please refer to page 133.

Methodology, inputs and assumptions

[IFRS S2.29(a)(iii)(1)(2)]

Our Scope 1 GHG emissions are calculated using the direct measurement method, whereas Scope 2 emissions are calculated using the indirect method because direct measurement is not available. For Scope 1 emissions, we track fuel consumption based on vehicle fleet and diesel usage across all sites and operations (see table below for details).

Our Scope 2 GHG emissions are calculated under the location-based method, which reflects the average emissions intensity of grids on which energy consumption occurs (using mostly grid-average emission factor data).

Activity data

[IFRS S2.B26(c), IFRS S2.B29]

For the measurement of emissions, we use the following activity data:

- **Scope 1 GHG emissions:**
  Quantities of fuel consumed based on invoices received from TM Group's suppliers or specific measurement meters (such as fuel tank meters) where available or more appropriate.
- **Scope 2 GHG emissions:**
  Quantities of purchased electricity consumed based on invoices received from TM Group's utility providers where available.

Emission factors

[IFRS S2.B26(c), IFRS S2.B29]

To best represent our activities, we use the most recent emission factors published by international and local authorities where available for our emissions measurement. For the measurement of Scope 1 GHG emissions, we use the Department for Environment, Food and Rural Affairs (DEFRA) Emission Conversion Factors 2025. For Scope 2 (location-based) emissions, we use the Malaysia Grid Emission Factor (GEF) 2022 published by the Malaysia Energy Information Hub (MEIH).

Global warming potential (GWP) values

[IFRS S2.B20-22]

We apply global warming potential (GWP) values based on a 100-year time horizon from the Intergovernmental Panel on Climate Change's (IPCC) Sixth Assessment Report (AR6) to convert individual greenhouse gases into carbon dioxide equivalent (CO_2e), reflecting the most recent GWP values published by the IPCC.

Metrics and targets (GHG emissions)

[IFRS S1.46, IFRS S1.48, IFRS S1.49, IFRS S1.50, IFRS S1.51, IFRS S2.14(a)(v), IFRS S2.33(a)(d)(f)(g), IFRS S2.34(c)]

As part of our Carbon Reduction Roadmap, TM Group has established a long-term target to achieve net zero greenhouse gas emissions by 2050, alongside a medium-term target to reduce carbon emissions by 62% by 2030, measured against a 2019 baseline. These targets are aligned with recognised international frameworks and sector specific guidance, including the Global Enabling Sustainability Initiative (GeSI), the International Telecommunication Union (ITU) and the Science Based Targets initiative (SBTi).

For more information on TM's initiatives in reducing our GHG emissions, please refer to pages 203 to 209.

8.2 Climate scenario analysis

Resilience of the Group's strategy and business model in relation to climate-related risks

[IFRS S1.29(e), IFRS S1.41, IFRS S1.42, IFRS S2.22(a)(b)]

Climate Scenario Analysis

We conducted a climate scenario analysis to assess and evaluate the potential impacts of climate-related physical and transition risks on our operations and resilience of our strategy and business model to changes in key climate-related assumptions. The analysis considers the potential variability of identified climate-related risks under alternative scenario pathways, differences in hazard severity and variations in the timing of climate impacts across the short-, medium- and long-term to illustrate how changes in underlying assumptions may affect the relative level of risk exposure.

The scenario analysis was undertaken for the financial year ended 31 December 2025. TM Group reviews the analysis at least once every three (3) years in line with our strategic planning cycle, or earlier if there are material changes in climate scenarios or in our business structure, strategy or operating context.

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TM Group's current strategies are designed to address climate-related risks under moderate climate conditions (refer to Scenario 2 below). However, we retain the flexibility to scale up our mitigation and adaptation efforts should more severe climate conditions arise (refer to Scenario 1 and Scenario 3 below). Our capability and capacity to respond to such conditions are further discussed in the section titled "Capacity to adjust or adapt strategy and business model" below.

Our climate-related scenario analysis was conducted using scenarios based on the latest projections of the Intergovernmental Panel on Climate Change (IPCC) and the International Energy Agency (IEA). IPCC-based scenarios, which are based on data from the Climate Model Intercomparison Project (CMIP), are applied to the identification, classification and quantification of climate-related physical risks, while IEA scenarios are used to assess climate-related transition risks and opportunities.

Scenario 1: Low-carbon regulations, resulting in high GHG emissions and temperature (SSP5-8.5) (high physical risk)

This scenario reflects a fossil-fuel-intensive development pathway in which climate policies are delayed, fragmented or largely ineffective, with continued reliance on carbon-intensive energy systems and limited global coordination on mitigation. Global GHG emissions increase throughout the century, resulting in a very high increase in global mean temperature of around 4°C or more by the year 2100. Physical climate risks are severe and systemic, while transition risks are comparatively limited.

Scenario 2: Moderate carbon regulations, resulting in moderate GHG emissions and temperature rise (SSP2-4.5) (intermediate scenario)

This scenario represents a "middle-of-the-road" pathway, aligned with historical socioeconomic and technological trends. Global GHG emissions peak mid-century and decline thereafter, resulting in a global temperature increase of around 2.5–3°C by the year 2100. Both physical and transition risks are material, with increasing climate-related impacts on assets and operations over time, alongside moderate transition pressures arising from progressively tightening regulations, market shifts and changes in investor and stakeholder expectations.

Scenario 3: Strong carbon regulations, resulting in lower GHG emissions and temperature rise (SSP1-2.6) (high transition risk)

This scenario reflects a sustainability-focused development pathway, where ambitious and coordinated climate policies are implemented early and strengthened over time, supported by rapid deployment of low-carbon technologies, energy efficiency improvements and behavioural change. Global GHG emissions decline sharply, limiting global warming to around 1.5–2°C by the year 2100. Physical climate risks are substantially reduced relative to higher emissions pathways; however, transition risks are higher, driven by accelerated policy implementation, carbon pricing, regulatory change and structural shifts in markets and technologies, particularly affecting emissions intensive sectors and asset portfolios.

Physical Risk - Extreme weather events

Time Horizon
[IFRS S2.10(d)]

The time horizon applied to climate-related physical risks is as follows:

1. **Short-term**
(up to 2030)

2. **Medium-term**
(up to 2040)

3. **Long-term**
(up to 2050)

This time horizon is different from the time horizon set for other climate-related risks and opportunities as it aims to reflect the long-term and evolving nature of climate physical risks. As a result, longer time horizons are required to meaningfully assess the severity and potential impacts of climate physical risks to TM Group.

Results of climate-related physical risk assessment

The outcomes of the scenario analysis and the impact of each scenario in terms of climate-related physical risk on our strategy and business model are summarised below:

	Short-term (up to 2030)	Medium-term (up to 2040)	Long-term (up to 2050)
	Impact on TM Group's strategy and business model		
Scenario 1: Low-carbon regulations, resulting in high GHG emissions and temperature (SSP5-8.5) (High physical risk)	Physical risks begin to emerge and will be affecting TM's network through more frequent storms, floods, landslides, temperature increase and sea-level rise. This resulted in increasing maintenance needs and disruption risk. The Group remains operationally resilient in the near term, but without sufficient investment in mitigation and adaptation, the Group may face early signs of operational disruption from climate-related events.	As extreme weather events become more frequent and severe, physical risks are expected to increase thus affecting operations and the value chain. Escalating extreme weather places growing pressure on network reliability, data centres and field operations, increasing operating expenses and unplanned capital expenditure. To maintain its operational resilience, the Group will be expected to incur higher mitigation and adaptation expenditure and climate-informed investment decisions will need to be prioritised.	Severe and persistent physical impacts threaten long-term network availability and asset values. The Group's business model becomes increasingly reliant on sustained adaptation and mitigation expenditures to maintain nationwide connectivity and service continuity.
Scenario 2: Moderate carbon regulations, resulting in moderate GHG emissions and temperature rise (SSP2-4.5) (Intermediate)	Physical impacts are manageable and largely localised, with limited disruption to core network operations. The Group's existing asset management and planned capital expenditure cycles support near-term resilience.	More frequent physical disruptions in the medium term are expected to result in increasing maintenance requirements and operating costs, particularly for flood and heat-exposed assets. The Group remains operationally resilient in the near term, but without sufficient investment in mitigation and adaptation, the Group may face early signs of operational disruption from climate-related events. Climate-informed investment decisions will need to be prioritised.	Physical risks increasingly affect asset performance and availability in vulnerable areas. To maintain its operational resilience, the Group will be expected to incur higher mitigation and adaptation expenditure and climate-informed investment decisions will need to be prioritised.
Scenario 3: Strong carbon regulations, resulting in lower GHG emissions and temperature rise (SSP1-2.6) (High transition risk)	Physical climate impacts remain broadly comparable to current conditions, with limited disruption to network operations. TM's physical resilience is maintained under existing operational and maintenance practices.	More stable climate conditions support predictable network performance and planning, with lower escalation of physical risks. TM remains resilient with incremental adaptation to a new climate baseline.	Residual physical risks and extreme events continue to pose localised challenges, though at lower severity. TM is expected to remain physically resilient through continued integration of resilience into long-term infrastructure planning.

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Outputs of the climate-related physical risk assessment

[IFRS S2.29(c)]

Based on established climate hazard projections, we assessed the potential exposure across our locations, as follows:

SSP1-2.6

	Medium-term (up to 2040)				Long-term (up to 2050)			
	No. of Assets	Asset (%)	NBV (in RM million)	NBV (%)	No. of Assets	Asset (%)	NBV (in RM million)	NBV (%)
High Flood Risk (Fluvial and coastal)	~192,541	~30.8%	~3,096.5	~27.1%	~172,293	~27.5%	~2,762.5	~24.2%
High Sea-level Rise	~7,297	~1.2%	~107.2	~0.9%	~19,424	~3.1%	~286.0	~2.5%
High Heatwave	Number of locations affected ~827				Number of locations affected ~842			

SSP2-4.5

	Medium-term (up to 2040)				Long-term (up to 2050)			
	No. of Assets	Asset (%)	NBV (in RM million)	NBV (%)	No. of Assets	Asset (%)	NBV (in RM million)	NBV (%)
High Flood Risk (Fluvial and coastal)	~157,748	~25.2%	~2,606.8	~22.8%	~188,280	~30.1%	~3,019.8	~26.4%
High Sea-level Rise	~7,297	~1.2%	~107.2	~0.9%	~19,425	~3.1%	~286.1	~2.5%
High Heatwave	Number of locations affected ~860				Number of locations affected ~874			

SSP5-8.5

	Medium-term (up to 2040)				Long-term (up to 2050)			
	No. of Assets	Asset (%)	NBV (in RM million)	NBV (%)	No. of Assets	Asset (%)	NBV (in RM million)	NBV (%)
High Flood Risk (Fluvial and coastal)	~178,205	~28.5%	~2,858.6	~25.0%	~193,041	~30.8%	~2,944.8	~25.7%
High Sea-level Rise	~7,297	~1.2%	~107.2	~0.9%	~32,645	~5.2%	~480.0	~4.2%
High Heatwave	Number of locations affected ~852				Number of locations affected ~884			

Note: *The data for climate hazard projections were obtained from Sven Willner, Inga Sauer, Lisa Novak, Christian Otto (2024): Global simulations of fluvial floods based on the ISIMIP2 ensemble of global hydrological models (v1.0). ISIMIP Repository. https://doi.org/10.48364/ISIMIP.303619 (for fluvial flood); World Resources Institute's (WRI) Water Risk Atlas Aqueduct (for coastal flood); IPCC Data Distribution Centre (DDC) (for sea-level rise); and Centre for Climate Research Singapore (for heatwave).*

It is important to note that due to inherent limitations in climate data and modelling, including scenario uncertainty, model variability and data constraints, the scenario analysis does not capture all potential outcomes or non-linear effects and does not represent a forecast of future climate-related impacts. In addition, differences in underlying assumptions, threshold sensitivities, and hazard pathways across scenarios (e.g. SSP1-1.9 versus SSP5-8.5) mean that higher emissions scenarios do not necessarily translate directly into proportionately worse impacts.

In applying the analysis, management exercised judgement in defining the scope of assets assessed, including the exclusion of certain asset classes where exposure to the extreme weather events modelled is not reasonably expected. This includes movable assets, which are assumed to be relocatable, as well as asset classes such as submarine cables and intangible assets that are not considered susceptible to the physical risks assessed. In addition, due to limitations in asset-specific elevation data, the measurement of assets vulnerable to climate-related physical risk has assumed that the assets are located at ground level. Judgement was also applied in determining the materiality of assets to be included in the scenario analysis, whereby assets of subsidiaries representing more than 95% of TM Group's total assets were included, while assets with a zero net book value (NBV) as at the end of the current reporting period were excluded. Accordingly, the analysis should be read in conjunction with our disclosed assumptions, scenario analysis, and uncertainty disclosures.

Separately, while TM Group has experienced isolated instances of landslides historically, the impacts have not been assessed as material during the reporting period. Nevertheless, the climate scenario analysis has identified potential landslide risk in certain locations.

Management will progressively refine the assessments to better identify asset-specific exposure to climate-related physical risk, with enhanced disclosures to be provided in future reporting periods.

Building on this initial assessment, we will continue to analyse affected assets to further refine our adaptation and mitigation strategies for managing climate-related physical risks across the short-, medium- and long-term.

The financial effects arising from current initiatives implemented by TM Group to address climate-related physical risks are disclosed in Note 7.1.

For more information on Note 7.1, please refer to page 126.

Results of climate-related transition risk assessment

The outcomes of the scenario analysis and the impact of each scenario in terms of climate-related transition risk on our strategy and business model are summarised below:

	Short-term (up to 2026)	Medium-term (up to 2028)	Long-term (more than 2028)
	Impact on the Group's strategy and business model		
Scenario 1: Low-carbon regulations, resulting in high GHG emissions and temperature (SSP5-8.5) (high physical risk)	Limited global coordination on climate action and weak or inconsistent policies are expected to keep transition risk low in the near term. Minimal financial effects expected for the Group.	Regulatory pressure remains relatively limited, stakeholder expectations for emissions management are expected to rise, placing additional pressure on the Group despite the absence of strong policy frameworks.	Prolonged weak climate policy is expected to keep direct regulatory costs low; however, delayed transition increases the risk of abrupt future compliance costs, reputational impacts and higher capital requirements should policy or market expectations tighten.
Scenario 2: Moderate carbon regulations, resulting in moderate GHG emissions and temperature rise (SSP2-4.5) (intermediate)	The Group expects a gradual increase in climate-related regulatory requirements and stakeholder expectations across its operating regions. In response, the Group will need to review and enhance existing operational practices to align with emerging standards, while managing moderate transition risks.	Stronger regulatory requirements and rising customer demand for sustainable digital and connectivity solutions are expected to increase transition risk. To remain competitive, the Group will need to progressively integrate sustainability considerations across its operations and value chain.	More pronounced physical climate impacts may lead to increased supply chain disruption, higher operating costs and potential asset impacts. As the broader economy transitions towards lower-carbon pathways, failure by the Group or its suppliers to demonstrate sustainable practices could adversely affect market share, revenue and profitability.
Scenario 3: Strong carbon regulations, resulting in lower GHG emissions and temperature rise (SSP1-2.6) (high transition risk)	Accelerated climate policy implementation and more stringent emissions standards are expected to increase transition risk. In the near term, the Group's existing strategies and controls are expected to be largely adequate to manage transition.	Despite lower long-term warming, physical climate impacts such as more frequent extreme weather events may still affect network operations and service continuity. This is expected to require an acceleration of the Group's climate strategies. Increased stakeholder expectations for transparency may also result in higher costs related to reporting, disclosure and assurance.	Demand for low-carbon digital and connectivity solutions is expected to strengthen as the global economy transitions to a low-carbon pathway. However, failure to fully transition to sustainable operations could adversely affect profitability, as customers increasingly favour providers with stronger sustainability credentials. While material supply chain impacts are not expected, the Group is likely to remain exposed to ongoing supply-related risks.

SUSTAINABILITY-RELATED FINANCIAL INFORMATION REPORT 2025
(ALIGNED TO ISSB STANDARDS)

Significant areas of uncertainty

[IFRS S2.22(a)(ii)(b)(ii)]

The significant areas of uncertainty considered in our assessment of climate-related physical and transition risks are as follows:

Climate projections

Our climate scenario analysis is subject to inherent uncertainty due to the use of long-term climate scenarios, models and data limitations. Climate models are based on different assumptions and methodologies and while multiple models have been used to reduce reliance on any single model, uncertainty remains particularly at regional and site-specific levels. Physical risk exposure has been assessed using postcode-level location data as a proxy for asset locations, which may not fully reflect site-specific conditions. In some cases, assumptions have been applied where data were only available under earlier climate scenario frameworks or where interpolation was required due to data gaps. In addition, natural climate variability means that actual climate impacts may differ from long-term model projections.

Carbon tax

Uncertainty remains regarding the scope, design, timing and coverage of carbon pricing mechanisms in Malaysia and other jurisdictions in which we operate. While the proposed Malaysian carbon tax is currently expected to focus on selected heavy emitting sectors and is not anticipated to directly apply to TM Group's operations at this stage, future policy developments, scope expansion, or indirect cost passthrough effects remain uncertain. These factors may affect operating costs, investment decisions and decarbonisation planning over the medium to long term.

Availability of low-carbon technology

The pace of development, commercial viability and scalability of low-carbon and energy-efficient technologies, particularly those relevant to network infrastructure and data centre operations, remain uncertain. While national initiatives increasingly promote advanced efficiency measures, such as optimised cooling systems, improved airflow management, AI-driven network optimisation and stricter data centre efficiency requirements, the timing and extent of deployment may be constrained by factors including cost, technology maturity, supply chain availability, integration with existing systems and site-specific limitations. These uncertainties may affect TM Group's ability to achieve emissions reduction targets and optimise energy efficiency in line with our decarbonisation strategy over the medium- to long-term.

Capacity to adjust or adapt strategy and business model

[IFRS S1.21, IFRS S2.22(a)(iii)]

Our strategy and business model, as well as mitigation plans and actions towards climate-related risks and opportunities, are currently based on the most probable baseline scenario (refer to Scenario 2 above). These are detailed in the respective note sections titled "Effect on strategy and decision-making" for each climate-related risk and opportunity. As indicated in Note 6.1, the Board and BRIC regularly review TM Group's strategy and assess progress against targets, allowing for adjustments and adaptations in our strategy and business model in relation to climate-related risks and opportunities over time.

For more information on Note 6.1, please refer to page 123.

Based on the measures currently in place, management considers the strategy and business model to be reasonably resilient to the climate-related risks disclosed in this report. At the same time, we recognise that climate resilience is dynamic and will continue to be progressively strengthened as climate-related data quality improves, capabilities mature and strategic responses are further refined in line with evolving climate conditions.

9. EVENTS AFTER THE REPORTING PERIOD

[IFRS S1.68]

There were no transactions, other events or conditions occurring after the end of the reporting period and before the date of authorisation of issue of this report that need to be disclosed in this sustainability report.

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Climate - Physical risk	Number of performance issues (e.g., technology disruptions) as a result of extreme weather events	Amount (number of issues)	1,690	—	No assurance
Climate - Physical risk	Average time for customer service restoration as a result of extreme weather events	Units of time (Hours)	24	—	No assurance
Climate - Physical risk	Percentage of service disruptions as a result of extreme weather events	Percentage (%)	* 0.3%	5.0% Network Fault Rate (NFR)	No assurance
Footnote 2025	corrected decimal point				
Climate - Physical risk	Total number of sites with elevated plinths in flood-prone locations	Amount (number of sites)	11	—	No assurance
Climate - Physical risk	Average response time to flood alerts	Units of time (Minutes)	30	Maintain current performance	No assurance
Water	Total water withdrawn	m3	1,681,721	—	External (Limited)
Water	Percentage of total water withdrawn in regions with High or Extremely High baseline water stress	Percentage (%)	2.7%	—	No assurance
Energy management	Total network energy consumption for data centres (purchased electricity) - Renewable	MWh	84,512	—	External (Limited)
Energy management	Total network energy consumption for data centres (purchased electricity) - Non-renewable	MWh	31,818	—	External (Limited)
Energy management	Total network energy consumption for non-data centres (purchased electricity) - Renewable	MWh	12,075	—	External (Limited)
Energy management	Total network energy consumption for non-data centres (purchased electricity) - Non-renewable	MWh	392,788	—	External (Limited)

Telekom Malaysia Berhad

IFRS S2

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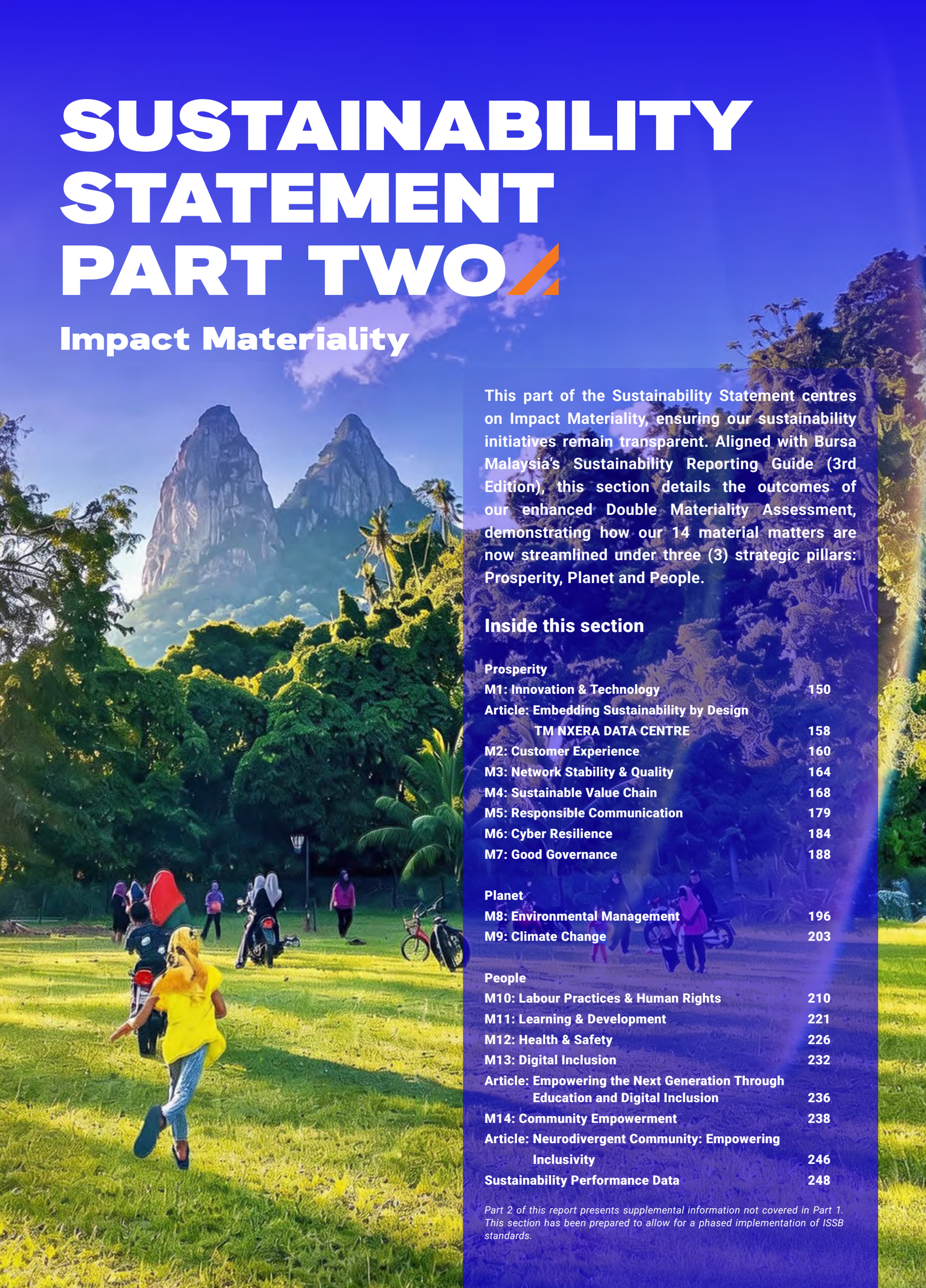
Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
Energy management	Percentage of network energy consumption for data centres (purchased electricity) - Renewable	Percentage (%)	73%	—	External (Limited)
Energy management	Percentage of network energy consumption for data centres (purchased electricity) - Non-renewable	Percentage (%)	27%	—	External (Limited)
Energy management	Percentage of network energy consumption for non-data centres (purchased electricity) - Renewable	Percentage (%)	3%	—	External (Limited)
Energy management	Percentage of network energy consumption for non-data centres (purchased electricity) - Non-renewable	Percentage (%)	97%	—	External (Limited)
Energy management	Renewable energy capacity installed for data centres	kWp	1,826	—	External (Limited)
Energy management	Renewable energy capacity installed for non-data centres	kWp	2,473	—	External (Limited)
Emissions management	GHG emissions intensity for data centres	tCO_2e/MWh	0.769	—	External (Limited)
Emissions management	GHG emissions intensity for non-data centres	tCO_2e/MWh	0.720	—	External (Limited)
Emissions management	Total Scope 1 GHG emissions	tCO_2e	12,708	—	External (Limited)
Emissions management	Total Scope 2 GHG emissions	tCO_2e	267,235	—	External (Limited)
Emissions management	Percentage of carbon emissions reduction	Percentage (%)	34%	34%	No assurance

SUSTAINABILITY STATEMENT PART TWO

Impact Materiality



This part of the Sustainability Statement centres on Impact Materiality, ensuring our sustainability initiatives remain transparent. Aligned with Bursa Malaysia's Sustainability Reporting Guide (3rd Edition), this section details the outcomes of our enhanced Double Materiality Assessment, demonstrating how our 14 material matters are now streamlined under three (3) strategic pillars: Prosperity, Planet and People.

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Part 2 of this report presents supplemental information not covered in Part 1. This section has been prepared to allow for a phased implementation of ISSB standards.

PROSPERITY

M1 INNOVATION & TECHNOLOGY

Inside this section:

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Innovation and Technology is TM's Priority 1 material matter, driving our ambition to build a future-ready, low-carbon digital Malaysia. As the nation builder, we harness innovation and emerging technologies to strengthen our operational capabilities while extending these advancements to the people and businesses we serve. This focus forms the core of our growth strategy, strengthening operational performance while unlocking new low carbon revenue opportunities across our digital ecosystem. In 2025, we deliver impact through three (3) priorities:

Operation Efficiency and Optimisation

Transforming TM's operations through innovative technologies, with smarter, integrated tools

Future-ready Digital Infrastructure

Strengthening TM as a future-ready organisation by transforming from infrastructure builder to digital economy enabler

Sustainable Digital Solutions

Enabling sustainable growth for customers through innovative digital solutions

Capitals Deployed: **Affected Stakeholders:** C BP G&R E S&I **Sustainability Pillar:** **Priority:** 1 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

At TM, we deliver our stakeholders' expectations by:

- **Improving operational efficiency while optimising costs and resources**
- **Innovating continuously to stay competitive, financially resilient and socially relevant**
- **Scaling into new, high-value business domains that unlock new revenue streams**
- **Investing in research and development to drive transformative discoveries**

Together, these expectations strengthen our foundation and enable us to proactively pursue new opportunities ahead. These are practical steps in sharpening how we operate, supporting new growth areas and staying aligned with our Digital Powerhouse 2030 ambitions.

Our Approach

Our approach to innovation and technology is anchored on three (3) core priorities:

Operation Efficiency and Optimisation

We strengthen efficiency and productivity across our operations by embedding smarter technologies including:

- Advanced analytics technologies (machine learning, AI-driven automation and predictive analytics)
- Integrated platforms
- Automated workflows

Future-ready Digital Infrastructure

We build the advanced infrastructure required to support high-performance, scalable and sustainable digital services for our stakeholders. This includes:

- Data centres
- Edge data centres
- Smart D-RAN
- GPU-as-a-Service (GPUaaS)
- Cloud platforms

Sustainable Digital Solutions

We design our products and services to help our customers, including MSMEs to grow sustainably. Our digital solutions integrate measurable sustainability metrics (e.g carbon emission avoidance, cost avoidance and sales lead generated), enabling customers to track performance, manage impact and achieve their goals with confidence.

Policy and Guideline

To ensure consistent governance, the following policies have been adopted across the organisation.

Mandatory Standard of Quality of Service (MSQoS)
Regulatory requirement issued by MCMC that sets the minimum service performance standards telcos must meet

TM Business Planning & Performance
Outlines the general guidelines together with the required policies to govern the management on the Business Planning process in TM

TM Product Governance Framework
Manages the product creation and product management activities which is known as Product Life Cycle Management (PLCM)

TM Intellectual Property Manual
Details a practical guide to the protection and management of intellectual property in TM

TM AI Governance Policy
Ensures TM's compliance with the ethical and responsible practices as outlined in the National Guidelines on AI Governance & Ethics (AIGE) by the Government of Malaysia

For details on our common sustainability policies, see page 106.

How We Create Value

At TM, we create value by turning innovation and technology into practical solutions that make our operations smarter and our services stronger. We embed innovation and technology into our business strategy, creating long-term value for both our organisation and our stakeholders.

Operation Efficiency and Optimisation

We foster a culture of innovation among our employees, shifting from manual, reactive work to proactive, data-led operations. By embedding this culture across the Group, we enhance operational efficiency and optimise resources through initiatives enabled by advanced data analytics and AI. Among the key initiatives implemented in 2025 are:

Initiatives	
Increased operational automation	**Description** • We accelerated operational automation through the deployment of scaled automation initiatives and customised AI solutions, significantly elevating productivity and customer experience. These solutions streamlined end-to-end Group Network Technology (GNT) operations, reduced manual intervention and improved process accuracy and turnaround time, further enhancing the overall customer experience. **Impact Story** • We improve task life cycle efficiency by more than 50% across initiatives by automating day-to-day operational tasks • Ultimately, we enhance productivity, customer experience and achieve cost avoidance through improvements in service quality and delivery
Network Assistance Tool	**Description** • We accelerated our shift to automation and predictive analytics, a unified platform that integrates several enterprise systems to streamline workflows and enable faster, data-driven decisions across our operations. **Impact Story** • The implementation has delivered measurable improvements: - **87%** reduction in handling time for multi-system analysis, significantly enhancing service responsiveness - Improved operational efficiency, customer experience and service reliability across the network

PROSPERITY

M1 Innovation & Technology

Future-ready Digital Infrastructure

At TM, we do not designate products as 'sustainable' by intent alone; we categorise them based on measurable impact. Since 2025, we have systematically benchmarked our digital portfolio against defined sustainability metrics, assessing each solution through an evidence-based lens. Only products that demonstrate clear, quantifiable outcomes are recognised as Sustainable Digital Solutions. Our selection framework aligns with the three (3) pillars of the TM Sustainability Framework:

Prosperity

Solutions that strengthen economic value, enhance productivity and improve business resilience

Planet

Solutions that deliver measurable environmental benefits, including energy efficiency, carbon avoidance and resource optimisation

People

Solutions that enhance social outcomes, improve accessibility and safety and elevate quality of life

We work closely with customers to measure these outcomes, ensuring sustainability is embedded in performance, rather than positioned as a narrative. Through this disciplined approach, we transform sustainability from aspiration into accountable value creation, reinforcing TM's role in enabling a low-carbon, digitally progressive Malaysia.

Solutions	
TM Data Centres	**Description** • To meet customers' growing demand for scalable cloud and AI capabilities, we power next-generation workloads through our hyperconnected data centres • Built for performance and resilience, our facilities operate at peak energy efficiency and meet world-class standards, including LEED, ISO 50001:2018 and ISO 14001:2015 certifications, delivering reliable, sustainable and future-ready infrastructure our customers can trust **Impact Story** In 2025, our data centre ecosystem avoided over **190,000 MWh** of energy consumption through intelligent load optimisation and resource sharing across facilities. This resulted in the prevention of more than **149,000 tCO_2e** in annual emissions, generating measurable avoided emissions beyond our operational boundary, lowering customers' carbon intensity and enabling more sustainable digital growth across the wider ecosystem.
TM Edge Data Centres	**Description** • We extend our data centre capabilities nationwide through edge data centres, bringing computing closer to end users. These sites enable real-time processing and support high-demand, latency-sensitive applications such as AI inference, smart cities and autonomous system, ensuring faster performance, lower latency and greater reliability. **Impact Story** Our TM Edge Data Centres deliver measurable environmental and performance gains through efficient resource sharing and distributed architecture: • Enabled customers to avoid over **3,600 MWh** of energy consumption • Prevented over **2,800 tCO_2e** in annual emissions across the ecosystem • Brought content and applications closer to end users, enhancing latency-sensitive services, strengthening network performance and elevating overall digital experience Together, these outcomes demonstrate how edge infrastructure can simultaneously optimise efficiency, reduce environmental impact and accelerate next-generation digital services.

Solutions	
Smart D-RAN	**Description** • TM has deployed approximately 60 smart poles across Putrajaya to enhance mobile connectivity and shared infrastructure. Powered by Smart D-RAN, each pole can host multiple mobile operators, expanding 4G and 5G coverage while integrating fiberised CCTV and WiFi to reduce material use and visual clutter. • Recognised as a 3-Star Select List solution by the UN Global Compact Network Malaysia and Brunei, this initiative expands connectivity enhances public safety and delivers a seamless, high-quality digital experience for communities. **Impact Story** Our Smart D-RAN deployment drives significant environmental and social gains by: • Avoiding approximately **47 tonnes** of material, the equivalent of preventing more than **73 tCO_2e** in carbon emissions through resource sharing. • Reduced visual clutter on buildings and structures through a sleek pole design, preserving Putrajaya's aesthetic. • Enabling authorities to safeguard infrastructure and communities through real-time CCTV feeds connected directly to the council's Integrated Operations Centre.
GPU-as-a-Service (GPUaaS)	**Description** • We enable high-performance, low-latency AI computing through our GPU-as-a-Service offering. Powered by NVIDIA GPUs and hosted in energy-efficient, Uptime Tier III-certified data centres, the solution accelerates AI model training, shortens deployment cycles and delivers secure, scalable computing capacity, all within national borders. • By leveraging shared, on-demand GPU resources, customers avoid significant upfront capital investment while gaining immediate access to enterprise-grade AI infrastructure. **Progress** • As AI adoption accelerates nationwide, TM's GPUaaS is rapidly gaining momentum, positioning us at the forefront of Malaysia's AI ecosystem. Built on shared, energy-efficient infrastructure, the platform not only unlocks scalable growth opportunities but also reduces duplication of computing resources, delivering both commercial value and measurable environmental efficiencies across the digital economy.
Smart Industry Transformation	**Description** • TM is accelerating industrial transformation by embedding advanced connectivity, AI and IoT into our Smart Industrial Park Blueprint. We are powering the industrial township in Forest City, setting a new benchmark for intelligent manufacturing ecosystems. • We continue to develop and plan smart industrial parks across Malaysia, including: - NCT Smart Industrial Park (NSIP), Sepang, Selangor - NCT Innosphere, Kedah **Progress** • NSIP is set to become Malaysia's first fully managed smart industrial park, targeted for completion in Q2 2026. • NCT Innosphere builds on the NSIP blueprint, expanding the smart industrial park model to support industrial growth in the northern region. Through these developments, TM is not just enabling industrial parks; we are shaping the digital backbone of Malaysia's next-generation manufacturing economy.

PROSPERITY

M1 Innovation & Technology

CASE STUDY: Sustainable Smart Port Digitalisation with Bintulu Port Holdings Berhad (BPHB)

The Vision:

BPHB aims to become a digital, intelligent and sustainable port by 2030. To achieve this, BPHB is extensively modernising its digital infrastructure. Through this partnership, TM is deploying hyperconnected networks and intelligent analytics to drive operational efficiency and power data-driven decision making across the entire port ecosystem.

The Strategy:

TM actively supports BPHB's journey to:

- **Accelerate Techno-Digital Transformation**
  Transition legacy systems into agile platforms
- **Increase Operational Efficiency**
  Reduce bottlenecks and optimise resource allocation through real-time data
- **Introduce Innovative Digital Solutions**
  Implement cutting-edge tech to streamline maritime logistics
- **Improve Customer Experience**
  Modernise touchpoints ensure a seamless, transparent journey for all port users

Progress:

While the project focuses on long-term 2030 goals, the modernisation of the core network serves as the foundation for all upcoming AI and IoT integrations.

Sustainable Digital Solutions

Through our robust digital infrastructure, TM empowers customers and businesses to progress responsibly and sustainably together. We achieve this by embedding measurable sustainability outcomes into our solutions. In doing so, we turn sustainability from a statement into measurable value. In 2025, we have integrated sustainability-related metrics into our identified digital solutions.

Solutions	
Unifi Cloud Storage (UCS)	**Description** UCS offers a secure, scalable and cost-efficient way to store and manage data while supporting more sustainable digital practices. By enabling remote access, seamless collaboration and reliable data protection, it helps businesses operate more efficiently, reduce physical storage needs and strengthen compliance and continuity. • UCS offers an affordable price per TB enabling customers to achieve up to 24% cost savings. • For every 1TB of storage, customers avoid 0.42kg of e-waste to the landfill. **Impact Story** • In total, UCS has helped customers avoid approximately **34.4 tonnes** of e-waste equivalent to **688.8kgCO²** emissions, enhancing the seamless user experience through secured cloud sharing. By extending device lifecycles and reducing hardware disposal, the solution not only lowers environmental impact but also delivers a secure, seamless cloud sharing experience that supports more sustainable digital adoption.
Digital Marketing Solutions (DMS)	**Description** We empower MSMEs to achieve sustainable income with cost-efficient solutions. Through DMS, we enable MSMEs to access, structured financing that unlocks their full advertising potential upfront, while spreading costs into manageable low instalments over a 12-month period. These digital-first approaches reduce reliance on printed materials and traditional media, allowing MSMEs to run targeted, measurable online campaigns. Structured payment plans also support better financial planning, enabling MSMEs to scale marketing sustainably and make data-driven decisions for long-term growth. **Impact Story** • As of 2025, DMS has generated approximately **1 million** sales leads, empowering customers to scale revenue efficiently while reducing reliance on resource-intensive traditional marketing, enabling more sustainable, digitally driven growth. • Through DMS, one (1) of our retail customers achieved up to an 80% savings in advertising costs by outsourcing their digital marketing activities. • A pest control company reduced printed advertising materials by approximately 70% by shifting to digital marketing. **TM Received Google Premier Partner Status** On 3 May 2025, TM through Unifi Business, became a Google Premier Partner, an exclusive recognition awarded to the top 3% of digital agencies in Malaysia. This milestone strengthens TM's credibility in delivering exceptional digital marketing solutions to MSMEs, driving digital adoption, business growth and competitiveness. Furthermore, the achievement reinforces our leadership in innovation and our role in empowering Malaysian businesses in the digital economy.

Solutions	
Kaspersky Small Office Solutions (KSOS)	**Based on a recent study, 85% of Malaysian SMEs have experienced cyberattacks, with nearly 75% facing multiple incidents.** **Description** SMEs face alarming cyberattack threats and this underscores the importance of KSOS in helping MSMEs strengthen their cyber resilience. Through this cybersecurity solution that protects devices, workforces and file servers, KSOS helps businesses strengthen data privacy, governance and regulatory compliance while safeguarding stakeholders from rising cyber threats. **Impact Story** • Protected over **20,000 customers** since inception. • Detected and neutralised more than **1 million** malicious files and URLs since early 2024. • Through KSOS, we are not only strengthening cyber resilience, but also enabling safer digital growth and building greater trust across Malaysia's SME ecosystem.
Smart Workforce: Digital Field Workforce Management Tool	**Description** At TM, we offer an intelligent mobile workforce management system, aimed at improving operational efficiency by automating day-to-day tasks of the field teams. Smart Workforce enhances operations management through a platform that manages field worker schedules, assigns remote tasks based on skill sets and enables seamless communication. This solution captures and processes real-time data on workforce activities, leveraging automation and algorithms to enable the organisation to track and monitor the progress and resolution time of trouble tickets. **Impact Story** • Delivered over **RM43,000** in operational cost savings. • Eliminated approximately **2,190 kg** of paper usage, significantly reducing administrative waste. • Reduced an estimated **2,740 kgCO_2e** in carbon emissions through paper and process optimisation. • Smart Workforce demonstrates how digitalisation can simultaneously drive operational excellence, cost efficiency and measurable environmental impact.
Smart Traffic Analytics and Recognition System (STARS)	**In 2025, Malaysia's automotive sector recorded a four-year growth streak and reached an all-time high, with 38.7 million registered cars as of end-2024, indicating that the number of vehicles exceeds the population.** **Description** As automotive demand grows, we address rising carbon emissions through our Smart Traffic Analytics and Recognition System (STARS). The system uses real-time data from cameras and sensors to optimise traffic signals and improve traffic flow, while engineers monitor and control intersections remotely through the STARS IoT dashboard powered by TM's mobile network. **Impact Story** • In 2025 alone, STARS avoided **113.36 tCO_2e** in emissions by significantly reducing vehicle idling time and improving traffic efficiency for daily road users. • STARS demonstrates how intelligent mobility solutions can deliver tangible climate benefits while improving everyday urban life. By cutting idle time and smoothing traffic flow at scale, the system reduces fuel consumption, lowers emissions and creates a cleaner, more efficient city experience for commuters each day. **Use Case: *Majlis Bandaraya* Ipoh (MBI)** MBI successfully deployed STARS at four (4) key intersections along Jalan Sultan Idris, a major arterial route carrying over 170,000 vehicles daily. By optimising traffic flow and reducing congestion, the system avoids an average of 9.44 tCO_2e in emissions each month.

PROSPERITY

M1 Innovation & Technology

Solutions

Smart Urban Forestry

Description

To strengthen climate resilience and protect biodiversity, TM delivers an AI-enabled environmental monitoring and forest carbon assessment solution. Developed in partnership with the Forest Research Institute Malaysia (FRIM) and supported by a research grant from the Government, the platform transforms how green assets are measured, monitored and managed. Further strengthening its impact value, the solution received national recognition when it was identified as one (1) of the UNGCMYB ESG Select List in 2025.

Progress

- Digitised **1,200** green assets in hours instead of weeks, accelerating environmental data collection and enabling real-time visibility of urban biodiversity and carbon assets for more precise planning and maintenance.
- Strengthened cross-agency coordination through a shared, data-driven platform, developed with local councils and environmental experts to ensure scientific accuracy, regulatory alignment and transparent decision-making.
- Transformed environmental data into actionable insights, enabling faster, smarter and more accountable climate and biodiversity management.

Total Impact Performance

As we continue scaling these advancements across our operations and customer ecosystems, their collective impact becomes increasingly evident. This consolidated impact is reflected in the following Total Impact Performance[1], which details the specific, evidence-based and combined results of our innovation and technology journey, mapped against our triple bottom line approach:

TOTAL IMPACT PERFORMANCE

PROSPERITY

- Over **RM200 million** total sustainable digital solutions revenue generated, with **RM135 million** contributed from low-carbon products, services and solutions[2]
- Over **1 million** cyber security threats detected and mitigated
- Approximately **RM 6 million** in total customers' cost savings
- Approximately **1 million** total sale leads generated for customers
- **RM55 million** invested in research and development

PLANET

- Approximately **200,000 MWh** customers' energy usage avoided
- More than **150,000 tCO_2e** customers' carbon emission avoided
- Approximately **50 tonnes** customers' material use avoided
- More than **34 tonnes** customers' e-waste avoided

PEOPLE

- More than **116,000** customers adopted our sustainable digital solutions
- More than **20,000** customers protected via cybersecurity solutions

Notes:

[1] *Eight (8) digital solutions measured and tracked with sustainability-related metrics*

[2] *Refer to page 138 for the Sustainability-related Financial Information Report 2025 on low-carbon products, services and solutions.*

Moving Forward

In the short-term, we will continue to strengthen Innovation and Technology through a phased approach, starting with establishment of Low-carbon Products and Digital Solutions Policy and Guidelines in 2026, as well as measuring and tracking our Total Impact Performance through our Prosperity, Planet and People sustainability dimensions based on these policy and guidelines.

Baselining for Category 11 (Use of Sold Products) Scope 3 emissions will be a priority in 2026, contributing to our efforts to measure and implement Scope 3 emission reductions. Moreover, we will continue to scale proven AI-enabled and autonomous solutions to support growing demand for cloud, AI and low-latency services, alongside continued growth in sustainable and low-carbon solutions. Our B2C business will continue to broaden sustainable solutions for business customers, while C2C will continue to drive near-term infrastructure and digital platform expansion. B2B will play a central role as the architect of Malaysia's digital future by delivering secure, trusted and sustainable digital solutions for enterprise and public sector customers.

In the medium-term, we will strengthen institutional innovation capabilities through enhanced research leadership and deeper local and international collaborations to support higher-impact outcomes and expand towards generating low carbon revenue streams.

In the long term, we will continue to explore emerging innovations and the evolving technology landscape to build a hyperconnected, secure and resilient digital ecosystem. At the core of our growth strategy, we remain committed to advancing future-ready digital infrastructure and solutions that strengthen connectivity, enhance security and support Malaysia's transition toward a low-carbon digital economy.

State-of-the-art precision mobile LiDAR scanner and 3D imaging system applied in Smart Urban Forestry to enable high-fidelity urban tree mapping

ARTICLE: EMBEDDING SUSTAINABILITY BY DESIGN:

TM NXERA DATA CENTRE

Malaysia's Data Centre Expansion: Growth Meets Constraint

Malaysia is emerging as a regional data centre hub, supported by national digital policies, hyperscaler investments and ASEAN connectivity advantages. The opportunity is significant and so are the infrastructure implications.

Malaysia's Energy Transition and Water Transformation Ministry (PETRA) projects that data centre electricity demand could reach approximately 12.9 GW by 2030 and 20.9 GW by 2040[1], reflecting the rapid growth of digital infrastructure across the country.

Data centre water demand is emerging as a material sustainability consideration. Reports suggest that combined demand across major states such as Johor, Selangor and Negeri Sembilan could amount to hundreds of millions of litres per day, highlighting the importance of efficient cooling and resource planning in new facilities[2].

An approximate industry benchmark for large scale data centres is that a 100 MW deployment can require around 4.2 million litres of water per day for cooling, depending on cooling technology and system design[3].

These figures define the structural realities of Malaysia's digital expansion.

For operators, sustainability is no longer a corporate narrative. It is an infrastructure constraint, a regulatory consideration and increasingly a capital allocation discipline.

1 *Putrajaya: Data centres could need more power by 2040 than Malaysia uses annually now*
2 *Malaysia water regulator to set strict water rules for data centres as number grows*
3 *Investments in water need to keep pace with influx of data centres*

Sustainability as Infrastructure Design

Data centres are energy-intensive, long-lived assets. As AI workloads, cloud migration and sovereign data localisation accelerate, demand for compute density and resilient power supply continues to rise.

The industry question is no longer whether demand will grow, but whether infrastructure can scale responsibly within grid, water and regulatory limits.

TM Nxera's approach is grounded in Sustainability by Design, Build and Operation, embedding environmental performance into asset architecture from the outset. Key performance targets include:

A Power Usage Effectiveness (PUE) of ≤1.30 at full load, compared to industry estimates of approximately 1.80 for many existing facilities

Integration of air and liquid cooling technologies for enhanced thermal efficiency

Renewable energy integration and smart Li-ion UPS systems to optimise energy management

On water stewardship, TM Nxera is targeting a Water Usage Effectiveness (WUE) of ≤2.11 L/kWh/year, supported by rainwater harvesting, condensate reuse and circular water strategies.

In construction, sustainability extends to embodied carbon management through the use of low-carbon concrete such as GGBFS, RCA and WCS, as well as embodied carbon tracking across steel, concrete and glass, while targeting LEED certification with the ambition of becoming the first GreenRE Platinum data centre in Malaysia.

These measures are designed to align operational resilience with environmental discipline, strengthening long-term asset viability.

ARTICLE: EMBEDDING SUSTAINABILITY BY DESIGN: TM NXERA DATA CENTRE

Enabling Sustainable Digital Growth for Enterprises

The sustainability impact of TM Nxera extends beyond its own footprint.

As enterprises accelerate cloud adoption, AI deployment and digital platform integration, many face a structural choice between building their own proprietary server infrastructure or leveraging centralised facilities.

Purpose-built, high-efficiency data centre infrastructure can reduce the need for enterprises to allocate capital to land acquisition, cooling systems, power redundancy and security infrastructure. It lowers operational complexity and improves energy efficiency, compared with fragmented server environments and enables faster access to cloud, AI platforms and infrastructure.

For smaller and mid-sized organisations, access to secure, sovereign-grade infrastructure within TM Nxera facilities enables them to readily participate in digital and AI initiatives without significant upfront investment.

By centralising compute, storage and AI workloads within energy-optimised facilities, TM Nxera reduces duplication of physical infrastructure across industries and supports a more efficient digital ecosystem overall. This shared infrastructure model strengthens sustainability outcomes while improving capital efficiency for customers.

Market Discipline and Long-Term Value

For capital markets, data centres are capital-intensive assets with long operating horizons. Their resilience depends on grid stability, renewable integration, regulatory alignment, energy and water efficiency and their ability to support next-generation AI and cloud workloads.

Malaysia's ambition to become a regional data centre hub must therefore be matched by infrastructure that is efficient, accountable and scalable.

By embedding sustainability into measurable design parameters such as PUE, WUE, embodied carbon management and renewable integration, TM Nxera positions itself to operate within tightening environmental frameworks while supporting national digital growth.

This approach strengthens TM's ability to partner with hyperscalers, Government agencies and enterprises that increasingly require infrastructure aligned with sustainability and compliance standards.

Supporting PWR 2030: Infrastructure Leadership Beyond Connectivity

Under PWR 2030, TM is in the Defend and Build phase from 2024 to 2026, strengthening core connectivity while expanding into digital platforms and infrastructure. Data centres form part of TM's Next Leap initiatives to accelerate growth and diversify revenue streams.

The aspiration is to position TM as a Digital Powerhouse by 2030, pioneering industry growth through digitalisation and sustainability while establishing infrastructure leadership in high-impact segments.

TM Nxera supports this ambition by anchoring hyperscaler partnerships, enabling sovereign cloud capabilities for Government and enterprise and providing AI-ready infrastructure that supports GPU-intensive workloads.

As hyperscalers deepen their presence in Malaysia and ASEAN digital integration advances, sustainable and resilient infrastructure becomes a key differentiator in reliability, compliance and long-term cost efficiency.

Through Sustainability by Design, TM reinforces its role as a responsible enabler of Malaysia's AI-driven economy, aligning growth, resilience and environmental discipline under PWR 2030.

PROSPERITY

M2 CUSTOMER EXPERIENCE

Inside this section:

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160 Our Approach
161 Policy and Guideline
161 How We Create Value
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Customer Experience (CX) is our core service differentiator, serves a Priority 1 material matter for TM and critical enabler of our Digital Powerhouse by 2030 aspiration, to be the best-in-class service provider in Malaysia and the region. Customer Experience is built on trust and consistent delivery of positive experiences across the entire customer journey. Hence, it is critical for TM to ensure that Customer Experience is managed proactively, creating meaningful and positive interaction at every touchpoint. To deliver this ambition, TM prioritises these focus areas for Customer Experience:

Enriching Customer Experience
We implement improvement initiatives across customers' interfaces

Proactive Service Management
We deploy proactive resolutions to enhance overall satisfaction

Digital and AI Adoption
We accelerate customers' digital adoption with AI-driven self-service capabilities

Capitals Deployed: **Affected Stakeholders:** C E G&R S&I **Sustainability Pillar:** **Priority:** 1 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each, can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

At TM, we deliver our stakeholders' expectations by:

Fostering positive customer experiences and upholding high service standards

Digitalising the customer journey to provide a seamless self-service experience

Strengthening brand loyalty and active customer advocacy

Ultimately, we aim to make every interaction effortless, ensuring customers are supported and confident in choosing TM. This focus directly fuels our Digital Powerhouse 2030 aspiration by strengthening customers' trust in our brand.

Our Approach

We drive our approach to customer experience through a customer-first mindset. This mindset integrates digital and human-centred elements across the entire customer journey. We ensure every touchpoint remains seamless and reflects evolving customer expectations.

Our CX strategic approach covers these three (3) key elements:

B2C

Data-Driven Performance
We drive consistent performance using customer feedback mechanisms like the Net Promoter Score (NPS) and CSAT (Customer Satisfaction AT) as well as key operational metrics.

Proactive Experience Management
We ensure continuous service availability through proactive programmes and monitoring.

Empowering Customers through Digital Channels
We enable customers to manage their accounts via digital touchpoints, ensuring convenient experience.

B2B

Embed Customer Success as a Differentiator
We transition from reactive support to Customer Success-led approach through proactive network monitoring, early risk identification, continuous service improvement and timely customer engagement.

Industry Best Practice Ways of Working
We execute through clear charters, structured playbooks, service onboarding frameworks and preventive maintenance to deliver consistent performance and ensuring strong adherence to Service Level Guarantees (SLG).

Serving with Empathy
We cultivate a service culture grounded in empathy and accountability to deliver fit-for-purpose solution to address customers' needs.

C2C

Personalised Customer Care
We delight customers through personalised and deep engagement.

Reinforce Fulfilment and Restoration
We streamline delivery steps and speed up restorations to minimise downtime and provide clearer timelines and updates throughout restoration.

Leverage AI and Expertise
We combine AI-assisted monitoring and specialist expertise to diagnose issues quickly, route cases effectively and maintain responsive, consistent support across channels.

Policy and Guideline

At TM, we are guided by customer experience policies and guidelines to ensure consistency and disciplined execution. They are:

Mandatory Standard of Quality of Service (MSQoS)
Regulatory requirement issued by MCMC that sets the minimum service performance standards telcos must meet

Contact Centre Services
Process and guidelines for complaint, enquiry and request handling related to service disruption, account management, billing, access to digital platform and others

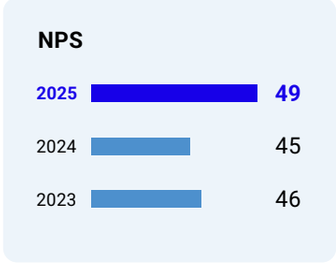
Business Continuity Plan and Procedures
A collection of plans that form TM's overall Business Continuity Plan, detailing the required operational and recovery processes and procedures

TM AI Governance Policy
Ensures TM's compliance with the ethical and responsible practices as outlined in the National Guidelines on AI Governance & Ethics (AIGE) by the Government of Malaysia

For details on our common sustainability policies, see page 106.

How We Create Value

We adhere to the standards and guidelines outlined above to ensure that our customers receive the best service from TM. In 2025, we achieved full compliance for all seven (7) elements of the MSQoS (Customer Service) quarterly report submitted to the MCMC. Our NPS score increased by four (4) points, rising from 45 in 2024 to 49 in 2025. The improved NPS score validates our standing as a top-tier service provider in the country, signalling higher customer satisfaction and growing advocacy.



Enriching Customer Experience

Our NPS improvement is driven by our commitment in continuous enhancement of customer experience handling process. In 2025, we implemented a range of customer experience initiatives across the different LOBs to strengthen service delivery, enhance customer engagement and improve overall satisfaction.

Initiatives	
Elevating In-Premise Experiences	**Description** Our B2C business enhances the in-premises experience for both consumer and business segments by providing superior connectivity and expert support. In 2025, we achieved the following: • **Expanded Wi-Fi Management:** We provided advanced Wi-Fi management tools, allowing customers to monitor and optimise their premises usage independently. • **Nationwide Expert Consultation:** We have scaled the Unifi Elite Crew nationwide, delivering professional on-site consultation and technical advice during service restoration visit. **Impact Story** • We enhance customer satisfaction through more reliable self-managed in-premise connectivity and quicker, expert-assisted issue resolution.
Ensuring Proactive Service Management	**Description** We increase our service fault detection capabilities to identify and resolve network issues before they affect the user, significantly reducing the need for technical support calls. **Impact Story** • Our action enhance service reliability through earlier issue detection, resulting in smoother, interruption-free user experiences with fewer inbound support calls.
Empowering Customers with Digital Channels	**Description** To manage call interaction effectively, we enhance the Interactive Voice Response (IVR) system and advocate customers to self-serve through MyUnifi app at their convenience. **Impact Story** • This improvement enhances customer experience by making support channels more intuitive and efficient, enabling quicker navigation and reducing customer effort.

PROSPERITY

M2 Customer Experience

Initiatives

Supporting Disabled and Elderly Customers

Description

At TM, we care about delivering inclusive and accessible services for all. We strive to ensure every customer feels supported through services designed to be responsive to diverse needs. Among our efforts are:

- We maintain the house call assistance service for Persons with Disabilities (PwD) which was introduced in 2024.
- We continue to provide priority lane for elderly, PwD and pregnant customers at TMPoint and Unifi Stores.

Impact Story

- This improvement makes our support channels easier to navigate, enabling customers to reach the right assistance faster while reducing effort during support interactions.

Redefining Client Services to Customer Success

Description

- We embedded proactive Customer Success into the operating model by defining charters, playbooks and account coverage frameworks. Throughout 2025, we included standardising success plans and preventative maintenance programmes within cross-functional governance forums.
- Our team formalised regular service performance reviews and integrated advanced SLG tracking into our monitoring suite. These proactive improvement plans eliminated recurring issues and standardised service delivery across the board.

Impact Story

- Our initiative strengthened customer trust and service reliability, directly contributing to higher contract renewals and increased uptake of new service subscriptions.
- This safeguards customers' mission critical operations, reducing service incidents and enables outcome-based, long-term value creation.
- This initiative also contributed to a **five-point** year-on-year increase in the NPS score for the B2B segment.

Upskilling Talent

Description

- We continue to invest in training and upskilling of our team members to strengthen their knowledge, ensuring customers receive consistent, high-quality support.

Impact Story

- This strengthens our teams' ability to respond quickly and support customers more effectively, enabling faster action and clearer accountability in resolving issues.

Ensuring Proactive and Effective Communication with Customers

Description

- Our account management and service teams leverage AI-driven tools and deep product expertise to elevate customer experience. By prioritising accessibility and responsiveness, we provide consistent, reliable support that anticipates client needs.

Impact Story

- Our efforts improved the year-on-year Customer Satisfaction (CSAT) score for Account Management reflecting stronger reachability and greater availability of our support teams.

Channels for Customers Engagement

Our B2C customers may request support and share feedback for products and services improvement through multiple channels across digital platforms. B2B and C2C customers are supported through dedicated account teams, specialised Service Desks and online support forms ensuring reliable assistance for business clients.

B2C
- List of our updated channels can be found on our website (www.unifi.com.my/support/contact-us)

B2B
- Dedicated Account Managers, Customer Success/Service Engineer
- Dedicated Service Desk for B2B customers
- TM One website (www.tmone.com.my)

C2C
- Dedicated Account Managers and Service Engineers
- Dedicated Service Desk for C2C customers
- TM Global website (www.tmglobal.com.my)

Proactive Service Management

We enhance service availability and reliability through proactive monitoring and fast restoration. Our specific actions for each service concern have demonstrated measurable results.

CX Challenges	Mitigative Action and Result
Fault Restoration Due to Vandalism	**Description** • We accelerate fault restoration and reduce fibre outages caused by vandalism through Service Quality Improvement Group. This cross functional collaboration within our operations centre enables faster, real time response to service disruptions and strengthens service performance. **Impact Story** • These actions reduced fibre faults caused by vandalism by **13%** year-on-year, improving service availability and delivering more stable, uninterrupted connectivity for our customers.
Service Quality	**Description** • We strengthen proactive service monitoring and quality assurance measures. • Performance is tracked through our First Fix Right (FFR), a key service quality metric that measures how effectively issues are resolved on the first visit. **Impact Story** • These improvements sustained a **three-point** year-on-year increase in FFR, reducing repeat visits while strengthening overall service stability and customer confidence. • Our total complaints show a year-on-year decline, consistent with the reduction in overall complaint volumes.

Metrics	2023	2024	2025
Reduction in Total Complaints (%)	33	21	**7**

Award-winning Customer Service Excellence in Malaysia

On 20 February 2025 at the Asian Telecom Awards 2025 in Singapore, Group Customer Experience (GCX) received an award of Customer Service Initiative of the Year for Malaysia in recognition of its Bill Verification initiative. This prestigious honour highlights our commitment to innovative and customer-centric initiatives. Key improvements such as proactive support mechanisms, strengthen trust and deliver better overall experiences for users. It also underscored GCX's leadership in service excellence within the Asian telecommunications industry

Moving Forward

Moving forward, we are committed to drive customer experience as the key business differentiator, delivering best-in-class customer advocacy and reinforcing our position as the trusted and preferred service provider. Our three (3) key strategies are as follows:

Seamless Digital Self-Serve with Agentic AI	Proactive AI-Powered Service Experience	Empathetic Human Interaction
Intelligent Self Service Delivering intuitive and personalised customer care through MyUnifi app and adoption of Agentic AI for omni-channel Contact Centre services for efficient customer experience management.	**AI-Driven Proactive and Preventive Initiatives** Leveraging AI-driven insights to transition from reactive troubleshooting to proactive and preventive actions.	**Reimagining Field Care Crew** Upgrading our Elite Crew to deliver consultative in-premise engagement for B2C customers.
Self healing, intelligent network Progressing in AI-enabled self-healing network to shift CX towards 'zero-touch' experience.	**AI-Powered Personalisation** Tailoring offerings based on customers' lifestyle and usage.	**Customer Success Models** Providing proactive care and consultative service support with higher expertise for B2B customers.

PROSPERITY

M3 NETWORK STABILITY & QUALITY

Inside this section:

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As the nation's leading digital infrastructure provider, TM identifies Network Stability & Quality as a Priority 2 material matter. This ranking does not diminish its significance; rather, it reflects that network excellence is now a fundamental, ingrained component of our daily operations and a significant corporate responsibility.

In 2025, we strengthened infrastructure resilience to ensure seamless connectivity for all stakeholders. We concentrated our efforts on the following three (3) areas:

Collaborating for a Strong and Reliable Global Network

We strengthened our digital infrastructure to ensure scalability and uptime. By leveraging strategic global collaborations, we reinforce our network infrastructure to accommodate surging data demands while maintaining high service availability.

Network Modernisation for Resilience and Efficiency

We continued to modernise our network infrastructure to strengthen resilience, improve operational efficiency and support growing digital connectivity demands. By upgrading legacy platforms and adopting next-generation technologies, we are building a more robust, scalable and agile network that delivers reliable performance while enabling faster response to service needs and future digital services.

Advancing Intelligent, Autonomous Operations

We integrated AI and automation into core functions to transition toward autonomous network operations. These technologies optimise traffic management and reduce manual intervention, significantly increasing the speed of network recovery.

Capitals Deployed: **Affected Stakeholders:** C G&R BP E S&I S **Sustainability Pillar:** **Priority:** 2 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each, can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

We build and maintain a high-performance network as it is our fundamental responsibility. To realise our PWR 2030 ambition, we deliver a stable, high-quality network experience that earns stakeholder trust and confidence. We honour these commitments to stakeholders by:

Strengthening Malaysia's domestic fibre infrastructure to deliver a modern, high-performance and scalable network for the best digital experience

Positioning TM as a regional data hub, enabling hyperscalers, global carriers and over-the-top (OTT) media services to operate efficiently in Malaysia

Affirming our commitment as the nation's Fixed-Mobile Convergence (FMC) Champion by delivering a seamless digital experience through integrated fibre and mobile connectivity across both urban and rural communities

Our Approach

We treat network excellence as a fundamental operational responsibility, ensuring our network serves as reliable infrastructure that enables Malaysia's digital economy and the wider region.

Our focus is on three (3) approaches:

1 Collaborating for a Strong and Reliable Global Network

We strengthen our global footprint by collaborating with international partners to deliver a high-performance ecosystem. Our strategy ensures:

- **Provide uninterrupted connectivity through diverse, redundant routing**
- **Minimal environmental risks during infrastructure deployment**
- **Seamless network scalability in line with surging data demands**
- **Strong asset protection against natural disasters and maritime activities to prevent service outages**

2 Network Modernisation for Resilience and Efficiency

We systematically modernise our infrastructure to address technology obsolescence and eliminate technical debt, progressively phasing out legacy systems. This continuous and proactive approach ensures our network remains secure, efficient and future-ready to support next-generation digital services:

Enabling the Future
Build a high capacity, programmable network that allows us to remain competitive

Modern and Sustainable
Transition legacy assets to energy-efficient hardware, reducing network physical footprint and utility overhead

Secured and Reliable
Integrate the latest security patches and standards into the hardware refresh cycle to mitigate modern cyber threats

Simplify and Lean
Identify and remove obsolete hardware and software to reduce operational complexity and failure points

By transitioning to a modernised network and programmable architecture, we enable a self-optimising network that anticipates and resolves issues before they impact service.

3 Advancing Intelligent, Autonomous Operations

We are accelerating the transition towards an autonomous, self-healing network to strengthen operational resilience. This is achieved through:

AI & Automation
Implement intelligent systems to optimise traffic and resolve faults automatically

Process Simplification
Improve legacy complexities to increase operational agility

Workforce Redesign
Upskill our team to manage high-tech, automated environments effectively

This combined approach reinforces operational resilience and enhances service quality, enabling the delivery of stable, scalable and reliable digital network for all stakeholders.

Policy and Guideline

To provide guidance on network stability and quality, we refer to the following policies and guidelines across the organisation:

Mandatory Standard of Quality of Service (MSQoS)
Regulatory requirement issued by MCMC that sets the minimum service performance standards telcos must meet

Spectrum Assignment
A spectrum award issued by MCMC that specifies the rollout commitments and regulatory conditions for telcos to comply

ISO 9001: 2015
The international standard for Quality Management Systems (QMS)

ISO 27001: 2022
The international standard for Information Security Management Systems (ISMS)

ISO 22301: 2019
The international standard for Business Continuity Management Systems (BCMS)

ISO 37001:2025
The international standard for Anti-Bribery Management Systems (ABMS)

Disaster Recovery Plan and Procedures
A collection of plans that form TM's overall Business Continuity Plan, detailing the required operational and recovery processes and procedures

TM AI Governance Policy
Ensures TM's compliance with the ethical and responsible practices as outlined in the National Guidelines on AI Governance & Ethics (AIGE) by the Government of Malaysia

TM Forum Autonomous Network Level Certification
Validates a communication service provider's network automation maturity[1]

Malaysian Technical Standards Forum Bhd (MTSFB)
Technical standard compliance within Malaysia's Communications and Multimedia (C&M) industry[2]

[1] *TM is moving towards a self-sustaining internal assessment based on TM Forum framework.*
[2] *TM voluntarily adopts the technical standard compliance.*

For details on our common sustainability policies, see page 106.

PROSPERITY

M3 Network Stability & Quality

How We Create Value

As the nation's builder of digital infrastructure, we play a vital role in maintaining a reliable network that keeps Malaysia connected, while continuing to expand our coverage to meet growing demands. The following performance data shows our progress in expanding this infrastructure, demonstrating steady growth across our domestic and international connectivity assets over the last five (5) years:

Type of Connectivity	2021	2022	2023	2024	2025	Five-year cumulative growth[1]
Domestic fibre optic cables (km)	>650,000	>690,000	>720,000	>740,000	**>750,000**	15.4%
Connectivity of submarine cables (km)	>320,000	>340,000	>340,000	>275,000	**>400,000**	25%
Submarine cables (built and invested)	30	32	35	33	**39[4]**	30%
TM Internet Exchange (TMiX) Nodes	30	62	62	62	**62**	106.7%
PoPs[2]	28	29	29	29	**26**	-7.1%
Mobile Coverage (%)[3]	82.6	83.2	95.4	95.6	**97.9**	18.5%

1 *Five-year cumulative growth is calculated using 2025 data relative to 2021 data*
2 *Reduction in PoPs nodes due to migration to cloud solution*
3 *Based on the Coverage of Populated Area (CoPA) report, calculated by MCMC*
4 *Includes six (6) new cable systems invested in 2025*

Our robust global and domestic connectivity positions TM as Malaysia's leading digital infrastructure provider. Beyond network expansion, we drive continuous improvements in network stability and quality, through initiatives that strengthen overall performance.

Collaborating for a Strong and Reliable Global Network

We design our submarine cable ecosystem for long-term scalability and resilient connectivity. By collaborating with international partners and investing in cutting-edge infrastructure, we position Malaysia as a premier digital hub connecting to the global market. We have delivered these values over the past few years:

Initiatives	Description	Impact Story
Global Network Expansion	• Over the past three (3) years, we have invested in six (6) new submarine cable systems, strengthening Malaysia's network capacity, resilience and redundancy across key global markets, including Singapore, Hong Kong, Japan, India, France and the United States. • These investments meet rising demand from hyperscalers, OTT providers and global carriers while accelerating industrial digital adoption.	• Our investments will increase Malaysia's future international connectivity capacity by an additional of more than **160 Tbps** once the projects completed.

Safeguarding Marine Environments

- We adhere to environmental guidelines established by relevant authorities, ensuring full compliance with marine protection regulations.
- Our subsea routes are carefully planned and installed to avoid sensitive ecological zones, minimising disturbance to marine ecosystems and seabed habitats.
- Over time, our submarine cables serve as a stable substrate on the seabed, supporting coral growth and marine life as well as contributing positively to marine biodiversity.

For more information about our coral ecosystem preservation effort, see page 202.

Network Modernisation for Resilience and Efficiency

At TM, we ensure our hyperconnected environment consistently leverages the latest technology to deliver resilient and high-quality network performance. By modernising our network, we create a data-rich environment that supports innovation, allowing us to evolve from implementing proactive to predictive measures without costly or disruptive overhauls.

Initiatives	
Network Migration	**Description** • We continue advancing our modernisation agenda to enhance customer satisfaction while optimising the network for a leaner, more efficient infrastructure. These activities ensure our network ecosystem remains current, resilient and capable of supporting future-ready digital services. **Impact Story** • We completed Metro-Ethernet (Metro-E) and Optical Line Terminal (OLT) migrations ahead of schedule, delivering energy-related cost savings and improved operational performance.
Preventive Service Disruption	**Description** • We proactively detect service anomalies and activate self-healing measures, such as CPE reboot and Wi-Fi configuration resets, before faults impact customer experience. This shift from reactive troubleshooting to predictive service assurance strengthens network continuity and enhances overall reliability. **Impact Story** • Through self-healing, we prevented service disruptions and significantly improved service resilience and ensuring uninterrupted customer experience.

Advancing Intelligent, Autonomous Operations

We are moving towards a smarter, more autonomous network operations model, demonstrating our commitment to building a resilient, efficient and future-ready digital operations ecosystem. Leveraging technology-driven capabilities, we are transforming our operational agility while ensuring stronger service continuity and improved network quality for customers.

Initiatives	
Transforming Network Operations through Autonomous Network	**Description** • An autonomous network is an operational model designed to deliver higher output with fewer resources by leveraging advanced automation and intelligent systems. • It helps the network identify issues faster through automated resolution and reduced human dependency, ultimately improving customer experience and increasing efficiency through self-healing functions. **Impact Story** • Overall improvement in productivity year-on-year, with continued progress towards full autonomous network implementation.
Developing Talent and Digital Capability	**Description** • We strengthen our innovation culture by empowering Citizen Developers to built low-code/no-code solutions that improve productivity and service reliability. Their work has delivered tangible impacts through internal tools that enhance operational efficiency across GNT operations. **Impact Story** • Solutions developed by Citizen Developers have delivered significant improvements across key operational activities.

Moving Forward

We are advancing towards a leaner and more agile organisation by simplifying business processes, modernising network infrastructure through software-defined networking, cloudification and embedding of intelligent automation powered by AI. Together with continuous workforce upskilling and reskilling, this will enable broader, more complex operations to be handled with greater efficiency and agility.

Moving forward, we will build the foundation for higher network autonomy that supports self-optimising and self-healing networks.

PROSPERITY

M4 SUSTAINABLE VALUE CHAIN

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Sustainable Value Chain is one (1) of TM's Priority 1 material matters, reflecting its strategic importance in supporting our Net Zero 2050 ambitions. As a digital infrastructure and services provider, our environmental and social impact extends beyond our direct operations to include suppliers, contractors and business partners across the value chain. Recognising this broader responsibility, we are committed to embedding sustainability principles throughout our procurement and partnership lifecycles. By integrating environmental, social and governance (ESG) considerations into sourcing decisions, vendor evaluations and contract management processes, we ensure that our growth journey is responsible, resilient and future-focused.

This commitment is reinforced through strengthened ethical sourcing practices, enhanced transparency and the proactive assessment of supplier readiness in areas such as carbon management, human rights, labour standards and regulatory compliance. Through continuous engagement and capacity-building initiatives, we collaborate closely with our partners to elevate sustainability standards across the ecosystem. This collective approach not only mitigates risks and strengthens operational resilience but also drives long-term shared value creation and advances broader sustainable development goals.

Capitals Deployed: **Affected Stakeholders:** S BP **Sustainability Pillar:** **Priority:** 1 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each, can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

As part of TM's aspiration to become a Digital Powerhouse by 2030, this transformation underpins everything we do, including how we build and sustain our value chain. A robust and resilient value chain is essential not only for operational efficiency and risk management but also for achieving our sustainability goals. Without strong supplier engagement, responsible sourcing and ESG integration, it would be difficult for us to meet our sustainability goals and maintain long-term business growth.

Our value chain is therefore a foundation that enables us to innovate, scale responsibly and lead in a sustainable digital future.

At TM, we deliver on our stakeholders' expectations by:

- **Ensuring revenue continuity through reliable network delivery**
- **Reducing regulatory and rework costs**
- **Improving energy and logistics efficiency**
- **Safeguarding security, ethics and integrity**

Building on these commitments, our Sustainable Value Chain approach extends these principles across our broader ecosystem. It encompasses sustainable sourcing across procurement activities, ensuring compliance, strengthening resilience and driving long-term positive changes across our supplier network.

Our Approach

We take a holistic approach to building a sustainable value chain, embedding environmental, social and governance (ESG) principles across all procurement and partnership activities. By working closely with our suppliers and partners, we aim to ensure that every activity in our supply chain reflects our commitment to responsible, ethical and long-term value creation.

Ethical Sourcing

We have progressively embedded ESG principles to ensure our suppliers and partners uphold the same commitment to people and planet as much as we do. This is achieved through:

- **Adopting a risk-based, lifecycle approach to supply chain management**
- **Embedding ESG, safety and Anti-Bribery Management System (ABMS) requirements into supplier selection, contracting and performance monitoring**
- **Reinforcing the Supplier Code of Conduct, Integrity Pledge and ABMS controls to ensure ethical, sustainable and responsible business conduct across our supply chain**
- **Incorporating green requirements into tender specifications to promote environmentally responsible solutions and low-carbon alternatives**

Mandatory Declaration of Ethical Conduct for All Registered Suppliers

The Supplier Integrity Pledge is a mandatory declaration of ethical conduct that every supplier must sign before participating in any sourcing activities and upon being awarded a TM contract. This document is included in TM's tender and contract templates and must be executed prior to contract awarded.

By executing this pledge, suppliers formally commit to the Supplier Code of Conduct and confirm full compliance with TM's anti-bribery, anti-corruption and competition law requirements, including strict prohibitions on bid-rigging and other anti-competitive behaviour.

No suppliers can participate in TM's tender exercises or receive a contract award without signing this pledge, underscoring TM's zero-tolerance stance on unethical practices and our commitment to a transparent, accountable and corruption-free supply chain.

ZERO

Tolerance for Unethical Conduct

Assessment of supplier readiness

For TM, building a sustainable value chain is a shared and ongoing commitment. Our approach to supplier readiness is two-fold, strengthening internal governance while elevating the capabilities of our supply partners.

Internal Focus: Integrate ESG Requirements into TM's Internal Procurement Processes

- To ensure consistent application of sustainability standards across all supplier interactions. This strengthens governance discipline, enhances reporting readiness and supports compliance with evolving regulatory and disclosure obligations.

External Focus: Suppliers Capability Training and Engagement Programme

- Enhancing supplier performance through sustainability training, the provision of carbon calculation tools and digital engagement via ProDigy, TM's central procurement platform.
- These initiatives elevate ESG awareness, strengthen supplier maturity, reduce operational and compliance risks and support reliable network delivery.
- Supplier self-awareness assessment, through which we evaluate our suppliers' readiness and their understanding of ESG. It also comprises suppliers' ESG disclosures.

Governance Systems, Processes and Policy

Our governance structure, processes and policies provide a structured framework that ensures integrity, accountability and transparency in every procurement and supply chain decision. Specifically:

- The governance structures reinforce TM's zero-tolerance stance on unethical conduct and ensure a transparent, fair and responsible supply chain.
- Clear policies, strong ethical standards and well-defined oversight mechanisms safeguard responsible sourcing and promote long-term value chain resilience.

PROSPERITY

M4 Sustainable Value Chain

Governance Systems, Processes and Policy

TM's Sustainable Value Chain Governance Structure

BOARD OF DIRECTORS (BOD)

- Holds a higher limit of authority and oversees all decisions made by the BTC and JPP

BOARD TENDER COMMITTEE (BTC)

- Headed by the Chairman of BTC
- Approves strategic procurement policies such as Sustainable Supply Chain Policy and the Bumiputera Policy
- Oversees high-level procurement strategies
- Reviews and approves procurement compliance and decisions

JAWATANKUASA PENILAIAN PEROLEHAN (JPP) I/II

- Chaired by the GCEO and GCFO
- Reviews and approves procurement compliance and decisions

GROUP PROCUREMENT (GP)

- Headed by the Chief Procurement Officer (CPO)
- Oversees procurement governance while specialised units manage category strategies, compliance, supplier relationships and performance evaluations

Note:
In line with our commitment to transparency and continuous improvement, TM's Chief Corporate Officer (CCO) regularly provides comprehensive updates to the Management Committee (MC) and Board Risk & Investment Committee (BRIC) on the progress and performance of our sustainability initiatives.

Board of Directors and Board Tender Committee

Our BOD and BTC provide oversight of key procurement policies and high-level procurement decisions, ensuring alignment with TM's governance and ethical commitments. The Board is supported by dedicated procurement approval committees.

***Jawatankuasa Penilaian Perolehan* I/II**

JPP I/II, which is chaired by GCEO (I) and GCFO (II), reviews and approves procurement compliance and decision presented by the operation teams.

Group Procurement

Operationally, GP enforces procurement governance across the organisation. This includes applying full transparency and fair sourcing processes, embedding clear supplier-related KPIs for performance monitoring and ensuring that sustainability, ethics, safety and governance requirements are consistently implemented across all procurement processes. By embedding these into our workflows and decision-making structures, GP drives disciplined governance practices and strengthens TM's readiness for evolving regulatory and disclosure obligations.

Sustainable Value Chain related policies

Our supply chain governance is anchored by the following policies and frameworks:

TM Code of Conduct & Business Ethics
Upholds ethical partnerships, fair procurement and responsible conduct

Anti-Corruption Guide
Reinforces TM's zero-tolerance stance on bribery and unethical practices

Procurement Ethics
Sets ethical standards to prevent corruption and maintain integrity

Sustainable Supply Chain Roadmap 2024 – 2026
Outlines long-term integration of environmental and social considerations

Sustainable Supply Chain Policy
Governs responsible sourcing, ESG compliance and environmental stewardship

Bumiputera Vendor Development Programme (BVDP) and Bumiputera Supplier (SOP)
Supports capability building and development of Bumiputera suppliers

Procurement Policy and Processes
Ensures transparent, efficient and compliant acquisition of goods and services

Note:
All of these policies have been approved by the TM Board/ MC.

For details on our common sustainability policies, see page 106.

Strict Prohibition of Forced Labour

As part of our commitment to ethical sourcing, we strictly prohibit forced labour, recognising it as an unacceptable practice. TM is dedicated to eliminating any form of forced or involuntary labour from our supply chain through a robust governance framework. Our expectations are guided by:

TM's Sustainable Supply Chain Policy

Procurement Ethics

Code of Conduct and Business Ethics (CBE)

These documents are aligned with International Labour Organization (ILO) conventions and global modern slavery standards. All suppliers are required to fully prohibit forced or involuntary labour practices and uphold responsible, ethical and lawful employment standards.

To ensure zero violations of ethical sourcing, specifically with respect to forced labour, we enforce compliance and accountability through:

Supplier Compliance and Monitoring
We conduct risk-based assessments, supplier declarations and continuous monitoring to identify, prevent and address any potential forced labour risks.

Strict Enforcement
We impose corrective actions, including suspension or contract termination, reinforcing TM's strict prohibition of forced labour.

Capability Building
Through BVDP and other supplier development programmes, we provide training on labour laws, ethical sourcing and responsible employment to strengthen supplier awareness and compliance.

Whistleblowing & Transparency
TM maintains accessible and confidential whistleblowing channels for suppliers and workers to report suspected forced labour or unethical practices without fear of retaliation.

PROSPERITY

M4 Sustainable Value Chain

How We Create Value

Initiatives with TM's Suppliers

To ensure we progress positively towards achieving the goal of a Sustainable Value Chain, our initiatives remain focused on strengthening the embedding of ESG principles into ethical sourcing and proactive assessment of supplier readiness.

The key initiatives implemented in 2025:

Initiatives	Approach: Ethical Sourcing
Digitalisation of Procurement through ProDigy	**Description** Transformed TM's procurement into a fully digital, transparent and data-driven ecosystem that strengthens governance and improves supplier accountability and drives operational excellence. **Value to TM:** This transformation has: • Strengthened procurement transparency and internal controls, reduced intervention and human errors and improved compliance readiness • Improved compliance readiness by standardising workflows and audit trails, enhancing governance and regulatory adherence **Impact Story** • **3,512** suppliers on boarded; with sourcing activities initiated on a single digital platform, improving visibility and process discipline • Through the implementation of automation and standardised digital workflows, procurement cycle times have reached a **91%** efficiency rate, significantly enhancing both operational responsiveness and overall process efficiency • Enhanced supplier's accountability and performance tracking, enabling transparent evaluation and stronger relationship engagement
Integration of Sustainability Clauses in Technical Specifications	**Description** Embedded green, circular economy, energy efficiency, recycling and carbon footprint requirements into Group Network & Technology (GNT) and Strategic Business Services (SBS) technical specifications to encourage low-carbon and environmentally responsible technologies. **Value to TM:** Reduces lifecycle costs and the supply chain carbon footprint while strengthening ESG compliance. **Impact Story** • Supports TM's transition to low carbon technologies and improves circular material use across key supply categories • Embeds green technical specifications into procurement processes, reinforcing sustainability and driving measurable environmental impact
Enhancement of OSH Legal Compliance & Safety Governance	**Description** Updated OSH clauses aligned with the Occupational Safety and Health Regulations 2024 to reduce safety incidents and legal exposure. **Value to TM:** Minimises legal and reputational risks, supporting uninterrupted operations **Impact Story** • Improved supplier adherence to OSH standards and reduced workplace incident risks across TM's supply chain • Reduced exposure to supply chain disruptions linked to workplace accidents • With the updated OSH regulations, contractors must comply with new statutory requirements, implement robust safety controls and safeguard workers, property and the environment, reducing incident risks and supply disruptions

Initiatives	
Approach: Assessment of Supplier Readiness	
ESG Awareness and Capability Building for Suppliers	**Description** Delivered ESG training, workshops, digital on-boarding and disclosure guidance across on Environmental (Scope 1 and Scope 2 emissions), Social (OSH, Labour and Well-being) and Governance (Ethics, Business Management Systems). This systematic approach has elevated supplier ESG maturity and compliance standards and risk awareness throughout the supply chain. **Value to TM:** Reduces non-compliance risks, enhances delivery quality, strengthens supplier competitiveness and improves the overall supplier risk management journey. **Impact Story** • **1,564** suppliers attending ESG workshops and digital onboarding sessions • **10%** of responding suppliers disclosed Scope 1 and Scope 2 emissions data, improving carbon visibility across the supply chain • Strengthened TM's supplier ESG risk identification, monitoring and mitigation processes across key suppliers
Classification of Suppliers by ESG Risk	**Description** Implemented Sustainability Self-Assessment modules to improve ESG risk detection and supplier profiling, enabling targeted interventions. **Value to TM:** Lowers operational, safety and regulatory risks by shifting supplier management from reactive to risk-based and predictive. **Impact Story** • **459** suppliers completed the TM Supplier Self-Assessment Questionnaire, improving visibility into ESG performance across the entire value chain • In our latest supplier assessments, approximately 2% of assessed suppliers were identified as medium-to-high ESG risk, enabling targeted risk management and tailored supplier development actions • The improved ESG risk insight have strengthened TM's overall supply chain resilience, informing proactive mitigation strategies and fostering sustainable supplier practices
Strengthening Supplier Disclosure Readiness	**Description** Enhanced the TM Supplier Self-Assessment Questionnaire to aligned with global ESG disclosure standards and local regulatory requirements, including the Simplified ESG Disclosure Guide (SEDG). SEDG, introduced by the Capital Markets Malaysia, serves as a practical framework to guide companies in embedding sustainability practices and disclosing ESG performance in a transparent and structured manner. **Value to TM:** Improves consistency and reliability of ESG reporting, strengthens audit readiness and accelerates supplier preparedness for regulatory changes. **Impact Story** • **459** suppliers completed ESG-aligned disclosures in 2025, compared to 260 suppliers in 2024, representing a **77%** year-on-year increase in ESG disclosure participation • Improved supplier awareness and understanding of ESG requirements through structured alignment with SEDG • Providing suppliers with the necessary tools and knowledge transparency, while improving ESG data quality and disclosure, including the User Guide for the SEDG GHG Emissions Calculator

PROSPERITY

M4 Sustainable Value Chain

Our Progress

We are committed to continuously strengthening our value chain and enhancing our sustainable practices. As we evolve and work towards building Sustainable Value Chain, we focus on equipping our teams and suppliers with the capabilities, knowledge and tools needed to meet the highest standards of responsible and ethical business practices.

Our approach to supplier readiness is two-fold:

Progress on Capability Building and Training

Internal

We strengthen internal capability though targeted ESG training and awareness programmes that embed responsible sourcing, governance discipline and regulatory readiness across our supply chain.

Collectively, these initiatives enhance data accuracy, transparency and consistency, boosting our ESG reporting credibility and supporting a resilient, responsible and future-ready supplier ecosystem.

Our internal procurement and contract management teams are equipped with training on ESG-integrated sourcing, contract enforcement and compliance monitoring. At the same time, we provide suppliers with structured guidance to strengthen ESG compliance, enhance OSH and governance disclosures and build operational resilience.

A series of targeted programmes and training sessions were conducted throughout the year. These programmes aimed to deepen employees' understanding of ESG principles, strengthen regulatory and policy compliance, sharpen integrity and ethical awareness and enhance readiness for sustainability reporting and ESG-integrated procurement practices.

The key programmes conducted in 2025 are:

Prohibition on Anti-Competitive Practice in Sourcing

This initiative aimed to strengthen procurement integrity, prevent bid-rigging and improve compliance with competition law in sourcing activities, enhancing awareness and promoting ethical procurement practices across TM.

Introduction to MyCC and Tackling Bid-Rigging

This training session aimed to enhance awareness of Malaysia Competition Commission (MyCC) requirements, strengthen ethical sourcing practices and reduce procurement misconduct risk, equipping them with practical knowledge to support fair and compliant procurement processes.

Integrity@Heart Training

Held in two (2) separate sessions on 13 June and 17 July 2025 respectively, the objective of this initiative is to reinforce an integrity-driven culture, raise awareness of ABMS and strengthen knowledge of ethical procurement practices among GP employees, reinforcing GP's commitment to integrity and ethical conduct across all operations.

Scheduled Waste Management Practices

The session increased awareness of environmental regulatory compliance and strengthened internal waste governance controls.

Briefing Session on the Updated Green ESG Clauses for SBS and GNT

This initiative aimed to strengthen ESG-integrated sourcing by applying updated sustainability clauses across SBS and GNT procurement exercises, equipping participants with the knowledge to drive more sustainable and responsible procurement practices.

Sustainability in Procurement

Held on 18 December 2025, this programme built ESG capability among buyers and strengthened the enforcement of sustainability requirements in procurement processes, supporting GP's commitment to responsible and sustainable sourcing practices.

External

We empower our suppliers through structured capability-building programme that enable them to grow from transactional suppliers into strategic, long term partners.

Our initiatives focus on strengthening vendor competitiveness, enhancing operational resilience and supporting sustainable growth across our ecosystem.

By investing in vendor capability development, we are building a mature, future-ready supplier ecosystem that can deliver higher value with competitive pricing, drive responsible business practices and support national economic development.

The key initiatives conducted in 2025 are:

Introduction to ProDigy @ TM

ProDigy is our central digital procurement and supplier collaboration platform, designed to transform the way suppliers engage with us. The awareness sessions introduced suppliers to ProDigy's digital features. Delivered through four (4) sessions at Muzium Telekom and supported by *Hari Mesra Vendor* engagements, the programme reached **1,095** participants, accelerating supplier on-boarding and digital literacy.

Hari Mesra Vendor TM

Hari Mesra Vendor sessions serve as our key engagement platform, designed to strengthen supplier capability, compliance readiness.

These sessions reinforced suppliers understanding across key priority areas, including cybersecurity requirements, sustainability practices, Occupational Safety, Health and Environment (OSHE), anti-bribery and ethical business conduct, GHG Emissions Calculator and SEDG reporting.

Through structured, on-ground engagement, the programme provided clear guidance on tender processes, documentation standards and compliance expectations. This enables suppliers to better understand our requirements, close capability gaps and participate more competitively and effectively in sourcing activities.

Bumiputera Vendor Development Programme (BVDP)

BVDP is our flagship long-term vendor development programme aimed at building competitive, sustainable and high-performing Bumiputera vendors by strengthening technical capability, financial resilience and operational excellence to meet evolving quality, innovation and ESG standards.

Since its inception, over 500 vendors have benefitted, with **78** successfully graduating. To date, 33 vendors achieved Bumiputera Corporate Champion status, comprising 28 National and five (5) Regional Champions, a recognition based on business growth, annual turnover, SCORE rating and export performance.

As of 2025, **104** remain active in the programme, with seven (7) selected for the Market Access Programme to benchmark emerging technologies in the Electric Vehicle ecosystem and Smart City solutions.

PROSPERITY

M4 Sustainable Value Chain

External

Vendor Capacity and Capability Development Programme

This programme enhances vendor competitiveness, operational resilience and technical capability across our supply chain through structured training needs assessment capability roadmaps and collaboration with the experts parties.

Financial grants support training, certification and capability upgrade, enabling vendors to meet our evolving procurement, technical and ESG standard and prepare for larger, more complex contracts.

Several vendors have been assessed for development needs and identified for capacity-building programme funding to enhance compliance with our standards for quality, capacity, safety, financial and operational efficiency. This support enables them to qualify for expanded business opportunities and contribute more effectively to our business requirements.

Vendor Financing and Ecosystem Support

Through the TM Vendor Financing Programme PERINTIS and ASPIRASI Financing Programme TERAJU, we partnered with 25 financial institutions to facilitate flexible funding solutions for SME vendors, including working capital and financing up to 90%, supported by financial advisory and accelerated loan approvals processes.

We also leveraged on an early-payment platform, enabling suppliers to optimise cash flow and strengthen financial stability.

As a result, vendor sustainability improves, reducing financial distress and enhancing readiness for larger-scale TM projects.

In 2025, several SME vendors received approved loans and grants from the financial institution, totaling to RM3.4 million.

Yearly Supplier Screening and ESG Assessment

We conduct supplier screening and ESG due diligence using a structured, risk-based approach that evaluates environmental, social, governance and business critical factors across the value chain.

This process strengthens supply chain transparency, identifies potential exposure to ESG-related risks and ensures that suppliers consistently meet TM's sustainability and compliance expectations.

Our screening process covers four (4) key elements:

Environmental
Assessment of scrap management practices and verification of regulatory permits related to environmental compliance

Social
Evaluation of OSH compliance, responsible labour practices and adherence to TM's strict prohibition of forced labour

Governance
Review of integrity commitments, ABMS compliance, anti-bribery controls and declaration of any conflict-of-interest risks

Business
Assessment of supplier criticality, technical capability and alignment with TM's operational requirements

This annual ESG readiness assessment measures supplier maturity and identify areas requiring improvement. It enhances visibility of supplier performance and targeted capacity building efforts needed by the suppliers.

2,000 suppliers were invited
459 suppliers (23%) completed the assessment, demonstrating progress improvement
201 suppliers (44%) achieving Excellent or Good ratings

Results of Annual Supplier Survey

OVERALL RESULTS

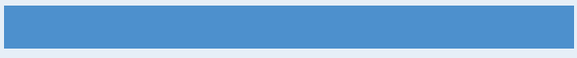
Ratings/Year	2023	2024	2025
Excellent	1 (3.2%)	50 (19.2%)	**99 (21.6%)**
Good	4 (12.9%)	71 (27.3%)	**102 (22.2%)**
Acceptable	13 (41.9%)	87 (33.5%)	**122 (26.6%)**
Needs improvement	13 (41.9%)	50 (19.2%)	**130 (28.3%)**
Poor	0 (0%)	2 (0.8%)	**6 (1.3%)**
Total	**31**	**260**	**459**

BREAKDOWN OF SUPPLIERS

Total Number of Active Suppliers

1,823

Total Local Suppliers

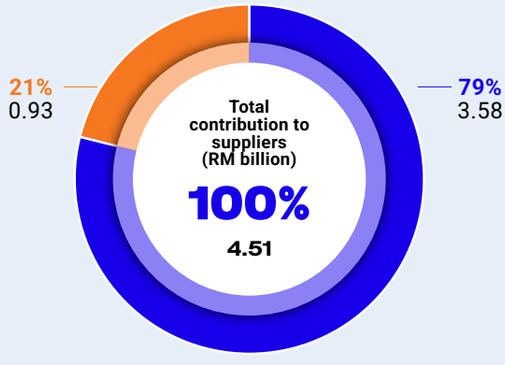


1,681

Total International Suppliers

142

- Total Spending on Local Suppliers (RM billion)
- Total Spending on International Suppliers (RM billion)



Number of Suppliers Screened for ESG Compliance

459

Number of Suppliers with Environmental Policies/ Criteria in Place

142

Number of Suppliers with Social Policies/Criteria in Place

392

Number of ESG Training Sessions Given to Local Suppliers

9

Number of BVDP Suppliers

104

Number of Jobs Supported in the Supply/Distribution Chain (BVDP Suppliers)

4,340

PROSPERITY

M4 Sustainable Value Chain

Results of Annual Supplier Survey

Number of Significant Suppliers*	Number of Significant Suppliers Assessed with Substantial Actual/ Potential Negative Impacts	Number of Significant Suppliers Supported with Development Measures (BVDP)	Number of Significant Suppliers Assessed via desk/on-site assessments
849	**6**	**104**	**130**

Note: *(*) Suppliers identified as having significant business relevance to the company.*

Over the past three (3) years, have steadily strengthened our supplier engagement and procurement capabilities. The Supplier Satisfaction Index (SSI) has risen from 7.9 in 2023 to 8.2 in 2025, reflecting improved collaboration, guidance and support for suppliers.

Meanwhile, the Procurement Maturity Index (PMI) increased from 8.0 to 8.1, demonstrating consistent progress in embedding structured processes, ESG integration and risk management across procurement functions. Together, these trends highlight our commitment to building a resilient, sustainable and high-performing supply chain ecosystem.

Supplier Relationships/ Year	2023	2024	2025
Supplier Satisfaction Index (SSI)	7.9	8.0	**8.2**
Procurement Maturity Index (PMI)	8.0	8.1	**8.1**

Moving Forward

As Sustainable Value Chain is a Priority 1 material matter, we are committed to strengthening ESG integration across our supplier ecosystem through a phased and strategic approach. In the short term, we will enhance ESG governance, expand supplier training programmes, digitalise due-diligence processes and deepen supplier disclosure readiness, ensuring that our supply chain is aligned with evolving regulatory expectations.

Over the medium term, ESG scoring will be embedded into procurement and tender evaluations, a structured corrective action programme will be introduced for suppliers and Scope 3 emissions reporting will be established across priority categories.

Looking further ahead, we aspire to fully integrate supplier carbon into our Net Zero roadmap, advance circular procurement practices, leverage data-driven ESG analytics and cultivate a preferred ecosystem of sustainable, innovative and responsible suppliers.

Through these coordinated efforts, we are building a resilient, ethical and future-ready value chain that not only supports long-term business growth but also contributes meaningfully to national sustainability ambitions.

M5 RESPONSIBLE COMMUNICATION

Inside this section:

179 Why It Matters
179 Our Approach
180 Policy and Risk Management
181 How We Create Value
183 Moving Forward

Responsible communication is one (1) of the Priority 3 material matters as it is central to building trust, transparency and accountability with all stakeholders. By ensuring that information is accurate, clear and timely, we uphold our commitment to ethical engagement, protect brand integrity and foster informed decision-making. At the same time, we ensure that our messages reflect our values, comply with regulatory standards, while respecting the rights and privacy of individuals.

Capitals Deployed: **Affected Stakeholders:** E M S&I G&R **Sustainability Pillar:** **Priority:** 3 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

We are committed to ensuring that our commitments towards achieving our aspiration to become a Digital Powerhouse by 2030 are conveyed transparently and responsibly. This includes clearly articulating our PWR 2030 strategy roadmap, progress milestones, challenges and opportunities as well as the value we aim to deliver to all our stakeholders.

As such, responsible communication is essential to build trust, maintain our reputation and demonstrate that our journey is supported by measurable actions and sustainable outcomes.

We deliver on our stakeholders' expectations by:

- **Upholding trust and safeguarding TM's reputation through responsible and aligned engagement**
- **Valuing clarity, accuracy and consistency in TM's communications, recognising their direct impact on public confidence and organisational credibility**
- **Promoting well-informed stakeholder decision-making through accurate information**

Our Approach

We are committed to maintaining transparent, accurate and timely communication with both external and internal stakeholders. All communications are aligned with the Group's strategic direction, governance standards and disclosure obligations, ensuring consistency, credibility and accountability across the organisation.

For further insights into how we identify and address stakeholder priorities, please refer to Understanding Stakeholders' Needs on pages 40 to 44.

Internal and External Stakeholders

We ensure that all communications with internal and external stakeholders, including employees, investors, regulators, customers, media and communities are accurate, consistent and aligned with applicable regulatory requirements and the Group's strategic direction.

Investor & Shareholder Engagement

For key stakeholders such as investors and shareholders, we have a dedicated Investor Relations (IR) team that drives structured, transparent and two-way engagement with the investment community. The IR team ensures:

- **Shareholders and analysts receive timely and accurate updates on financial performance**
- **Investor feedback and market insights are actively gathered and escalated to management to support informed decision-making and reinforce transparency and accountability**
- **Regular investor briefings, quarterly results presentations and the annual Investor Conference are conducted to provide deeper insights**
- **Open dialogue is maintained to address queries, manage expectations and strengthen investors' confidence**

Shareholders also contribute valuable perspectives, support market understanding and set expectations for robust disclosures, credible sustainability reporting and ethical business practices.

Investors or shareholders who wish to connect directly can reach our IR team via the contact email listed on page 316 of this report.

PROSPERITY

M5 Responsible Communication

To deliver responsible and clear engagement across all stakeholder groups, we adopt a centralised and structured communication framework guided by the following principles:

- **Consistent messaging and positioning**
- **Accurate, balanced and verifiable communication**
- **Consistency of messaging across internal and external channels**
- **Timely, clear and audience-appropriate engagement**

Overall communication effectiveness is monitored through media analytics, stakeholder feedback and performance indicators. This enables continuous improvement, strengthening trust and supporting high standards of governance, market integrity and long-term value creation.

Media analytics and stakeholder feedback are regularly reviewed by the Strategic Communications (SC) division to evaluate communication effectiveness, enhance transparency, as well as strengthen trust and confidence among all stakeholders.

Policy and Risk Management

The following policies guide our strategic approach for communication and stakeholder engagement:

- **Group Communication Policy:** Provides overarching direction to ensure all corporate messaging is consistent, accurate and aligned with TM's strategic direction.

  Internal and External Communications Policy & Best Practices:
  Sets clear principles for engaging employees and external stakeholders, ensuring timely, accurate and compliant information to safeguard the Group's reputation.

  Crisis & Media Communication:
  Establishes protocols for managing sensitive issues and public-facing responses.

- **TM Crisis Communications Plan and Procedures:** Outlines escalation processes, key roles and coordinated response measures during crisis situations, including ensuring internal coordination, timely stakeholder updates and addressing media enquiries.

- **Stakeholder Engagement Statement:** Outlines our commitment to engaging with stakeholders in a transparent and responsible manner, consistent with TM's core values and Code of Business Ethics.

For details on our common sustainability policies, see page 106.

Reputational Risk

We recognise that every message we share shapes how our stakeholders perceive us. Responsible and thoughtful communication is therefore fundamental to building and sustaining trust. We are committed to ensuring that the information we provide is accurate, complete and timely, enabling stakeholders remain well informed and confident in our organisation.

Transparency is central to our approach. By communicating openly about both opportunities and challenges and by actively listening to stakeholder feedback, we foster meaningful engagement and demonstrate responsiveness. We also strive for clarity, consistency and cultural sensitivity, ensuring our communication remains respectful and inclusive across all audiences.

Through clear and transparent communication, we strengthen trust, builds lasting relationships and ensures that our actions are understood and valued by those we serve.

Stakeholders are encouraged to channel any feedback or suggestions regarding our communications to **stratcomms@tm.com.my**, as part of our continued commitment to transparency, accountability and ensuring that stakeholder perspectives remain central to our improvement efforts.

How We Create Value

In 2025, our efforts focus on ensuring that information communicated to stakeholders is aligned with our strategic direction. These include:

1. Ensuring consistency of TM's corporate and strategic messaging.
2. Maintaining discipline and responsibility in leadership and high-impact communications.
3. Ensuring accuracy, responsiveness and effectiveness in media communications.
4. Using data and feedback to monitor and improve communication outcomes.

These are executed through the following key initiatives for internal as well as external communication and engagement.

Initiatives

Strengthening Internal Communication

Description

- Streamlined internal email communications to reduce information overload and prioritise clear, impactful content
- Profiled leaders through video content to humanise communications, reinforce company values through thought leaderships
- Enhanced message clarity through the use of visuals and graphic elements, improving comprehension and driving stronger internal engagement
- Worked closely with divisions to co-create relevant, timely and engaging content to reflect diverse perspectives across the organisation
- Produced TM Podcast, a video-based communication platform that features conversations on a wide range of topics relevant to employees. It serves as an engaging and informative channel to keep everyone updated on company developments, key initiatives and industry insights

Impact Story

- Consolidated internal communications into a centralised newsletter, *Cerita Kita*, to provide a single, trusted source of information and improve message visibility, including policies, campaigns, product promotions and achievements
- Published ten (10) podcast episodes covering topics such as 'AI at Work', 'Data Analytics', 'Online Child Safety' and more to strengthen knowledge and awareness amongst employees
- Improved employee understanding of organisational priorities and initiatives
- Increased internal engagement through clearer, more focused communications and improved measurements in effectiveness
- Ensured consistent messaging through closer alignment of internal communications strategies throughout the year

Centralised Corporate Narrative & Messaging Alignment

Description

- Ensured all messages communicated are accurate, consistent and aligned across all stakeholder touchpoints, with SC maintaining central stewardship of TM's strategic messaging and positioning

  These include:

Development of messaging frameworks

Alignment of major announcements and disclosures to central messaging

Coordination with internal stakeholders prior to and following public communications

Impact Story

- Improved consistency of messages across channels, ensuring consistent interpretation of strategic messages with complete proof points
- Clearer articulation of TM's strategic direction to stakeholders

PROSPERITY

M5 Responsible Communication

Initiatives

Responsible Leadership Communications

Description

- Ensured that messages from the Board, Group CEO and senior leadership are clearly articulated with SC supporting through structured messaging coordination across townhalls, media interviews and stakeholder engagements

These include:
- Preparation and alignment of key messages and briefs for leadership
- Coordination of leadership communications across platforms
- Support for internal townhalls at headquarters and across states, as well as external engagements

Impact Story

- Clear and consistent leadership messaging across different platforms
- Improved employee and stakeholders' understanding of TM's strategic direction
- Quarterly townhall between the Group CEO and all employees, conducted in a hybrid format for nationwide reach, followed by divisional and regional townhalls. The regional townhalls are conducted in an open-dialogue format to build leadership trust through consistent engagement and presence with employees at all levels

Media Engagement & Issue Response

Description

- Engaged proactively with the media to maintain accurate representation of the Group's strategic direction, priorities and performance, through:

Media briefings and timely responses to enquiries | **Issuance of clarifications and official statements** | **Ongoing engagement with key media organisations**

- Conducted media monitoring to identify emerging issues, enabling timely clarification or response where required
- Used clear spokesperson guidelines and best practices

Impact Story

- Maintained accuracy and balance of media coverage through fast-moving news cycles
- Reduced risk of reputational harm from incomplete or incorrect reporting
- Built effective media relationship

Monitoring and Measurement of Communication Effectiveness

Description

- Review of media analytics by SC and management, using insights to refine messaging and engagement approaches
- Assessment of message reach to stakeholders to identify areas for improvement using:

Tracking of Media Impact Score (MIS) | **Monitoring of Share of Voice (SOV)** | **Monitoring of social media sentiment trends** | **Reviewing communication performance periodically**

Impact Story

- Continuous improvement in message clarity and reach through communication planning and the translation of data into actionable insights

Share of Voice

50%
2025

44%
2024

40%
2023

Media Impact Score

3.4%
2025

2.8
2024

3.1
2023

Initiatives	
Enhancing Crisis Communication Preparedness & Crisis Response Coordination	**Description** • Strengthened crisis communication preparedness to enable swift, accountable and responsible crisis management, aligned with TM's Business Continuity Management (BCM) • Participated in the Cyberdrill Table Top Simulation Exercise on 17-18 November 2025, where the SC team stress-test and refined incident response and resilience strategies through a series of severe but plausible cyber scenarios • Established a structured crisis communications framework, centralising governance, roles and approval workflows for swift, coordinated response • Standardised messaging and engagement protocols, strengthening spokesperson discipline and cross-functional alignment • Enhanced monitoring and escalation, enabling early risk detection and faster decision-making **Impact Story** • Enhanced coordination and accelerated turnaround for crisis responses, while reducing risk of misinformation or inconsistent messaging • Strengthened stakeholder's confidence through timely, factual and empathetic communication with strong coordination across stakeholders • Reinforced institutional readiness and organisational learning through structured post-crisis reviews
Stakeholder Engagement	**Description** • Fostered constructive, ongoing engagement with relevant stakeholders including Ministry of Communications, MCMC and other relevant ministries and government agencies and through structured meetings, dialogue sessions and forums **Impact Story** • Enhanced policy alignment and strengthened industry collaboration

Moving Forward

As a responsible and trusted organisation, we recognise that Responsible Communication is fundamental to sustaining stakeholder trust and protecting our reputation and integrity. We are committed to ensuring that all engagements with our stakeholders are conducted with integrity, transparency and accountability.

In the short-term, we will reinforce internal alignment on corporate messaging on our strategic direction, as well as enhance coordination and review processes for high-impact communications.

Over the medium-term, the focus will shift to deeper use of data and analytics to refine messaging, anticipate emerging issues and strengthen TM's communication readiness.

In the long-term, responsible communication will be embedded as a core governance and disclosure discipline across the organisation, reinforcing our position as a trusted and credible voice on matters related to national connectivity, digital development and long-term value creation.

PROSPERITY

M6 CYBER RESILIENCE

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At TM, cyber resilience is one (1) of TM's Priority 2 material matters. We actively manage risks, maintain ethical data practices and strengthen governance to ensure we run our business responsibly and sustainably. Cyber resilience is fundamental to delivering reliable services and maintaining stakeholder trust. By safeguarding our systems, protecting data and securing our digital services, we build customer confidence, support stable growth and ensure business continuity.

Through these efforts, we also contribute to sustainability commitments. We reduce resource consumption, minimise system downtime and improve operational efficiency, ensuring that the essential services our communities and businesses rely on remain resilient and reliable.

Capitals Deployed: **Affected Stakeholders:** C E S BP **Sustainability Pillar:** **Priority:** 2 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

At TM, we deliver on our stakeholders' expectations by:

Ensuring TM operates reliably, responsibly and sustainably

Delivering secure, dependable digital services and protecting personal and corporate data

Building customer trust, support stable revenue and profit growth and strengthen overall business continuity

We regard cyber resilience and data privacy not merely as obligations, but as core business priorities. As part of our integrated approach to data security, we ensure that every *Warga TM* understands and upholds our Cyber Security Statement, Data Privacy & Protection Policy and related governance frameworks, recognising that protecting what matters most is a shared responsibility.

We remain committed to preserving the confidentiality, integrity and availability of our critical systems, information assets and personal data. Through proactive risk management and robust controls, we strive to minimise service disruptions, operational inefficiencies, financial losses and any potential regulatory or reputational impact.

Our Approach

At TM, we drive cyber resilience through a comprehensive and integrated strategy that embeds information security and cyber risk management into our enterprise governance framework. We treat data protection as a core responsibility, not just a regulatory requirement. In doing so, we safeguard customer information with integrity and ensure full compliance with the Personal Data Protection Act 2010 (PDPA 2010).

We operationalise this commitment through a suite of internal policies that reinforce data privacy and data governance across the Group. Our TM Data Privacy & Protection Policy (TM D3P) sets out clear requirements governing the collection, use, storage, security and disclosure of personal data, ensuring compliance with the PDPA 2010.

Complementing this, our TM Data Governance Policy & Framework (TMDGPF) drives Group-wide awareness, accountability and the adoption of best practices in data governance. Together, these frameworks enable us to manage data responsibly, mitigate risk proactively and build lasting trust with our customers and stakeholders.

Governance Structure and Oversight

To ensure robust oversight and accountability, we have established a clear governance structure that strengthens Board supervision of cyber resilience and information security risks.

Our Board of Directors holds ultimate accountability for overseeing cyber resilience and information security risks. All cyber-related matters, including material cybersecurity risks, threat trends, incidents and resilience initiatives, are periodically reported to our Board through established governance and risk oversight structures. This ensures that cyber risks are assessed alongside other business risks and aligned with our risk appetite and strategic objectives.

Through our Senior Management, we execute the Board-approved cyber resilience strategy, supported by specialised information security and risk management functions. These teams are responsible for developing policies, implementing controls, maintaining incident response readiness and continuously monitoring emerging cyber threats to safeguard TM.

Our Approach

Board of Directors (BOD)	Provides strategic oversight, approves cyber resilience strategy, ensures alignment of cyber risk with business objectives and monitors material cyber incidents and emerging threats.
Board Risk and Investment Committee (BRIC)	Reviews and recommends risk management strategies, evaluates significant cyber risks and ensures that risk mitigation initiatives are effective and aligned with the company's overall risk appetite.
Management Committee (MC)	Oversees the execution of cyber resilience initiatives, implements Board-approved policies, ensures operational readiness and coordinates across functions to manage cyber incidents and emerging threats.

For data protection, we further reinforce our governance structure through a three-layer Data Governance Operating Model. This model embeds accountability across the organisation, clearly defining the roles and responsibilities of each layer and enabling consistent, enterprise-wide governance of data.

Three-layer Data Governance Operating Model

STRATEGIC LAYER	MANAGEMENT LAYER	OPERATIONAL LAYER
TM Analytics Steering Committee (TASC)	**Data Governance Council (DGC)**	**Data Stewards**
• Comprises senior executives such as Group Data Privacy Officer (GDPO), Chief Information Security Officer (CISO) and Chief Information Officer (CIO) • Oversees performance, provides strategic direction and approves key governance decisions	• Supported by an Advisory Board from Legal Strategy & Intellectual Property (LSIP), Group Information Security (GIS), Group Risk Management and Group Information Technology and Digital (GITD) • Advises on privacy, security, risk and technology matters	• Appointed by Data Owners • Enforce governance policies within divisions and act as the first point of contact for data issues

Data Protection Officer Appointment and Contact Channel

During the year, we formally appointed a Group Data Privacy Officer, strengthening our data privacy and protection framework while reinforcing our commitment to safeguarding personal data.

Complaint Channel

For personal data-related queries and complaints, we have established a dedicated Data Protection Officer (DPO) contact channel at **privacyofficer@tm.com.my**.

Please refer to the Privacy Notice, available on our website at www.tm.com.my.

In addition, as a designated National Critical Information Infrastructure (NCII) entity, we operate in full compliance with the Cyber Security Act 2024. This includes adherence to mandated governance and control requirements, periodic independent compliance audits and the timely reporting of cybersecurity incidents to the relevant authorities, reinforcing our commitment to safeguarding national digital infrastructure and stakeholder trust.

Our approach is further strengthened by the following policies and frameworks for cyber resilience.

Policies and frameworks for the Cyber Resilience

TM Cyber Security Framework
Provides a structured set of standards and guidelines that helps us manage, assess and improve our cybersecurity risk and posture

TM Cyber Security Statement
States our formal commitment to protecting our systems, networks and information from cyber threats

TM Information Security Policy
Defines clear roles and responsibilities for safeguarding information assets to ensure confidentiality, integrity and availability

TM Cyber Security Baseline
Establishes the minimum set of security controls and practices required to protect systems, data and users from common cyber threats

Note: *All of these policies have been approved by the MC.*

For details on our common sustainability policies, see page 106.

PROSPERITY

M6 Cyber Resilience

Privacy Compliance Monitoring and Audit Activities

In 2025, we reinforced our commitment to protecting customer data by completing a comprehensive Data Protection Impact Assessment (DPIA) for the end-to-end Unifi customer data journey. This assessment helped us to identify privacy risks, evaluate their impact and implement effective mitigation measures, ensuring responsible and secure handling of data throughout its lifecycle.

Through the DPIA exercise, we enhance privacy and security controls across our systems, processes and people, improving governance, operations practices, technical safeguards and employee awareness. These actions reinforce our responsibility to maintaining a secure digital environment and upholding the trust that our customers place in us.

All actions taken in 2025 aligned with the Personal Data Protection Act 2010 (as amended in 2024) (PDPA), demonstrating our commitment to meeting evolving regulatory requirements. As we advance our data protection practices, we remain dedicated to transparency, accountability and embedding privacy-by-design across all operations and digital initiatives. Additionally, our internal audit activities focused on strengthening Data Leakage Prevention (DLP) controls to proactively safeguard sensitive information and demonstrate our ongoing dedication to data protection.

How We Create Value

By actively safeguarding personal and corporate data and ensuring compliance with the PDPA, we uphold trust, reduce risks and drive responsible and sustainable business growth. Our approach is anchored in strong data governance, compliance and accountability, delivered through the following initiatives and programme.

TM Data Privacy & Protection initiatives

Initiatives	
Strengthening data protection and oversight	**Description** • To further strengthen our commitment to protecting data and ensuring regulatory compliance, TM Group has formalised the role of and appointed a dedicated Data Protection Officer effective 1 June 2025, following the implementation of the Guideline on Data Protection Officer • This includes managing and responding to personal data complaints and enquiries from the Department of Personal Data Protection (DPDP) **Impact Story** • Improved personal data governance and risk management • Strengthened internal awareness on personal data protection and culture of privacy
Driving PDPA Principles Awareness Across the Organisation	**Description** • Conducted multiple data privacy and PDPA awareness initiatives to ensure employees and third-party partners understand their responsibilities in handling personal data • These programmes included internal training sessions, online awareness campaigns and targeted briefings for external partners and state-level engagements **Key activities comprise:** • Internal sessions and e-learning modules covering Personally Identifiable Information (PII) and Sensitive Personal Data. Group awareness series for workforce cohorts (e.g., GHCM participants) **Impact Story** • Strengthened knowledge of data protection responsibilities across employees and partners • Encouraged safer digital behavior and greater respect for privacy • Reduced risk of human error in handling personal data • Reinforced ethical culture around data governance • Improved alignment with third-party partners on privacy and compliance standard

Reinforcing Data Protection and Leakage Prevention Controls	**Description**
	• Performed an audit through Group Internal Audit on Review on the review of Data Protection and Leakage Prevention, ensuring compliance with PDPA 2010 and its related regulations
	• The audit covered:
	  • Personal Data Protection Task Force (PDPTF) initiative
	  • Data Governance and Framework Policy and Data Governance Council (DGC)
	  • Data Protection Impact Assessment (DPIA) exercise
	  • PII Awareness and Compliance with our suppliers
	Impact Story
	• Strengthened compliance with data protection laws
	• Enabled identification of potential data leakages and vulnerabilities
	• Encouraged continuous improvement

Cybersecurity and Operational Resilience initiative

Through cybersecurity protections, we ensure reliable services for our customers through operational continuity, protect critical infrastructure and data as well as strengthen long-term business resilience through:

Initiatives	
Enhancing Risk Management Across Systems and Third Parties	**Description** • Conducted four (4) targeted internal audits covering key areas namely Bring Your Own Device (BYOD), Access Control, IT Asset Governance and Data Protection. **Impact Story** • Enhanced enterprise-wide oversight, reinforced continuous monitoring across critical systems and third-party environments and strengthened governance discipline across business units. • Reduced security risk exposure, improved regulatory compliance readiness and reinforced consistent access governance and accountability, further strengthening organisational resilience against evolving cyber threats.
Ensuring Secure, Resilient and Compliant Digital Operations	**Description** • Maintained PCI DSS compliance for secure payment processing. • Implemented Business Continuity Management System (BCMS) for NIC and SOC to ensure uninterrupted operations. • Maintained robust security and privacy standards through TM One Cloud Alpha's continued compliance with ISO/IEC 27001, ISO/IEC 27017, ISO/IEC 27018, PCI DSS and ISO/IEC 27701. • Established the Personal Data Protection Task Force (PDPTF), which oversees privacy impact assessments, breach management and compliance checks to safeguard personal data across all operations. **Impact Story** • Reinforced adherence to globally recognised information security and privacy standards. • Enhanced operational resilience and ensured service continuity through proactive threat detection and mitigation. • Strengthened enterprise-wide data governance and compliance oversight. • Collectively, these initiatives enhanced regulatory readiness, reinforced stakeholder confidence and strengthened our ability to safeguard information assets and personal data.

Furthermore, to enhance governance and advance our ongoing efforts in safeguarding cyber resilience, we have undertaken the following:

- **Extended data privacy and cyber security obligations to suppliers, ensuring end-to-end compliance across the supply chain**
- **Continued compliance with TM cybersecurity directives**
- **24/7 monitoring on threats**
- **Conducted phishing simulation campaigns for awareness among *Warga TM***
- **Launched the TM Cybersecurity Essentials e-Learning module for all *Warga TM***
- **Implemented mandatory cybersecurity awareness programmes for new and existing employees**

Our Performance

100% ***Warga TM*** **completed online Cybersecurity Training modules**

Executives and above	**54%**
Non-Executives	**46%**

Moving Forward

We will enhance organisation-wide awareness of cybersecurity, data privacy and protection obligations, fostering a culture of transparency, accountability and compliance among employees and partners. At the same time, we will continue to enforce consistent data handling, strengthen governance controls and maintain oversight through regular compliance reviews, internal audits and third-party assurance.

PROSPERITY

M7 GOOD GOVERNANCE

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Good Governance is one (1) of TM's Priority 3 material matters. At TM, strong governance serves as the foundation of trust and accountability. It shapes the principles that guide our ethical conduct in every decision we make. By upholding this standard, we foster business transparency and consistent responsible disclosures, as well as commitment and reliability among stakeholders, employees and partners.

We embed good governance into our daily operations, ensuring every action reflects both our organisational values and legal standards, while enforcing zero tolerance for corruption.

In strengthening this commitment, our Board has taken a step forward by approving the monitoring of ABMS compliance as a Key Performance Indicator (KPI) for all Pivotal Positions, ensuring that accountability begins at the very core of our leadership.

Capitals Deployed: **Affected Stakeholders:** C E S&I G&R S BP M CO U **Sustainability Pillar:** **Priority:** 3 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

At TM, we deliver on our stakeholders' expectations by:

- **Operating with integrity, aligned with Section 17A of the MACC Act 2009**
- **Complying with regulations and upholding trust in a highly regulated industry**
- **Protecting TM's reputation through responsible conduct**
- **Minimising financial and operational risks arising from non-compliance or unethical behaviour**

Strong governance reinforces our ESG commitments. It guides responsible corporate conduct, strengthens environmental and social practices and builds confidence among regulators, investors and the communities we serve.

Overall, good governance supports TM's sustainable growth, strengthens long-term resilience and ensures that TM will continue to deliver lasting value to our stakeholders.

As TM accelerates our journey to become a Digital Powerhouse, cyber resilience remains a defining enabler of that vision. It ensures that growth is secure, innovation is responsible and trust is preserved at every touchpoint. By embedding resilience into governance and operations, TM not only protects what we build but strengthens its foundation to lead Malaysia's digital future with confidence and integrity.

Our Approach

Ethics, Integrity and Governance

We are committed to maintaining high standards of ethics, integrity and governance in all our business activities through:

- **Enforcing zero tolerance for bribery and corruption across operations**
- **Preventing bribery or corruption proactively**
- **Not engaging in political contributions as a means to avoid bribery or corruption**
- **Adhering strictly to our The Code of Conduct & Business Ethics (CBE), which aligns with our commitment to anti-corruption and anti-bribery principles**

We investigate all reports of suspected or confirmed misconduct thoroughly, applying appropriate disciplinary actions and corrective measures where necessary.

Governance Systems and Policy

Our integrity and anti-corruption system includes the following:

- **Board Oversight of Anti-Corruption and Integrity**
- **Good Governance Related Policies**
- **Whistleblowing**
- **Third-Party Integrity Due Diligence**
- **Integrity Pledge (IP)**

Board Oversight of Anti-Corruption and Integrity

We implement a structured and continuous oversight to provide assurance that our anti-corruption measures remain robust, effective and fully embedded within TM's overall governance and sustainability framework. This oversight reinforces accountability at all levels of the organisation and strengthens our culture of ethical business conduct.

Governance Systems and Policy

Board Oversight and Governance Roles in Anti-Bribery and Corruption

Our governance structure defines clear responsibilities in ensuring accountability and driving ethical decision-making across TM:

Board of Directors (BOD)

The Board provides active and rigorous oversight of TM's Ethics & Integrity Ecosystem to ensure that all policies and controls remain effective and aligned with Section 17A of the MACC Act 2009.

In setting the tone from the top, the Board enforces a zero-tolerance on bribery and corruption through the approval of key policies and oversees the effective implementation of the ABMS.

Board Risk and Investment Committee (BRIC)

Receives quarterly corporate corruption risk assessments conducted in accordance with the Corruption Risk Guideline.

These assessments evaluate potential corruption risks based on likelihood and impact and include updates on the adequacy of existing controls and the status of remedial actions. This ensures that corruption risk management remains an integral and dynamic component of TM's enterprise risk management framework.

Through these committees, the Board monitors emerging trends, assesses control effectiveness and ensures that appropriate disciplinary and corrective actions are taken in respect of substantiated cases.

Board Audit Committee (BAC)

The BAC receives all investigated cases and significant observations escalated to the Board level, allowing it to provide oversight, guidance and recommendations.

Supported by the Group Internal Audit, Group Integrity & Governance and the Group Company Secretarial functions, the BAC unites assurance, ethical leadership and governance advisory to ensure risks are addressed decisively and oversight remains strong and effective.

TM Management Committee (MC)

TM's MC chaired by the MD/GCEO will convene quarterly with limited members from the Legal Strategy & Intellectual Property (LSIP), Group Finance, Group Internal Audit and Group Corporate to provide strategic oversight on integrity, governance and compliance, prior to the matter being reported to the BAC.

Group Integrity & Governance (GIG)

GIG provides quarterly reports to the BAC on integrity prevention initiatives, operational matters and performance against key established indicators.

They lead the oversight of corruption-related investigations and drive integrity education initiatives across TM. By rigorously evaluating our anti-corruption frameworks, including the TM OACP and TM ABMS and reinforcing them with regular training, clear communication and thorough investigations, Group Integrity & Governance ensures that our commitment to ethical conduct remains strong.

Ongoing internal and external audits, together with a robust whistle-blowing system, actively reinforce transparency and hold the organisation accountable.

PROSPERITY

M7 Good Governance

Good Governance Related Policy

Integrity and ethical conduct are more than principles. They are the foundation of everything we do. Our governance framework embeds these values across all business activities, ensuring that every decision is guided by ethics and accountability.

Central to this framework is our Anti-Bribery Management System (ABMS), which provides a structured approach to identify, prevent and address bribery and corruption risks across the organisation. Complementing this system are our integrity-related policies and internal controls, all aligned with recognised standards and regulatory requirements.

Together, these tools and policies create a robust framework that supports ethical behaviour, strengthens trust with our stakeholders and reinforces our reputation as a responsible and transparent organisation.

The key policies supporting this framework are as follows:

TM Code of Conduct & Business Ethics (CBE)

Guides the Board of Directors, Management, employees and all Business Partners of TM Group resolving any business, legal and ethical issues. It sets the clear standard of behaviour we expect from everyone who conducts business with or for TM.

TM Anti-Corruption Guide (ACG)

Defines clear 'Do's & Don'ts' regarding anti-corruption and provides practical examples of real-world situations to ensure clarity for all users.

Anti-Bribery Management System (ABMS) MS ISO 37001:2016

Manages, maintains and continuously improves TM's anti-bribery compliance programme. It detects, prevents and responds to corruption risks across the organisation.

TM Integrity Pact

Formalises an Integrity Pledge by employees and business partners as a commitment to uphold integrity in all business dealings.

Whistleblowing Policy

Provides a secure and accessible channel via the TM website and TM Ethics Line for reporting concerns related to unethical or corrupt practices.

For details on our common sustainability policies, see page 106.

Whistleblowing

Whistleblowing Mechanism

We have established a comprehensive whistleblowing mechanism to encourage the reporting of misconduct while safeguarding confidentiality, independence and protection for whistleblowers.

The framework is actively overseen by the independent Group Integrity & Governance, which is entrusted with managing, investigating and resolving all whistleblowing reports, further expanding the role of Group Integrity & Governance role as the guardian of integrity across the organisation.

Our Ethics Line, accessible 24/7, operates as a secure reporting channel and is managed independently to ensure impartiality and transparency. To ensure awareness and effective use of our reporting channels, we provide regular training and communication programmes to our employees and relevant stakeholders.

TM Ethics Line

Toll-Free : **1800 88 2377**
Email : **ethic@tm.com.my**

Whistleblowers may submit reports anonymously and all information received is treated with the strictest confidentiality. We have multiple safeguards in place to protect whistleblowers' identities, prevent unauthorised access to case information, and ensure that reports are handled objectively and securely throughout the investigation process. This helps build trust in the system and encourages individuals to come forward without fear.

Whistleblowing Policy

Additionally, individuals who report concerns in good faith are protected under our Whistleblowing Policy & Reporting Framework from any form of reprisal, discrimination, or adverse action. TM enforces a zero-tolerance approach to retaliation, reinforcing a culture of transparency, accountability and ethical conduct across the organisation.

All reported concerns are subject to a structured and independent investigation process led by the Group Integrity & Governance. They are assessed, investigated and escalated in accordance with established procedures, with appropriate corrective and disciplinary actions taken where allegations are substantiated.

In 2025

100%

of whistleblowing reports were attended to escalated for further investigation and other actions

Third-Party Integrity Due Diligence

As a preventive measure to mitigate corruption risks within TM's value chain, we implement integrity due diligence on business partners and vendors through the Group Integrity & Governance. This process includes background screenings and risk-based assessments aligned with the Corruption Risk Guideline. By embedding integrity due diligence into our procurement and partnership processes, we ensure that all third parties working with TM uphold standards consistent with the Group's ethical expectations and governance requirements.

Integrity Pledge (IP)

To reinforce ethical business practices and cultivate a strong culture of integrity, all employees and business partners are required to sign the Integrity Pledge (IP) at key engagement milestones, including registration (new or renewal), tender submission and contract establishment. This process, developed in collaboration with GP, formally commits signatories to uphold TM's zero-tolerance stance on corruption, bribery and unethical conduct.

By embedding the IP into critical business touchpoints, TM ensures that ethical standards are not only communicated but actively acknowledged and applied in every interaction. It serves as a clear reminder of individual and organisational responsibilities, strengthens accountability and aligns all stakeholders with TM's broader governance and integrity objectives.

In 2025

2,622

suppliers signed the Integrity Pledge, reinforcing our commitment to conducting business with integrity and transparency across our value chain

How We Create Value

Business Ethics & Integrity Initiatives:

To strengthen our ethics and integrity efforts, we continuously enhance and actively advance a comprehensive ethics and integrity programme across our workforce and value chain. The initiatives and programmes include:

Initiatives	
Ethics and Integrity Programme	
Integrity Awareness	**Description** • Conducted to enhance awareness and understanding of key integrity and compliance risks among internal units, incorporating relevant statistics of real cases investigated by Group Integrity & Governance, case studies and practical scenarios to reinforce awareness and promote ethical decision-making • The programme covered key topics such as conflict of interest, gift policy, misuse of assets, illegal devices, corruption and relevant provisions of the TM Code of Conduct & Business Ethics (CBE) • Included briefings on corruption offences under the MACC Act 2009, particularly Section 17A on Corporate Liability and its implications for TM **Impact Story** • Strengthened ethical culture within internal units significantly by deepening awareness of critical integrity and compliance risks through real-world cases and practical scenarios, reinforcing adherence to TM's Code of Conduct & Business Ethics (CBE) and enhancing organisational readiness to prevent corruption
TM Integrity Day (TMID) 2025	**Description** • Reaffirmed TM's strong and consistent commitment to fostering a culture of integrity, transparency and accountability across the Group • Anchored by the theme "Uncompromising Integrity", the programme brought together employees, business partners and key stakeholders, including Chairman, TM's Board, GCEO and Management team, to reinforce shared values and TM's steadfast dedication to good governance, ethical business conduct and tone from the top **Impact Story** • Unified TM employees across different LOBs and divisions through both physical and online participation during TM Integrity Day • Fostered a consistent culture of integrity, transparency and accountability across the Group, further embedding ethical conduct into day-to-day business operations • A total of **704** participants attended the TMID event, reflecting strong engagement and collective commitment towards upholding the highest standards of governance and ethical practices

PROSPERITY

M7 Good Governance

Initiatives

Ethics and Integrity Programme

Corruption Free Pledge *(Ikrar Bebas Rasuah - IBR)* By All TM Employees and suppliers

Description

- Executed a corruption-free pledge by all *Warga TM*, including Top Management, employees and suppliers, committing to uphold integrity, reject corruption and promote ethical governance. This is our dedication to combatting corruption and promoting integrity within TM and among our suppliers
- Implemented IBR through an online portal and conducted it concurrently with the 2025 Declaration of Assets (DOA) and Interests exercise

Impact Story

- Achieved **100%** IBR completion by *Warga TM*
- Reinforced ethical culture across the organisation and supply ecosystem through both digital and in-person engagement
- Achieved total completion of IBR & Declaration of Assets and Interests (DOA) exercise for **17,559** employees, reflecting strong organisation-wide commitment to governance awareness and compliance adherence

Regional TM Integrity Day (TMID)

Description

- Implemented at the regional level to enhance outreach and engagement on anti-corruption and integrity matters, strengthening integrity practices, good governance and the cascading of ethics and integrity values across states, ensuring comprehensive integrity awareness and consistent messaging among *Warga TM* nationwide

Impact Story

- Demonstrated TM leadership's commitment to integrity through the signing of the Corruption Free Pledge, conducted in collaboration with the MACC at the regional level
- Reflected strong cross-functional collaboration between our internal divisions
- Recorded a total of **914** participants who attended the sessions, conducted through both physical and online platforms, demonstrating strong engagement across multiple channels

Dipstick Integrity Survey

Description

- Organised a short perception-based survey among *Warga TM* to gauge the effectiveness of the Group's ethics and integrity initiatives
- Launched during the TM Integrity Day on 11 November 2025, the findings provided valuable insights into employees' awareness, confidence and perceptions of TM's Ethics & Integrity ecosystem and are used to inform continuous improvement of integrity and governance initiatives across the Group

Impact Story

- Strengthened whistle-blower protection and confidentiality, increasing transparency in reporting and investigation
- Received a total of **7,226** responses, significantly surpassing the target of 3,000 respondents, reflecting strong engagement and participation. Overall, 41% of *Warga TM* took part in this Integrity Dipstick Survey

Integrity Roll Call at TM Nodes

Description

- Held a 30-minute on-site briefing to reinforce awareness of the The Code of Conduct & Business Ethics (CBE) and key integrity expectations, with a focus on corruption-related offences illustrated through relevant statistics, case studies and scenarios
- The briefing specifically targeted GNT activities across six (6) TM Nodes/Exchanges in the Klang Valley, where employees face higher integrity risk profiles

Impact Story

- Addressed identified control gaps, mitigated existing risks and reduced the likelihood of future misconduct across affected TM nodes

Initiatives	
Regional Leaders High Risk Division Session	**Description** • Delivered a dedicated ethics programme across all regions, providing high-risk units with practical guidance on navigating ethical dilemmas through small-group, interactive sessions • Included discussions of real and hypothetical scenarios, highlighting key lessons, red flags and potential consequences, enhancing engagement beyond standard briefings **Impact Story** • Reinforced TM's commitment to ethical conduct and zero tolerance for bribery, corruption and fraud • Strengthened awareness of whistleblowing channels, ethical responsibilities and individual accountability, supporting a culture of transparency and integrity across TM and its partners
Anti-Bribery and Governance Strategic Training	
ABMS MS ISO 37001:2025 Training	**Description** • Conducted to enhance the competency and readiness of all ABMS Coordinators by providing in-depth understanding of the revised requirements, key changes and strengthened controls introduced in the updated ABMS standard • Focused on aligning existing ABMS practices with MS ISO 37001:2025, reinforcing roles and responsibilities and ensuring consistent application across all departments • Prepared ABMS Coordinators to effectively support, facilitate and respond to the upcoming internal audit by improving awareness of audit expectations, evidence requirements, risk-based thinking and continuous improvement practices **Impact Story** • Appointed **17** ABMS Coordinators to oversee their respective divisions • Trained **68** ABMS Certified Lead Auditors to ensure the effective maintenance of the ABMS • Improved understanding of revised ISO 37001:2025 requirements in preparation for Internal Audit • Enhanced capability to identify compliance gaps and strengthened transition planning and audit readiness
External engagement and collaboration	
Telecommunications Fraud Awareness & External Investigation Collaboration	**Description** • Maintained continuous engagement with relevant enforcement agencies and integrity units to support investigations and promote effective case management • Collaborated at the regional level on initiatives to raise awareness of telecommunications and related fraud risks • Included conducting telecommunications fraud training under the Integrity Awareness for Higher-Risk Units programs • Strengthened capabilities through continuous knowledge development and professional certification with recognised anti-fraud bodies, including Certified Fraud Examiner (CFE) **Impact Story** • Enabled investigators to access databases across law enforcement, immigration records, telecommunications and financial audits, leading to more comprehensive evidence gathering • Strengthened the legitimacy of findings, reduced bias and increased public trust in the investigation outcomes • Reduced duplication and accelerated resolution through joint efforts in cases involving cross-border crime, cyber fraud or corruption, which often required coordination across overlapping jurisdictions • Enabled faster identification of suspicious activities (e.g., unusual financial transactions, immigration irregularities or digital scams) via multiple agencies sharing intelligence • Improved employees understanding of fraud risks, encouraging individuals and businesses to exercise greater caution and report suspicious behaviour earlier through joint campaigns and coordinated messaging • Adhered to globally recognised best practices in fraud detection, prevention and investigation, enhancing the credibility and reliability of findings

PROSPERITY

M7 Good Governance

Initiatives

Independent External Legal Assessment of TM's Adequate Procedures in Compliance with Corporate Liability Requirements (Section 17A)

Description

- Engaged an external law firm to conduct an independent review of TM's Adequate Procedures in relation to Section 17A of the Malaysian Anti-Corruption Commission (MACC) Act 2009
- The assessment evaluated TM's existing policies, procedures and internal controls associated with Section 17A and relevant industry's best practices. Key focus areas included:

Review of anti-corruption policies and guidelines	**Third-party due diligence**
Risk assessment	**Whistleblowing mechanisms**
Operational control, compliance and monitoring	**Training and communication monitoring and reporting**

- Provided independent insights into the effectiveness of TM's anti-corruption framework, identified areas for enhancement and supported the continuous strengthening of the Group's preventive measures against corruption and integrity-related risks

Impact Story

- Enabled stronger defensibility in the event of investigation or enforcement action, supported by a documented independent review, clear recommendations and demonstrable evidence of continuous improvement of TM's Adequate Procedures
- Strengthened compliance with Section 17A (Corporate Liability) through independent validation that TM's Adequate Procedures are aligned with statutory requirements and recognised industry best practices, thereby reducing legal and regulatory exposure
- Presented the assessment outcome to our Board Audit Committee (BAC) in 2025, including the recommendations to TM. The Action Plan, agreed upon during the workshop with external parties and TM stakeholders, was also presented

Anti-bribery Control Through Audit Session

ABMS Annual Audit by SIRIM QAS, an independent third-party audit

Description

- Conducted an ABMS Annual Audit by SIRIM QAS, an independent third-part audit, following ISO 37001 certification to verify that our Anti-Bribery Management System remains effectively implemented, compliant and continuously improved
- Expanded the audit scope to include GNT (Mobile Technology Division), GITD (management of external vendors for IT infrastructure, IT governance and controls) and TM One (Government, enterprise and state business and solutioning)

Impact Story

- Maintained **100%** certification compliance since 2021, expanding from four (4) HQ-level divisions to seven (7) high-risk divisions nationwide
- Strengthened Anti-Bribery controls and ensured regulatory alignment with regulatory requirements, including the MACC Act 2009 (Section 17A) and Bursa Malaysia governance standards
- Identified emerging risks and enhanced risk-based controls
- Continued process improvements and promoted employee awareness to foster ethical culture
- Enhanced public trust while supporting ESG and sustainability goals and fostered a culture of continuous improvement

Initiatives

Malaysian Code on Corporate Governance

Strengthening Board Independence & MCCG Compliance

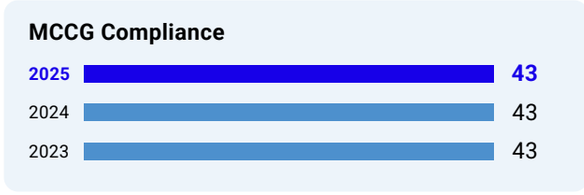
Description

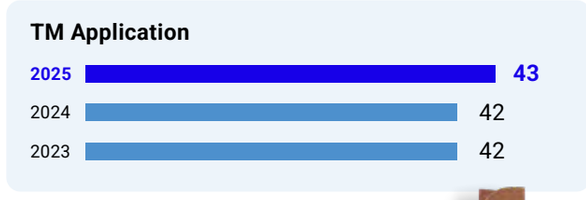
- As at 31 December 2025, the Company has complied with all the Practices of the Malaysian Code on Corporate Governance (MCCG) 2021.
- Noting the gaps on women directorship on the Board as at 31 December 2024, the Board has approved the appointment of two (2) women directors, namely Dr. Tunku Alina Raja Muhd Alias and Cik Shahnaz Al-Sadat Abdul Mohsein satisfying Practice Note 5.9 to ensure that the Board comprises at least 30% women directors. The appointments of the new two (2) women directors took effect on 3 June 2025.

Refer to pages 281 to 287 for detailed profiles of Board members, covering their experience, roles and expertise.

Impact Story

MCCG Compliance (Required Practices)





- TM was ranked **7th** out of 847 public-listed companies, at The National Corporate Governance and Sustainability Awards (NACGSA), a testament to our strong governance practices and commitment to transparency, accountability and ethical leadership. This recognition highlights how our dedication to good corporate governance and sustainable business practices drives long-term value for our stakeholders and strengthens trust in everything we do.

Our Performance

Percentage of Operations Assessed for Corruption **50%**

Percentage of Employees Who Received Training on Anti-Corruption Policies and Procedures

Management	Executive	Non-Executive
60	22	24

Completion of the ABMS Certification

100%

IBR Completion by *Warga TM*

100%

For further details on Good Governance performance, please refer to the Sustainability Performance Data available at TM's website www.tm.com.my/sustainability.

Moving Forward

Looking ahead, we will continue to strengthen Good Governance as the foundation for safeguarding trust, operational continuity and long-term sustainability.

In the short term, we will tighten and enforce governance and integrity policies, apply a risk-based approach across operations and third-party engagements, strengthen controls through clearer standard operating procedures and reinforce confidence in whistleblowing mechanisms through consistent processes and protections.

Over the medium-term, governance and compliance frameworks will align with evolving regulatory requirements and sustainability expectations. In parallel, we will embed ethical awareness, accountability and policy adherence across all levels of the organisation through sustained leadership commitment and targeted capability-building initiatives.

In the long term, we aim to embed a mature, integrated and values-based governance framework into its operations. By having strong monitoring and controls in place, we can ensure consistent implementation, escalate issues effectively and proactively manage integrity and compliance risks, fostering a culture of integrity and building organisational resilience.

PLANET

M8 ENVIRONMENTAL MANAGEMENT

Inside this section:

196 Why It Matters
196 Our Approach
197 Governance and Policy
197 How We Create Value
202 Moving Forward

We categorised Environmental Management as a Priority 2 material matter, reflecting its role as a core driver for our long-term resilience to maintain the operational discipline required for our Net Zero 2050 goals. By proactively managing our footprint, we mitigate regulatory and reputational risk while avoiding potential penalties. These practices strengthen our operation resilience, driving greater efficiency and reducing long-term costs.

Capitals Deployed: **Affected Stakeholders:** CO C S E G&R S&I BP **Sustainability Pillar:** **Priority:** 2 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each, can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

At TM, we deliver on our stakeholders' expectations through PWR 2030 ambition. It is imperative to integrate environmental stewardship into our operations to pioneer sustainable standards, drive winning efficiencies and revitalise the ecosystems we touch with the objective of:

1. Protecting Our Operation

We're staying ahead of the curve by meeting every regulatory target. This keeps our license safe and ensures our network is ready for future carbon costs and changing laws.

2. Going Above and Beyond

We're committing to statutory requirements such as the Environmental Quality Act (EQA) 1974, by launching voluntary projects to reduce waste.

Ultimately, connectivity should not come at the expense of the environment. Our stakeholders demand more than seamless connectivity and they expect us to protect the environment that sustains us.

Our Approach

In 2025, our environmental management approach focuses on ensuring regulatory compliance and voluntary initiatives across the following areas:

1. Business Operation Regulatory Compliance

Waste Management	We manage and mitigate both solid and scheduled waste generated across our operations
Water Management	We track and monitor water consumption across TM premises
Environmental Quality	We implement an Environmental Management System (EMS) to monitor air quality and noise levels at our TM facilities

2. Operational Circularity and Ecosystem Restoration

IT Operation Management	We focus on the extension of IT equipment end-life, digitisation in TM's operations
Forest Restoration	We drive nature-based solutions through the Miyawaki forest restoration method to restore ecosystem services
Coral Ecosystem Preservation	We ensure that our infrastructure does not impact coral ecosystems

Governance and Policy

We recognise that strong environmental governance is essential to embedding sustainability into our decision-making. Our top-down governance model balances strategic oversight with practical execution across all TM's business operation.

We execute our environmental management initiatives through a cross-functional programme led by the Sustainability Division. This programme involved key personnel from Strategic Business Services (SBS), Logistics Operations (LO), Group Network Technology (GNT) and Group Project Management (GPM) to effectively monitor and track environmental management related projects.

Progress is reported on a quarterly basis to the TM Management Committee (MC) and the Board Risk and Investment Committee (BRIC) to ensure alignment with organisational goal and robust governance.

For the environmental governance structure, please refer to Part 1, page 123.

We are guided by a set of established policies and processes that support consistent environmental management across TM. These frameworks help align our practices and decision-making throughout the business. These include:

TM Environmental Management Policy
Outlines TM's commitment and approach to responsible waste management and water consumption by promoting responsible resource use

Standard Operating Procedure (SOP) on Disposal of Scrap Items
Outlines the standardised guideline for disposing of excess and recovered scrap items with residual value

TM Corporate Device Management Policy
Outlines the rules to govern and manage TM corporate devices throughout their lifecycle from acquisition and maintenance to end-of-life

IT Asset Management Policy
Outlines the framework for authorising, managing and monitoring all software and hardware IT assets to ensure they are tracked and protected throughout their entire lifecycle

For details on our common sustainability policies, see page 106.

How We Create Value

Waste Management: Driving Initiatives through Data Transparency

TM generates waste across a wide range of operational sites, including offices, network facilities, data centres, warehouses and educational campuses. Our reporting on waste management covers two (2) types of waste: Solid Waste and Scheduled Waste.

1. **Expanding Our Reporting Boundary**
   In 2025, we significantly enhanced our environmental transparency by expanding our reporting scope. We transitioned from monitoring eight (8) sites to a comprehensive tracking system that captures data across our broader national operations.

Initiatives

Expanding Our Waste Management Reporting Boundary

Description

We added 52 solid waste sites and 16 scheduled waste sites to our 2025 disclosures. This expansion provides a holistic view of our footprint across commercial buildings, network facilities and the Multimedia University (MMU) campus.

Reporting Site Expansion:

2024

Solid Waste (No. of sites) **8**
Type of sites
- Commercial Building
- Network Building

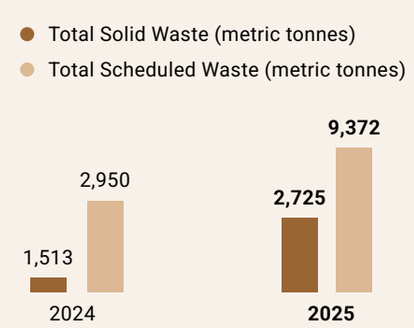
Scheduled Waste (No. of sites) **8**
Type of sites
- Commercial Building
- Network Building

2025

Solid Waste (No. of sites) **60**
Type of sites
- Commercial Building
- Network Building
- Data Centre (New)

Scheduled Waste (No. of sites) **24**
Type of sites
- Commercial Building
- Network Building
- Logistic Operation (New)

Enhancing Data Transparency



Impact Story

- This broader scope reflects a commitment to comprehensive data collection and transparent reporting, ensuring a more accurate representation of TM's operational footprint rather than an increase in waste generation.
- This enhanced visibility enables the implementation of more targeted waste reduction strategies across the national infrastructure.

PLANET

M8 Environmental Management

2. Targeted Initiatives for Scheduled Waste Management

In 2025, we strengthened our scheduled waste (SW) framework to ensure full regulatory compliance and operational safety. We align all activities with Department of Environment (DOE) standards through the following active initiatives:

Initiatives	
Responsible Scheduled Waste Management	**Description** We categorise scheduled waste into three (3) primary streams to ensure specialised handling: **Power & Lighting:** Safe disposal of batteries and lamps (SW102, SW103, SW109) **Ops & Maintenance:** Responsible handling of oils and filters (SW305, SW401) **IT Equipment:** Systematic e-waste management for component recovery (SW110) **Impact Story** • Completed disposal of **5.3 metric tonnes** of scheduled waste from our commercial and network facilities, ensuring full compliance with Department of Environment (DOE) requirements and maintaining the highest safety standards.
Strengthening Scheduled Waste (Metal Scrap) Management	**Description** Through Group Procurement (GP) and Group Network Technology (GNT), we enhanced the governance and tracking of copper cable disposal from legacy network shutdowns **Impact Story** • We completed the disposal of **7,934.1 metric tonnes** of copper, achieving **4,079 tCO_2e** in carbon avoidance by diverting waste materials to licensed recyclers. • By prioritising responsible material recovery, we ensure strict adherence to regulatory requirements, reduce operational risks and advance circular economy practices.
Refining Battery Disposal Governance	**Description** We reinforced accountability across TM, ensuring asset owners manage end-of-life batteries through DOE-compliant storage and licensed contractors. **Impact Story** • We disposed of **1,433.0 metric tonnes** of lead-acid batteries, achieving **739 tCO_2e** in carbon avoidance. • These upgrades ensure compliance to the Environmental Quality (scheduled waste) Regulation 2005, strengthen our operational controls and significantly reducing the risk of environmental incidents.
Upgrading Scheduled Waste Collection Centre	**Description** We commenced upgrades for 16 scheduled waste collection facilities nationwide to align with Environmental Quality Regulations 2005. **Impact Story** • These upgrades ensure compliance to the Environmental Quality (scheduled waste) Regulation 2025, strengthen our operational controls and segregation practices, significantly reducing the risk of environmental incidents.

Water Management: Advancing Stewardship through Comprehensive Monitoring

In 2025, we took a decisive step toward water resilience by significantly expanding our consumption tracking. This broader monitoring scope provides clearer insights into our usage patterns, enabling us to identify high-consumption areas and establish data-driven targets for future efficiency improvements.

1. Broadening Our Water Consumption Reporting Boundary

We expanded our water reporting boundary from eight (8) sites in 2024 to 60 sites in 2025. This expansion captures data from our most water-intensive facilities, including data centres, educational hubs (MMU) and major commercial buildings.

Initiatives	
Establishing Groupwide Baseline	**Description** By integrating 52 additional premises into our reporting, we have created a groupwide 2025 baseline which contributes to an increase in water consumption as below: **Reporting Site Expansion:** **2024** Water Withdrawal (No. of sites) **8** **Type of sites** Commercial Building Network Building **2025** Water Withdrawal (No. of sites) **60** **Type of sites** Commercial Building Network Building Data Centre (New) **TM's water withdrawal performance:** Water Withdrawal (m³) * *The increase in reported volume reflects our expanded reporting scope and the inclusion of high-consumption cooling requirements for data centres* 122,771 2024 1,681,721* **2025** **Impact Story** • This expanded visibility empowers us to set realistic reduction targets and strengthens our ability to drive environmental performance across our newly integrated sites. • This allows us to pinpoint high-usage areas for technical upgrades and optimise resource management across our primary hubs.

2. Initiatives for Water Efficiency

We are actively implementing technology to reduce our reliance on municipal water and improve operational efficiency.

Initiatives	
Operationalising Data Centre Monitoring	**Description** TM has set a solid 2025 water baseline of 199,215 m³ across our key data centres in Klang Valley, Iskandar Puteri, Brickfields and Kelana Jaya. This consumption is mainly driven by the essential cooling systems needed to keep our digital infrastructure running at peak performance. **Impact Story** • Enables precise risk prioritisation, cost optimisation and credible disclosure of our cooling-related water intensity. • Shifting our focus to water-efficient cooling technologies to shrink our footprint while ensuring zero disruption to our operations.
Deploying Rainwater Harvesting	**Description** We implemented rainwater harvesting systems at KVDC and IPDC to optimise resource management. We redirect captured water for non-potable uses, such as common area maintenance and sanitation. **Impact Story** • Reduces reliance on municipal supplies, improves resource efficiency and advances our water stewardship commitment. • Measuring harvested rainwater for non-potable needs such as flushing.

Environmental Quality: Upholding Standards Requirement in Energy, Air and Noise

We integrate rigorous operational standards with proactive conservation to ensure high air quality, maintain healthy noise levels and drive energy efficiency across our national infrastructure. By aligning our daily actions with regulatory compliance and best practice standard, we protect the environment.

PLANET

M8 Environmental Management

Initiatives

Air Quality (Dust) and Noise Level Monitoring

Description

We conduct regular monitoring of air quality (dust) and noise levels at our commercial and network facilities, particularly where backup power generators (gensets) operate. This ensures our sites remain safe for employees and the surrounding neighbourhood, while strictly adhering to Department of Environment (DOE) limits. The monitoring results for 2025 are summarised in the table below:

	2025			
Environmental Indicator from Genset	**Acceptable DOE Limit**	**Commercial Buildings**	**Network Buildings**	**Data Centre**
Air quality (dust) (mg/m³)	80	13.1 – 68.2	27.7 – 73.0	21.5 – 89.0
Noise (dBa) – Day	70	52.1 – 72.4	50.5 – 64.9	61.7 – 64.6
Noise (dBa) – Night	65	47.2 – 82.5	46.4 – 60.3	-

Impact Story

In 2025, we maintained a safe workplace and safeguarded the surrounding environment by ensuring all monitored buildings complied with the Environmental Quality Act 1974. This compliance allows us to proactively mitigate emissions and noise impacts.

Note:
The data presented reflects the range between the lowest and highest readings recorded across
- *four (4) TM sites for Commercial buildings (TM Annexe 1, TM Annexe 2, Cyberjaya Complex and TM MITC)*
- *four (4) TM Sites for Network Buildings (TM Bukit Timbalan, TM Miri, TM Penampang and TM Hiliran)*
- *two (2) TM sites for Data Centre (Klang Valley Data Centre and Iskandar Puteri Data Centre).*

ISO-Certified Environmental and Energy Management

Description

We maintain ISO 14001 (EMS) and ISO 50001 (EnMS) certifications across our key data centres:
- Klang Valley Data Centre (KVDC)
- Iskandar Puteri Data Centre (IPDC)
- Brickfields Data Centre (BFDC)

Impact Story

By maintaining these certifications, we ensure strict adherence to environmental laws and best practices in resource management. This systematically minimises the ecological footprint of our digital infrastructure.

Voluntary Initiatives Across Our Operations

Use Case 1: Reducing IT Footprint via Hardware Repurposing

By embedding circular economy principles such as high-value hardware recovery and optimised digital workflows, we minimise our industrial footprint. This proactive approach allows us to extend the lifecycle of our critical assets and ensure that every IT assets that we retire are either repurposed or responsibly recycled.

Background

We actively mitigate e-waste by recovering value from faulty end-user computing (EUC) devices. Instead of retiring hardware, we extract and test critical components such as RAM and hard drives, to create a sustainable internal supply of spare parts.

Impact Story

- We extended the lifecycle of **>1,000** EUC units through refurbishment and redeployment, preventing them from entering the waste stream.
- We achieved **RM3.3 million** in CAPEX avoidance through successful component recovery and reuse initiatives.

IT asset for redeployment

Use Case 2 - Forest conservation efforts

We drive nature-based solutions through the Miyawaki forest restoration method to restore the ecosystem service and build long-term climate resilience by establishing dense, self-sustaining urban forests that accelerate biodiversity recovery and act as vital carbon sinks for the future.

Background

In partnership with University Putra Malaysia (UPM), we lead the '*Kelestarian Hari Esok TM*' campaign to promote biodiversity conservation and forest restoration. Central to this strategy is our adoption of dedicated plots within the Sultan Idris Shah Forestry Education Centre (SISFEC). Here, we are actively transforming degraded 'brownfield' land into a thriving ecological asset.

Forest Restoration & Carbon Sequestration
We are turning ecological liabilities into resilient forest ecosystems by rehabilitating poor soil and eradicating invasive species. Beyond carbon sequestration, these plots serve as vital hubs for environmental research and community-based education.

The Miyawaki Method: Accelerated Impact
To maximise our impact, we utilise the Miyawaki Method, a high-density planting technique. This approach allows us to rapidly convert former construction waste sites into high-value carbon sinks.

Impact Story

- This high-density planting strategy delivers two (2) primary advantages:

Accelerated Growth

Mimics a complex jungle canopy, promoting rapid vertical growth and carbon sequestration.

Ecosystem Resilience

Establishes a self-sustaining, biodiverse habitat that is highly resilient to climate fluctuations and environmental stress.

- Since its inception in 2022, this project has achieved the following milestones, as detailed in the January 2025 progress report:

Metric	Phase 1 Planting Area (Plot 15)	Phase 2 Planting Area (Plot 12)	Total
Trees Planted	100	1,900	2,000
Surviving Trees (Jan 2025)	71	1,109	1,180
Survival Rate	71%	58%	59%

Tree Planting Initiative at UPM SISFEC

Warga TM proudly wear this t-shirt when participating in both internal and external company-led events and activities.

Use Case 3 - Turning Plastic Waste into Sustainable Apparel

As part of its commitment to sustainability and the circular economy, TM introduced eco-friendly T-shirts made from recycled plastic bottles. Each T-shirt is made from fabric created using nine (9) recycled plastic bottles, turning plastic waste into useful clothing while reducing the need for new plastic. This initiative not only helps minimise plastic pollution but also promotes responsible consumption and recycling practices.

As a responsible company, TM reinforces its commitment to environmental stewardship while raising awareness among employees and stakeholders about the importance of sustainable fabric waste disposal and sustainable lifestyle choices.

PLANET

M8 Environmental Management

Use Case 4 – Preserving Coral Ecosystems

We drive marine spatial planning and geophysical surveying to protect critical coral reef habitats. By utilising high-resolution seabed mapping, we ensure our subsea infrastructure avoids ecologically sensitive zones and preserve the coral ecosystem.

Background

The STINGRAY II project launched in 2022 aims to bridge the digital divide between mainland Terengganu and Pulau Redang through a fiber optic cable. Spanning approximately 45km from Merang to Redang Island, this high-capacity fiber optic cable is essential for boosting local socio-economic growth and supporting the island's tourism infrastructure. The project was carried out with a strict focus on protecting the environment since the cable route passes through the highly biodiverse Pulau Redang Marine Park.

Key protection measures included:

Route Optimisation & Habitat Protection

This project was executed through comprehensive rerouting of the cable path to ensure the total avoidance of sensitive ecological zones and successfully bypassed all coral outcrops and seagrass beds.

Precision Buffering

We maintained significant offsets from coral colonies (up to 107m) to ensure no physical disturbance during installation.

Impact Story

Our survey delivers two (2) primary advantages:

Habitat Preservation

Avoids the physical fragmentation of coral reefs by maintaining a safe buffer from rocky outcrops and slope areas that harbor diverse marine life.

Ecosystem Resilience

We prevent the cable from becoming a hazard to marine movement by selecting route with optimal burial depth ensuring the health of the Pulau Redang marine.

Fiber optic cable laying at Marang, Terengganu

Moving Forward

We are accelerating our sustainability agenda by moving from baseline reporting to policy-driven action. In the coming year, we will launch a comprehensive set of initiatives designed to standardise environmental excellence across every level of our organisation:

Short-Term:

Policy and Governance:

- We will formalise our commitment by introducing a Single-Use Plastic Guideline for our staff and operations.
- We will implement a dedicated Carbon Avoidance and Scheduled Waste Management Policy to ensure every business unit follows the same standards.

Water Stewardship in Infrastructure:

- We will prioritise Water Usage Effectiveness (WUE) improvements across our data centres. By implementing advanced cooling technologies and water-recycling protocols, we aim to significantly reduce the water intensity of our digital infrastructure

Medium-Term:

Biodiversity and Risk Mitigation:

- To conduct environmental and biodiversity impact assessments at high-risk operational sites.
- To prioritise sensitive locations, such as cable landing stations near mangrove ecosystems and exchanges adjacent to forest reserves.
- To identify biodiversity risks to implement targeted, science-based mitigation measures.

Long-Term:

- To continue ensuring TM's operations are in compliance with updated statutory regulations.

M9 CLIMATE CHANGE

Inside this section:

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203 Our Approach
204 Governance and Oversight
205 How We Create Value
209 Moving Forward

We categorised Climate Change as a Priority 1 material matter to maintain the operational discipline required for our Net Zero 2050 goals. By proactively managing our carbon emissions, we strengthen our operational resilience, drive efficiency and reduce long-term costs.

In 2025, our climate change approach focused on managing direct emissions and establishing baselines for indirect emissions across the following areas:

Scope 1:
We minimise reliance on fossil fuels by addressing consumption in fleet operations and backup power generators.

Scope 2:
We prioritise energy efficiency across network infrastructure, data centres and offices while scaling our use of renewable energy.

Scope 3:
We enhance data collection and establish baselines for upstream and downstream categories within our supply chain.

Capitals Deployed: **Affected Stakeholders:** CO S C E G&R S&I BP **Sustainability Pillar:** **Priority:** 1 **UN SDGs:**

Note: *A complete list of our priority level and detailed explanation of each can be found on page 107. this provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

TM recognises that climate resilience is essential to maintaining the reliability of our national connectivity. Climate risk-related disruptions are not just ecological concerns, but they are direct threats to the stability and continuity of the digital services that power our nation. Moving beyond traditional environmental protection, we are integrating regenerative practices into our core operations, positioning TM as a sustainable Digital Powerhouse by 2030. We view climate action as future-proofing. By optimising resource efficiency and strengthening our climate resilience, we ensure that our services remain uninterrupted for communities and businesses, contributing to long-term societal well-being and national environmental stewardship.

Our Approach

To ensure our infrastructure growth remains sustainable, we have operationalised our Net Zero 2050 ambition into a focused execution framework. We proactively manage our climate change through three (3) core emission pillars:

Managing Direct Emissions (Scope 1)
We minimise reliance on fossil fuels by addressing consumption in fleet operations and backup power generators.

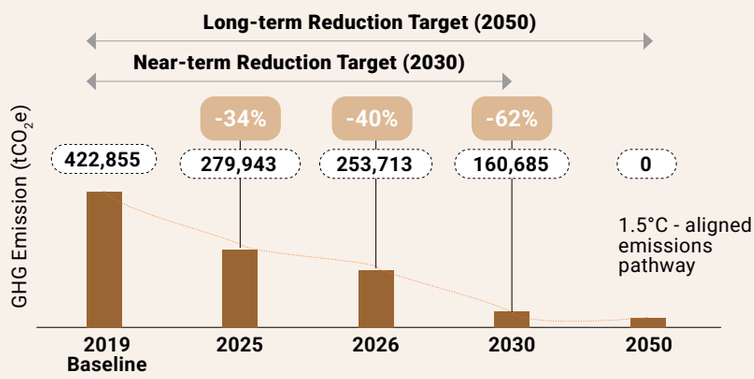
Managing Indirect Emissions (Scope 2)
We prioritise energy efficiency across network infrastructure, data centres and offices while scaling our use of renewable energy.

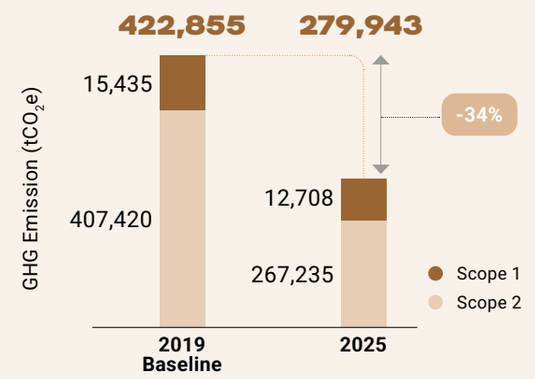
Data Gathering and Baselining (Scope 3)
We enhance data accuracy for business travel, employee commuting and waste management while establishing new baselines for leased assets and upstream transportation.

Through these approaches, TM achieves **34%** reduction in Scope 1 and Scope 2 carbon emissions in 2025 against the 2019 baseline, equivalent to 142,912 tCO_2e. This progress serves as a critical foundation for our long-term Net Zero 2050 ambition. To maintain this momentum, we have established mid-term targets to reduce 62% carbon emissions by 2030 and Net Zero by 2050.

These targets align TM's operational pathway with global decarbonisation standards set by GeSI, ITU, and SBTi, specifically for fixed, mobile, and data centre operations.

TM Decarbonisation Plan





PLANET

M9 Climate Change

Governance and Oversight

Governance

We recognise that effective climate change governance is essential to embedding sustainability into our decision-making. At TM, we embed climate accountability into our decision-making through a top-down governance model. This structure balances oversight with practical execution across all business functions.

We execute our climate initiatives through a cross-functional project team, led by the Sustainability Division. This team coordinates and monitors climate-related projects by integrating key personnel from Group Network Technology (GNT) and Strategic Business Services (SBS). Progress is reported on a quarterly basis to the TM Management Committee (MC) and the Board Risk and Investment Committee (BRIC) to ensure strategic alignment and robust governance.

To drive practical execution, we further reinforce this accountability by assigning carbon-reduction Key Performance Indicators (KPIs) to our GCFO, CNO and CCO. These KPIs cascade across all relevant managerial tiers and directly influence performance-linked incentives, such as annual increments and bonuses.

For further details on our leadership roles and group-wide sustainability governance, please refer to page 105.

Reporting Boundary

In 2025, we significantly enhanced our climate disclosures by expanding our reporting boundary to provide a holistic view of TM's business operations. This expansion ensures greater transparency and a more comprehensive baseline for our decarbonisation journey.

Scope 1 (Direct Emissions):

Building on our 2024 reporting of the TM fleet operations, we have expanded our 2025 boundary to include **stationary combustion from diesel gensets nationwide** and **MMU fleet operations.**

Scope 2 (Indirect Emissions):

We have extended our monitoring beyond Peninsular Malaysia to achieve nationwide coverage, incorporating operations in **Sabah** and **Sarawak**. Additionally, the 2025 boundary now includes electricity consumption from **MMU Cyberjaya** and **Melaka campuses**.

Methodology

We leverage a hybrid GHG accounting approach to establish a comprehensive baseline of our environmental impact. By digitising our emission tracking from fleet operations to complex value chain activities, we maintain the higher accuracy necessary to inform our strategic evolution into a sustainable digital leader.

Scope 1: Direct Emissions from Fuel Consumption	Scope 2: Indirect Emissions from Electricity Consumption	Scope 3: Indirect Emissions from value chain
We calculate our emissions for fuel consumption from our vehicle fleet and diesel usage across all sites and operations using emission factor from Department for Environment, Food and Rural Affairs (DEFRA) Emission Conversion Factors 2025.	We calculate our emissions for electricity consumption using the location-based method on TM business operations in Peninsular Malaysia, Sabah and Sarawak using the Malaysia Grid Emission Factor (GEF) by Malaysia Energy Information Hub (MEIH).	We calculate the indirect emissions from our value chain to establish baselines across six (6) categories using both spend-based and activity-based sourced from the DEFRA, EPA and GHG Protocol

How We Create Value

Scope 1: Managing Direct Emissions

In 2025, we significantly enhanced our climate disclosures by expanding our Scope 1 reporting boundary to include stationary combustion from diesel gensets and vehicle fleets from our education facilities at MMU. This strategic shift moves us beyond a fleet-only focus within our core operations to capturing all direct fuel-burning assets nationwide.

Scope 1 emissions	**Baseline**			
Year	**2019**	**2023**	**2024**	**2025**
Total Scope 1 Emissions Fleet (tCO_2e)	12,880	9,431	8,763	**8,727**
Total Scope 1 Emissions Genset (tCO_2e)	2,555	3,993	4,856	**3,981**
Total Scope 1 Emission (tCO_2e)	15,435	13,424	13,619	**12,708**

Petrol and diesel consumption and carbon emissions from TM Fleet				
Year	**2019**	**2023**	**2024**	**2025**
Total Petrol Consumed from TM Fleet (Megalitre)	3.59	2.33	2.22	**2.05**
Total Diesel Consumed from TM Fleet (Megalitre)	1.78	1.75	1.65	**1.57**
Total Carbon Emissions for TM Fleet (tCO_2e)	12,542	9,431	8,763	**8,287**

Petrol and diesel consumption and carbon emissions from MMU Fleet				
Year	**2019**	**2023**	**2024**	**2025**
Total Petrol Consumed from MMU Fleet (Megalitre)	0.15	-	-	**0.12**
Total Diesel Consumed from MMU Fleet (Megalitre)	0.003	-	-	**0.07**
Total Carbon Emissions (tCO_2e)	338	-	-	**440**

Diesel Consumption and Carbon Emissions from Generator Set Operations				
Year	**2019**	**2023**	**2024**	**2025**
Total Diesel Purchased (Megalitres)	0.98	1.60	1.93	**1.55**
Total Carbon Emissions (tCO_2e)	2,555	3,993	4,856	**3,981**

Initiatives for Scope 1: Managing Direct Emissions

Initiatives

Vehicle Optimisation Programme

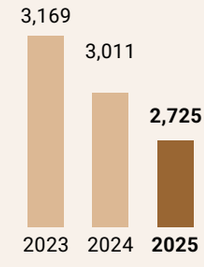
Description

Reduced overall fleet size by phasing out aging vehicles and replacing internal combustion engine (ICE) models with Energy Efficient Vehicles (EEV) and Electric Vehicles (EV).

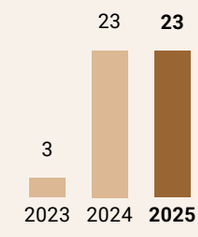
Impact Story

- Total reduction of aging ICE vehicles = **152 units**
- Total fuel reduction for TM Fleet = **0.25 Megalitre** (Diesel & Petrol)
- Carbon reduction of **539 tCO_2e**

Number of ICE Vehicles



Number of EVs



PLANET

M9 Climate Change

Initiatives for Scope 1: Managing Direct Emissions

Initiatives	Description	Impact Story
TM EZFleet (Car Sharing)	Optimised vehicle usage and reduced redundant assets through a car sharing platform.	This approach leads to maximised productivity by providing flexibility in vehicle utilisation.

Scope 2: Managing Indirect Emissions

While total electricity consumption for 2025 reached **480,521 MWh**, representing a **14%** increase due to an expanded reporting boundary, our network operations simultaneously achieved a **6%** efficiency reduction of **20,285 MWh** through legacy decommissioning and modernisation programs.

Scope 2 Emissions

Year	Baseline 2019	2023	2024	2025
Total Scope 2 Emissions (tCO_2e)	407,420	286,450	257,807	**267,235**

Total electricity consumed at various sites

TM Electricity Consumption Breakdown by Sites (MWh)	Baseline 2019	2023	2024	2025
Network	374,524	328,265	317,194	**296,909**
Sarawak**	40,048	-	-	**40,639**
Sabah**	30,291	-	-	**26,357**
Building – Commercial	45,652	21,136	19,853	**18,751**
MMU**	20,867	-	-	**22,207**
Building – Data Centre	49,651	79,701	83,866	**78,086**
Total	469,827	429,102	420,913	**480,521***
Renewable Energy (GET)		(51,200)	(87,828)	**(96,587)**

Note:

* *Third-party power usage at Edge Facilities (2,428 MWh) is excluded from TM's total electricity consumption and Scope 2 emission. It is instead reported under Scope 3 (Category 13: Downstream Leased Assets)*

** *Denotes new boundary expansion resulting in data collection in 2025, hence no data for the prior years*

Electricity at Data Centre

TM Electricity Consumption Breakdown (MWh)	Baseline 2019	2023	2024	2025
Data Centres	51,561	102,871	112,606	**116,330**
Third-party Power Usage at Data Centres	1,910	23,170	28,740	**38,244**

Note: *Third-party power usage at Data Centres is excluded from Scope 2 and reported under Scope 3 (Category 13: Downstream Leased Assets).*

Initiatives for Scope 2: Managing Indirect Emissions

Energy Efficiency

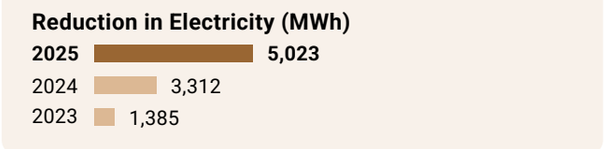
Network Element Shutdown

Description

Reduced energy use while improving performance through decommissioning 5,657 legacy network elements and migrated services to higher-efficiency networks. This will also allow further network modernisation at existing nodes or network facilities.

Impact Story

- Reduced **3,887 tCO_2e** of carbon emissions



Initiatives

Energy Efficiency Optimisation (EEO)

Description

Enhanced energy efficiency across facilities by adjusting room temperatures, replacing conventional lighting with LED and solar alternatives and optimising equipment.

Impact Story

- Reduced **6,234 tCO_2e** of carbon emissions

Reduction in Electricity (MWh)

2025	**8,055**
2024	3,431
2023	3,840

Energy Performance Contracting (EPC)

Description

Upgraded cooling systems by installing energy-efficient inverter air conditioners and replacing outdated lighting with high-efficiency bulbs across EPC buildings.

Impact Story

- Reduced **23,813 tCO_2e** of carbon emissions

Reduction in Electricity (MWh)

2025	**30,767**
2024	26,200
2023	24,500

Cooling Unit Upgrading (CUU)

Description

Replaced 70 conventional air-conditioning units with energy-efficient inverter models to improve cooling performance and lower energy consumption.

Impact Story

Allowed TM to save energy and reduce emissions through the upgrading of cooling technology.

Power Usage Effectiveness (PUE) Monitoring

Description

Monitored PUE across data centres, allowing real-time optimisation for energy efficiency and operational improvements.

Impact Story

- Average PUE remains between 1.4 and 1.8, despite business expansion and increased energy usage.

Renewable Energy

Green Energy Tariff (GET)

Description

Reduced GHG carbon emissions and reliance on conventional electricity sources through the use of renewable energy (RE) via a subscription to the GET from TNB.

Impact Story

- Reduce **74,758 tCO_2e** of carbon emissions
- The RE mix for TM's operations reached **20%** of total electricity consumption

Renewable Energy (RE) Adoption (MWh)

2025	**96,587**
2024	87,828
2023	51,200

Solar Power Purchase Agreement (SPPA)

Description

1. Achieved Commercial Operation Date (COD) at three (3) sites where Gentari (Petronas) installed solar PV systems at six (6) TM buildings, with a total capacity of 4.3 MWp of solar power.

Site Location	Solar System Power (kWp)	Operation Status
SKDL Mersing	245.44	Commercial of Date: Dec 2025
TM R&D	428.34	Commercial of Date: Dec 2025
IPDC	351.64	Commercial of Date: Nov 2025
KVDC	1,474.41	Expected completion: Q2 2026
MMU Cyberjaya	1,302.13	Expected completion: Q1 2026
MMU Melaka	497.37	Expected completion: Q2 2026

Impact Story

Achieved carbon avoidance of **83 tCO_2e** through the generation of 108 MWh.

- Signed a Solar Power Purchase Agreement (SPPA) with Network Facility Provider (NFP) for the deployment of **5.9 kWp** Solar PV system along the Maju Expressway (MEX) and a **10 kWp** system at the Sungkai PLUS Highway site, replacing diesel generators to power off-grid 4G base stations with renewable energy.
- This collaboration marks a significant milestone to TM in supporting goal 7, 11 and 17 of UN SDG.

PLANET

M9 Climate Change

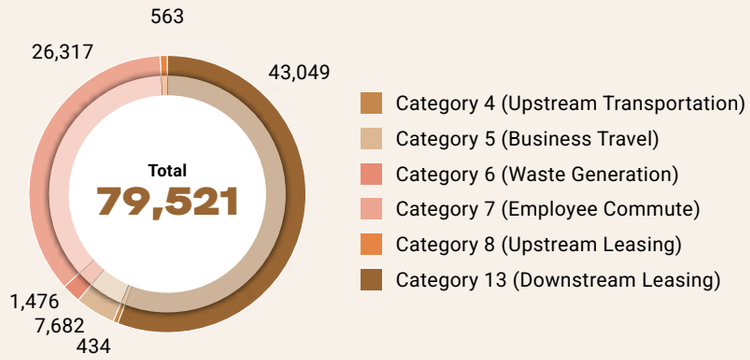
Scope 3: Footprint reporting and Baselining

In 2025, we expanded our Scope 3 emissions from three (3) to six (6) categories. The existing categories are category 5, 6 and 7, while the newly added categories are category 4, 8 and 13. The categories, reporting boundary and their methodologies for data gathering to establish a baseline are as follows:

Category 4 Upstream Transportation & Distribution	• Applied a spend-based methodology, calculating emissions based on our total procurement spend for third-party logistics and delivery services. • Recorded the first year for this category in 2025.
Category 5 Waste Generation at Operation	• Supported by an activity-based calculation based on the waste generation at TM premises nationwide. • Established baseline for solid waste generation from 60 TM's sites nationwide in 2025. • The waste management reporting boundary has been expanded to incorporate scheduled waste generated from all TM operations nationwide. • Data and waste management strategies are available in section M8: Environmental Management.
Category 6 Business Travel	• Applied an activity-based method to third-party transportation on business travel claimed by TM's staff for land travel (such as cars and motorcycles) and air travel.
Category 7 Employee Commuting	• Supported by an activity-based calculation derived from a survey conducted in September 2025 among TM employees.
Category 8 Upstream Leased Assets	• Used a spend-based calculation method that reflects the indirect impact of our infrastructure footprint. • Expanded our Scope 3 inventory to include this boundary which covers our leasing arrangements with Network Facilities Providers (NFP), tower owners and private landlords to support our mobile services.
Category 13 Downstream Leased Assets	• Applied an activity-based method calculating emissions based on declared electricity consumption by external customers utilising our infrastructure within our Data Centre, Edge Facilities and Exchanges nationwide. • Provides a more complete picture of our infrastructure's impact and helps to better support our customers in their own decarbonisation journeys.

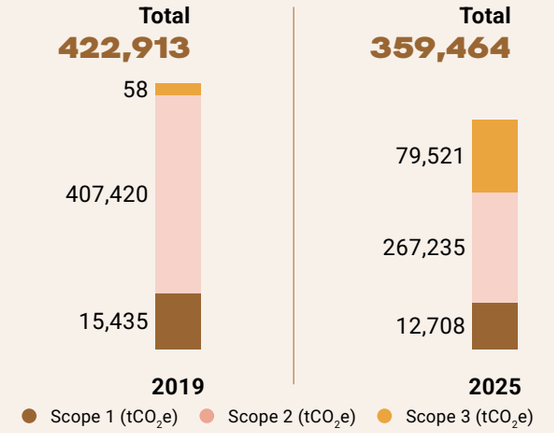
Total carbon emissions for these categories

TM SCOPE 3 (tCO_2e)



Performance Data

Performance Data for Scope 1, Scope 2 and Scope 3 for baseline year 2019 and 2025



TM FY2025 greenhouse gas (GHG) inventory has been prepared in accordance with the GHG Protocol Corporate Standard, utilising the 'Scope 1, 2, and 3' framework for organisational reporting. To ensure data integrity, Intertek has performed independent limited assurance based on the ISO 14064-1:2018 standard. While the assurance engagement utilises ISO's six-category classification system, we have mapped these findings directly to our GHG Protocol disclosures to ensure consistency across our sustainability narratives and historical data.

Please refer to the GHG Verification Statement on pages 333 to 335 for further details.

Carbon Offset

In 2023, TM became an inaugural participant in the Bursa Carbon Exchange (BCX), Malaysia's first voluntary carbon market auction. This move marked a deliberate entry into the global carbon economy, where we strategically diversified our portfolio across two (2) project categories: Technology-Based Carbon Contracts (GTC) and Premium Nature-Based Carbon Contracts (GNC+). Through this initiative, TM secured 5,000 tCO_2e from GTC projects and 32,000 tCO_2e from GNC+ projects. By acquiring these high-quality, Verra-registered contracts, TM secured a balanced mix of nature-led and technology-led climate solutions.

As we move into 2025, TM has made the strategic decision not to retire or offset these credits at this stage. Rather than utilising offsets for immediate claims, we are channeling our primary efforts into tangible carbon reduction through Energy Efficiency (EE) initiatives and the scaling of Renewable Energy (RE) adoption. This approach ensures that our current resources are dedicated to the most impactful decarbonisation activities to reduce our physical energy footprint and transition toward a greener energy mix.

Category	Storage Type	Volume (tCO_2)	Status (2025)
GTC	Technology-based	32,000	Strategic Reserve
GNC+	Premium nature-based	5,000	Strategic Reserve
Total	**Total Carbon Credit**	**37,000**	**In Inventory**

Note: *[1] GTC projects reduce or avoid greenhouse gas emissions, such as renewable energy, methane capture, or industrial emission reduction initiatives.*
[2] GNC+ projects protect or restore ecosystems, such as forests or wetlands, while delivering additional environmental and community co-benefits.

Moving Forward

Looking forward, we will launch a comprehensive set of initiatives designed to standardise environmental excellence and align our decarbonisation pathways with national Net Zero targets.

Short-Term:

- Formalise Policy and Governance through Single-Use Plastic Guidelines and Schedule Waste Management and Carbon Avoidance Policy.
- Implement Internal Carbon Pricing (ICP) and preparations for Carbon Tax transition risks.
- Expand Scope 3 assessments to enhance data comprehensiveness and value chain transparency.

Medium-Term:

- Improve Water Stewardship by prioritising Water Usage Effectiveness (WUE) and advanced cooling in data centres.
- Expand decarbonisation plan beyond Scope 1 and 2.

Long-Term:

- To continue ensuring TM's operation is aligned with Net Zero 2050.

PEOPLE

M10 LABOUR PRACTICES & HUMAN RIGHTS

Inside this section:

210 Why It Matters
210 Our Approach
211 Governance and Policy
211 Our Commitment to Responsible Labour Practices & Human Rights Standards
212 How We Create Value
220 Moving Forward

As a Responsible Employer, we place labour practices and fundamental human rights at the centre of our priorities, recognising them as Priority 2. This reflects their strategic importance to our sustainability agenda and the commitments we make to our stakeholders.

We actively uphold internationally recognised human rights principles and make them the foundation of our labour practices. We embed these principles into our labour practices, responsible business conduct and long-term sustainability strategy.

We create an inclusive workplace where every individual feels valued, empowered and supported. We actively promote holistic well-being while strengthening fair, transparent and accountable employment practices across the organisation.

Through these efforts, we are building a resilient, future-ready workforce that powers our Digital Powerhouse aspiration and delivers sustainable value for all stakeholders.

Capitals Deployed: **Affected Stakeholders:** E U **Sustainability Pillar:** **Priority:** 2 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each, can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

At TM, we deliver on our stakeholder's expectation by:

- Putting our people first, we uphold responsible labour practices and respect human rights, fostering trust while creating lasting value for both our employees and the organisation.
- Focusing on building a safe, inclusive and supportive workplace, we strive to make *Warga TM* feel valued, empowered and equipped to perform at their best.

We embed strong human capital governance to enhance productivity, resilience and engagement, cultivating a One TM mindset that empowers our employees and drives our journey to become a Digital Powerhouse by 2030.

Our Approach

Our approach to responsible labour practices and human rights anchored on six (6) key principles, creating an inclusive, safe and high-performing workplace that promotes employee well-being and drives sustainable growth. We focus on six (6) interconnected areas:

1 Respecting Employee Rights & Responsible Labour Practices

We uphold fundamental employee rights to ensure fair treatment, safe working conditions and responsible employment practices across TM. This includes providing competitive remuneration, with minimum wages aligned to Malaysian wage standards, regulated working hours, paid leave entitlements and respect for freedom of association. We regularly engage with workers' representatives on union matters, including working conditions, to support a sustainable and engaged workforce.

We also ensure that employees are accessible to their paid annual leave entitlements, capability development, training and reskilling programmes to mitigate the impact of industrial changes.

2 Diversity, Equality and Inclusion

We embed equality and inclusion across the entire employee lifecycle, from recruitment and remuneration to performance evaluation and career progression. Our decisions are guided by merit, capability and experience, ensuring fair and consistent treatment for all, regardless of race, ethnicity, gender, age, religion, disability, political beliefs, or any other protected characteristics. We uphold a firm zero-tolerance stance against discrimination, reinforcing a workplace built on respect, trust and fairness.

3 Safe, Respectful & Harassment-Free Workplace

We maintain a strict zero-tolerance approach to all forms of harassment, whether sexual or non-sexual. Guided by TM's KRISTAL values of 'Respect and Care' and aligned with the Anti-Sexual Harassment Act 2022, the Employment Act 1955 and Article 8 of the Federal Constitution, we set clear expectations for respectful conduct across all levels of the organisation.

4 Employee Health, Well-Being & Engagement

By caring for the physical, mental and emotional health of our people, we cultivate an environment that enables sustained engagement, energy and resilience. Through structured programmes, flexible work practices, lifestyle initiatives and access to professional support, we help our people thrive at work and beyond.

5 Performance, Communication & Workforce Engagement

We foster a performance-driven culture supported by clear objectives, regular performance conversations and transparent communication. This approach keeps our employees aligned with TM's strategy, values and business priorities, while supporting continuous development. In parallel, we maintain ongoing and constructive engagement with employee representatives to address working conditions and strengthen mutual trust.

6 Capability Building & Workforce Readiness

We invest in continuous learning, leadership development and digital capability building to proactively manage skills transition risks arising from digitalisation, automation and evolving business models. By leveraging digitisation, automation, AI and analytics for strategic workforce planning, TM identifies skills gaps, strengthens talent acquisition and enhances performance measurement, ensuring a future-ready workforce that drives organisational efficiency, productivity and sustainable growth in support of TM's Digital Powerhouse ambition.

Governance and Policy

We uphold fair and responsible labour practices through comprehensive internal policies covering competitive wages, overtime entitlements, remuneration, paid leave and working hours. Clear communication of these policies ensure employees are aware of their rights and benefits, promoting equitable access and supporting a safe, respectful and inclusive workplace.

This policy is available through the HR Digest and internal bulletins, ensuring accessibility in English and, where relevant, Bahasa Malaysia. Our key policies include:

Responsible Employer Commitment
Sets clear expectations for an inclusive, supportive and respectful workplace, free from discrimination, exploitation and harassment.

Performance Improvement Plan (PIP)
Supports capability development through structured guidance and targeted improvement plans.

TM Performance Management Framework
Aligns individual performance with the company's strategy, reinforcing accountability while promoting behaviors that embrace the Spark the PWR culture.

Flexi Benefits
Gives employees the flexibility to personalise benefits based on their needs.

For details on our common sustainability policies, see page 106.

Our Commitment to Responsible Labour Practices & Human Rights Standards

We are committed to respecting internationally recognised human rights principles across our operations, workforce and supply chain. As a national digital enabler, we recognise that connectivity plays a vital role in economic participation, social inclusion and access to information. Our commitments include:

Zero tolerance for human trafficking, forced labour and child labour in any direct or indirect business activities, including recruitment, products, services and supply chains.

Respect for freedom of association and collective bargaining, in line with applicable laws and international labour standards.

A workplace free from discrimination and harassment, ensuring equal opportunity, fair treatment and inclusive access to employment and career development.

Standards and Frameworks That Guide Our Practices

We align our labour practices and human rights commitments with recognised national and international standards, including:

Labour Practices Standards

- International Labour Organisation (ILO)
- Malaysian Employment Act 1955
- Industrial Relations Act 1967
- Children and Young Persons (Employment) Act 1966
- Sabah Labour Ordinance 1949
- Sarawak Labour Ordinance 1952
- Occupational Safety and Health Act 1994 (Act 514)

Human Rights Standards and Frameworks

- Universal Declaration of Human Rights
- UN Global Compact Ten Principles
- UN Guiding Principles on Business and Human Rights
- National Action Plan on Business and Human Rights 2025–2030

Beyond labour rights, we also respect and promote fundamental human rights relevant to the telecommunications industry, including:

The right to privacy and data protection

Access to information and digital inclusion

Online Safety Awareness and Practices

We integrate these commitments into our day-to-day operations to ensure responsible, ethical and sustainable business conduct, while creating long-term value for our people, stakeholders and the nation.

PEOPLE

M10 Labour Practices and Human Rights

How We Create Value

By implementing transparent policies, providing equal opportunities and engaging continuously with our employees, we empower our employees, safeguard their rights and foster a culture of respect and dignity at all levels. We bring our labour practices to life through measurable outcomes, targeted employee programmes and operational initiatives, all aligned with our six (6) key focus areas.

1 Respecting Employee Rights & Responsible Labour Practices

TM safeguards employee rights through fair employment practices and strong industrial relations. Within the year, we maintain zero (0) substantiated cases of human rights violations, forced labour or child labour. These mechanisms protect employee rights, support industrial harmony and strengthen workforce stability.

Initiatives	
Empowering Choice Through an Enhanced TM Flexi Benefits Scheme	**Description** We listen to our employees and assess their needs, which led us to strengthen our Flexi Benefits Scheme, giving *Warga TM* real choice over what matters most to them. Employees can customise their benefits annually to reflect their priorities, lifestyles and life stages, whether supporting mobility, wellness, family or personal needs. **Impact Story** In 2025, we introduced four (4) new benefit categories, reflecting evolving employee expectations and a more inclusive definition of well-being. • Electric Vehicle (EV) support, including charger installation, rental, subscriptions and related facilities. • Fertility treatment coverage, including medication, IUI and IVF. • Pet-related reimbursements, covering food, healthcare, grooming, supplies and boarding. • Smart devices and electrical appliances. These enhancements sit alongside existing benefits such as personal vehicle expenses, wellness programmes, fitness equipment and home appliances. By empowering choice and flexibility, our Flexi Benefits Scheme strengthens employee engagement, supports diverse needs, optimises costs and reinforces long-term talent retention and business resilience.
Promoting Recovery, Compassion and Trust Through Additional Paid Leave	**Description** Our paid leave options give employees the time and space to rest and care for their immediate family members. This approach actively supports their physical and emotional well-being. **Key enhancements include:** • Paid Compassionate Leave of up to seven (7) days for employees supporting family members during unfortunate events such as loss of family members or illness. • Paid Self-Recovery Leave of up to three (3) days for employees recovering at home without requiring a clinic visit. **Impact Story** • **5.7%** reduction in emergency leave utilisation in 2025. • **64,636** emergency leave days recorded in 2025, compared to 68,532 days in 2024. • By prioritising recovery and care, we offer flexibility, build trust and enable employees to return to work refreshed, supporting productivity, engagement and long-term organisational resilience.
Safeguarding Well-Being Through Inclusive Medical Coverage	**Description** We provide comprehensive medical protection that extends beyond employees to include their dependants, ensuring no one is left behind. **Impact Story** • **100%** of employees were covered under our medical benefits scheme. • Coverage included Group Term Life (GTL) and Group Personal Accident (GPA) insurance, with reimbursements for related fees. • Medical benefits were extended to temporary and part-time personnel, reinforcing our inclusive approach. • By reducing financial stress and promoting access to healthcare, we foster a healthier, more stable workforce, supporting sustained productivity and long-term business continuity.

Initiatives	
Supporting Caregivers Through Flexible Paid Parental Leave, Enabling Work-Life Integration	**Description** To help working parents balance career and family responsibilities, we invested in accessible childcare and progressive parental benefits, recognising the importance of flexibility during critical life moments. **Key initiatives include:** • On-site childcare facilities at TM Dynamic Kids and TM Melaka International Trade Centre (MITC), offered at affordable rates. • Designated breastfeeding breaks and facilities at TM Annexe 1, TM Annexe 2 and TM Campus Cyberjaya. • Extended Paid Parental Leave, including: - Paid Maternity Leave of up to 98 days (14 weeks) for up to five (5) children. - Paid Paternity Leave of up to seven (7) days for up to five (5) children. • Claimable Flexi Benefits for childcare and education expenses, including: - Childcare fees at registered centres and babysitters (up to RM3,000 per annum, non-taxable). - Education-related expenses such as school fees, tuition, books and uniforms. • Our childcare, parental leave and workplace facilities align with the UNICEF's Family-Friendly Workplace Toolkit for Business, reinforcing TM's commitment to creating a supportive, inclusive and future-ready workplace. **Impact Story** • **100%** return-to-work rate for employees after Paid Parental Leave. • **95.1%** retention rate 12 months after returning to work. • **2,884** women employees returned to work after Paid Parental Leave. • **6,111** employees utilised Paid Parental Leave. • **50,950** days (7,279 weeks) of Paid Parental Leave were granted. • This flexibility supports working parents and multigenerational caregivers, enabling smoother work-life integration while reducing burnout. The result is stronger employee loyalty, sustained productivity and improved retention
Voluntary Separation Scheme (VSS)	**Description** We implemented the Voluntary Separation Scheme (VSS) on a voluntary, employee-initiated basis, ensuring that participation was driven by individual choice. Through this programme, we provided permanent employees who chose to retire or separate from the Company with clearly defined terms, financial benefits and medical support, helping them transition confidently into their next chapter. **Impact Story** • **1,019** employee applications were approved under the VSS. • By offering financial support, transition flexibility and a dignified exit pathway, the VSS allowed employees to pursue new opportunities with confidence. At the same time, it enabled the Company to optimise workforce structure, manage costs prudently, sustain morale and ensure operational continuity through a smooth and structured transition.
Freedom of Association and Collective Bargaining	**Description** We recognise and respect the vital role of employee unions in representing the collective voice of our workforce. Through regular engagement and constructive dialogue, we work closely with unions to strengthen working conditions, address concerns transparently and uphold responsible labour practices. TM formally recognises three (3) independent employee unions: • *Kesatuan Kebangsaan Pekerja-Pekerja Telekomunikasi Semenanjung Malaysia (NUTE).* • *Kesatuan Pekerja Telekomunikasi dan Multimedia Sarawak (STMU).* • *Kesatuan Pekerja-Pekerja Telekomunikasi Sabah (SUTEN).* **Impact Story** • **5,556** unionised employees. • **73%** of employees covered under collective bargaining agreements. • **2,092** non-unionised employees. • Through these recognised unions, employees are empowered to exercise their fundamental labour rights, including the right to voice work-related concerns without fear of retaliation, to bargain collectively for fair terms and conditions and to freely decide on union membership. • We remain committed to fostering open dialogue, mutual respect and continuous improvement in workplace standards, reinforcing our dedication to human capital development and long-term organisational resilience.

PEOPLE

M10 Labour Practices and Human Rights

2 Diversity, Equality and Inclusion

As an equal opportunity employer, we strengthened inclusive leadership and fair pay practices across the organisation, reinforcing our belief that fairness should never depend on gender or any other personal characteristic. By monitoring and maintaining gender parity and equal pay between genders across management, executive and non-executive levels, we demonstrate our commitment to equitable recognition of talent and contributions. This culture of fairness builds trust, empowers our people and strengthens TM's resilience for the years ahead.

Details on Gender Pay indicators refer page 220.

Initiatives

ASPIRE Programme

Description

- We designed the ASPIRE programme to accelerate the growth of high-potential women in middle management, preparing them to step confidently into senior leadership roles within a two-year development journey.
- The programme combines structured learning with real-world exposure, including leadership training, experiential immersions, profiling assessments, as well as personalised coaching and mentoring to strengthen executive presence and strategic capabilities.

Impact Story

- **60** participants successfully completed the programme.
- **13%** of graduates were promoted to senior management roles, contributing to a stronger representation of women in leadership.
- **90** participants have enrolled in the programme since launched in 2023.

3 Safe, Respectful & Harassment-Free Workplace

We are committed to fostering a workplace where everyone feels safe, respected and heard. To reinforce this culture, all employees receive regular training on discrimination and harassment, both sexual and non-sexual, regardless of role or seniority.

Through annual awareness programmes and additional sessions conducted on request, we ensure employees clearly understand what constitutes harassment, how to recognise unacceptable behaviour and how to act when concerns arise. Employees are also informed of the appropriate reporting channels, in line with Company policies and applicable Malaysian legislation.

Access to Remedy: Clear and Trusted Grievance Channels

We provide a formal and transparent grievance mechanism to ensure timely access to remedy for all incidents of discrimination and harassment. Our process is designed to be safe, confidential and accessible, giving employees and stakeholders confidence to speak up without fear of retaliation.

The grievance process includes:

- **Clear reporting channels**
- **Well-defined escalation pathways**
- **Structured investigation, resolution and follow-up**

Any employee found to have engaged in harassment, bullying or mistreatment of others is subject to due disciplinary action. In addition, formal whistleblowing channels are available to employees and external parties to report concerns independently and confidentially.

Complaints may be submitted through the following avenues:

Internal

Direct reporting to the Human Resources Industrial Relations (IR) channel via email at iru@tm.com.my, for workplace-related concerns

External

Ethics Line – 1800 88 2377 (toll-free)
Email - ethic@tm.com.my

By strengthening awareness, encouraging early reporting and ensuring fair and consistent action, we reinforce a culture of respect, accountability and trust where everyone at TM can work with confidence and dignity.

Initiatives

Zero-Tolerance for Harassment & Discrimination

Description

- We ensure that all complaints related to harassment and discrimination are addressed through fair, timely and impartial investigations, with due process applied consistently once a report is lodged.
- Every report is handled with strict confidentiality, beginning with a formal investigation and, where applicable, the issuance of Suspension Letter for investigation purposes, followed by a Show Cause Letter and the determination of appropriate disciplinary action.
- We continue to actively inform employees of the available reporting channels and mechanisms, reinforcing confidence in our grievance process.

Impact Story

- **Zero** cases of workplace discrimination were reported.
- Four (4) harassment cases were reported and resolved with appropriate action.
- These outcomes reflect our commitment to a safe, respectful and accountable workplace, where concerns are taken seriously and addressed decisively to protect the well-being and dignity of all employees.
- We actively address employee concerns, with the number of complaints rising slightly from two (2) in 2024 to four (4) in 2025. This reflects a culture where employees feel confident to voice feedback, helping us continuously improve and strengthen our workplace.

Number of complaints concerning harassment

4 Employee Health, Well-Being & Engagement

We invested in holistic well-being initiatives to sustain productivity and engagement. These initiatives reduce work-related stress such as fatigue, improve morale and enhance workforce sustainability.

Initiatives

Flexible Working Arrangement (FWA)

Description

We maintained flexible working arrangements to support productivity and operational efficiency. This includes FlexiSpace, FlexiHours, FlexiWeek & Annual Leave Purchase.

- FlexiHours option allowing reduced daily working hours with proportionate temporary salary adjustment.
- FlexiWeek option enabling a 4-day work week with one (1) Flexi Off-Day.
- Annual Leave Purchase – provide employees with the flexibility to purchase additional annual leave days, offering greater flexibility and work-life balance.

Our hybrid working arrangement for employees at the Executive level (Band 2 and below) requires three (3) days in the office and allows two (2) days of remote work within a two-hour radius of the registered office.

Impact Story

- **98.8%** of eligible workforce (17,085 employees) benefited from FWA.
- We empower employees with flexible work arrangements, trusting them to work from home while staying productive, maintaining work-life balance and managing their schedules with autonomy and team engagement.

Organisational Health Index (OHI)

Description

- We measure what matters. Through our bi-annual Organisational Health Index (OHI) survey, we assess employee engagement, psychological safety, energy levels, job satisfaction, purpose, happiness and work-related stress. This allows us to gain real insight into how our people experience work at TM.
- OHI's key indicators performance in 2025:

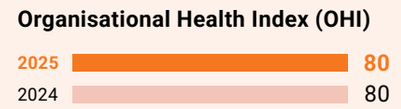
Psychological Safety
73% feel safe speaking up with ideas

Energetic
76% feel energised by their work

Impact Story

- **80** Organisational Health Index (OHI)'s score achieved.
- **73.3%** (11,721 employees) response rate achieved out of the 16,000 employees invited to participate for the OHI survey conducted in November 2025.
- Our OHI has steadily rising from 79 in 2023 to 80 in 2024 and maintaining that level in 2025, reflecting our ongoing commitment to a healthy, engaged and high-performing workplace.

Organisational Health Index (OHI)



PEOPLE

M10 Labour Practices and Human Rights

Initiatives

GCEO Body Mass Index (BMI) Challenge

Description

In 2025, we launched the GCEO BMI Challenge as a long-term wellness initiative to encourage healthier lifestyles across the organisation, with the programme set to run through 2027.

Impact Story

- **5,707** employees participated.
- **3,100** employees achieved award status, including:
  - 1,323 Gold (normal BMI range 18.5–22.9).
  - 826 Silver (improvement bands 23.0–23.9 / 17.5–18.4).
  - 951 Bronze (improvement bands 24.0–24.9 / 16.5–17.4).
- By rewarding measurable progress, the initiative promotes physical fitness, mental well-being and healthier habits, contributing to reduce absenteeism, improved morale and long-term healthcare cost management.

Note: The ideal or healthy BMI standard range is 18.5 – 24.9

Digital Health Ecosystem: TM Health & Well-Being App

Description

As a digital enabler, we extend well-being into the digital space. Our TM Health and Well-Being app provides employees with access to webinars, sports challenges, tele-consultations with certified external counsellors, the Life Coach programme and personalised coaching sessions.

Impact Story

- **14,185** employees installed and activated the app, significantly expanding access to mental and physical health support.
- By integrating digital tools into our wellness ecosystem, we empower employees to manage their well-being proactively, fostering a healthier and more productive culture.

Well-Being Webinars: Empowering Mind, Body and Spirit

Description

We delivered monthly well-being webinars covering mental health, financial wellness and spiritual growth; recognising that well-being is multidimensional.

Impact Story

- Ten (10) webinars conducted with **4,882** total participants
- These sessions empower employees from diverse backgrounds to thrive personally and professionally thus strengthening engagement, productivity and a positive workplace culture.

Our top five (5) most popular webinar sessions are:

No	Webinar Topic	Total Participant
1	Workwell: From Stress to Success	1,000
2	Recognising and Addressing Burnout	785
3	Harnessing Gratitude Through Journaling	764
4	Healthy Eating on the Go: Nutritious Choices for Busy Malaysians	489
5	New Year, New You: A Guide to Mental Wellness	437

Sport Events, Clubs and Society

Description

We create opportunities for employees to connect beyond day-to-day work through active clubs and associations that support well-being, shared interests and community engagement. These platforms strengthen collaboration, teamwork and a sense of belonging across the organisation.

Impact Story

- Our recreational clubs and sports events give employees the chance to connect, unwind and explore new interests beyond work. By fostering creativity, teamwork and well-being, they promote a healthy body and an energised mind through fun and meaningful activities. Our main clubs are:

Initiatives

Sport Events, Clubs and Society (cont'd)

Impact Story (cont'd)

Kelab TM Malaysia: A Group-wide platform that promotes employee engagement through sports, health, education, CSR and recreational activities, supported by affiliated state-level Kelab TM Negeri.

- Total members: **7,968**
- Key activities: Squid jigging (The islands off Mersing), National Sepak Takraw Championship, Women and Children Sepak Takraw Clinic, health webinars, TM National Bowling Championship and TM Sports Championship (KASTEL)*.

* *In the reporting year, this biennial event was last hosted by Kelab TM Pulau Pinang in 2024 and will be hosted by Kelab TM Kelantan in 2026.*

Tiaranita: Promotes engagement among female employees, spouses and lifetime members through self-development programmes and community initiatives.

- Total members:
  - **3,085** Nationwide members.
  - **1,152** Tiaranita Nasional (headquarter).
- Key activities: *Ihya Ramadan* Programme 2025, Aidilfitri Open House and charity drive, sports activities, bowling tournament and nationwide grant allocation.

Badan Kebajikan Islam Telekom Malaysia (BAKIT): Supports engagement among Muslim employees while contributing to community well-being and social impact.

- Total members: **4,700**
- Key activities: *Ramadan Bazaar* 2025, Ummah Journey Convention, Quran-based programmes and *zakat* distribution to **900** *asnaf* recipients across nine (9) beneficiaries.

By supporting clubs, sports and community initiatives, we provide employees with flexible avenues to pursue their interests outside work. These activities help reduce stress, combat burnout, strengthen teamwork and foster a sense of belonging, enabling employees to return to work more engaged and refreshed.

5 Performance, Communication & Workforce Engagement

Our performance management framework connects what we deliver and how we deliver it, aligning individual performance with TM's strategy and the PWR 2030 Culture Statement.

Our 360 Degree Performance Approach consists of three (3) areas involving performance management framework, team-based performance and agile conversations.

Performance Management Framework

- **Executive (Standard):** Performance is assessed based on KPI outcomes (80%) and behaviours (20%), ensuring results are achieved in line with TM's values.
- **Executive (Agile):** Focuses on business and individual contributions (80%) alongside behavioural assessment (20%), supporting collaboration, adaptability and continuous improvement in Agile teams.
- **Non-Executive:** Performance is measured through clear, measurable KPIs(80%), with behavioral expectations (20%) assesed through day-to-day performance.

Team-Based Appraisals

Performance goals are cascaded from the organisational scorecard to divisions, teams and individuals. One-to-one discussions between leaders and employees align expectations, clarify priorities and tailor KPIs to specific roles. This approach strengthens accountability and ensures individual contributions support TM's strategic outcomes.

Agile Performance Conversations

Beyond formal reviews, leaders hold regular performance conversations throughout the year. These discussions address priorities, challenges and development needs in real time, enabling timely feedback and continuous improvement.

PEOPLE

M10 Labour Practices and Human Rights

Initiatives

Performance Appraisals and Career Development Reviews

Description

- We manage performance through a structured, multi-dimensional performance management process that aligns individual outcomes with organisational objectives, ensures consistent execution and promotes transparency across the performance cycle.
- We enhanced efficiency through digitalised performance systems, streamlining key processes such as performance calibration, the C-Level scorecard and the TM Leadership Competency Survey.
- The process is conducted annually and reinforced by ongoing Agile performance conversations throughout the year.

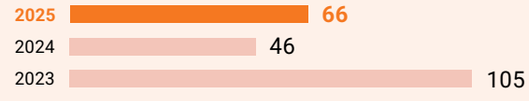
Goal setting and approval — **January - February**	Employees and managers jointly set performance goals cascaded from organisational scorecards, with formal approval to ensure clarity and accountability.
Mid-year review — **July**	A structured checkpoint to assess progress, provide timely feedback and recalibrate goals in response to business needs.
Year-end review and employee acknowledgement — **December**	A comprehensive evaluation of both what was achieved and how it was delivered, aligned with the PWR 2030 Culture Statement.

Impact Story

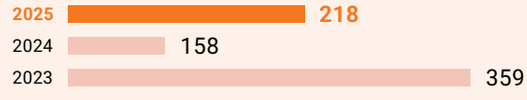
- Employees across Management, Executive and Non-Executive categories participated in the performance review process.
- Our performance and career development reviews support future-ready talent, strengthen leadership pipelines and reinforce a strong performance culture and organisational resilience.
- We demonstrated a dedicated commitment to talent growth and recognition across all levels by nurturing talent, fostering internal mobility and rewarding performance at every level.

Number of promotions in 2025 (Headcount)

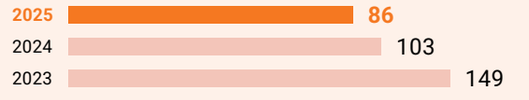
Promotion to Assistant General Manager



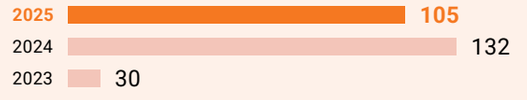
Promotion to Manager



Non-executive promoted to Assistant Manager



Non-executive promoted within Non-executive Band



6 Capability Building & Workforce Readiness

Employee capability underpins our ability to execute strategy and adapt to rapid technological change. We prioritise capability building and upskilling to manage skills transition risks arising from digitalisation, automation and evolving business models.

Our capability agenda focuses on three (3) key areas:

Building future-ready digital skills aligned with digital infrastructure, services and innovation

- Digital Competent
- Digital Conversant

Strengthening leadership depth and succession, including targeted development for women leaders

- Fresh graduate programme (TM Graduate Programme @ TMGP)
- Middle Management programme (CATALYST)
- Senior Management programme (LEAD)
- Women leadership programme (ASPIRE)

Embedding adaptive mindsets and behaviours to support agility and continuous improvement

- Spark the PWR

These initiatives mitigate risks related to skill obsolescence, leadership continuity and execution capability as TM advances its Digital Powerhouse ambition.

Initiatives

Spark the PWR Programme

Description

Strengthens a digital-first, growth-oriented culture by reinforcing innovation, accountability and a shared PWR mindset across *Warga TM*.

Impact Story

- **9,091** employees participated in 2025.
- This programme reinforced a performance-driven culture and instilled an 'Innovative, Bold and Entrepreneurial' mindset in employees across the organisation

TM Graduate Programme (TMGP)

Description

An 18-month leadership development programme launched in 2023 to build the next generation of TM leaders through hands-on business exposure, mentoring and digital capability development.

Impact Story

- **184** total participants accumulative. Breakdown by cohort as below:

Cohort 1	Cohort 2	Cohort 3
96 Participants	**58** Participants	**30** Participants
Induction Year: 2023 Graduation Year: 2025	Induction Year: 2024 Graduation Year: 2026	Induction Year: 2025 Graduation Year: 2027

- Equipped our young executive with essential leadership and digital skills aligned with TM's PWR 2030 aspiration with hands-on exposure across TM's business and guidance from mentors and industry experts.
- This programme maximises our investment in Yayasan TM scholars by refreshing our workforce with young talent and strengthening a high-performing talent pipeline that drives business excellence.

CATALYST

Description

Established in 2024, CATALYST is a 12-month leadership development programme targets Middle Management aiming to prepare high-performers individuals and enhance their leadership qualities for a seamless transition into leadership roles.

Impact Story

- **200** total accumulative participants. Breakdown by cohort as below:

Cohort 1	Cohort 2
100 Participants	**100** Participants
Induction Year: 2024 Graduation Year: 2025	Induction Year: 2025 Graduation Year: 2026

- Strengthening middle management leadership capabilities to drive team performance and support organisational priorities in line with TM's PWR 2030 aspirations.

LEAD

Description

Established in 2023, LEAD is a 12-month development programme to enhance the leadership capabilities of advanced leaders in TM to ensure they drive the Company growth.

Impact Story

- **86** total participants in 2025.
- **112** total accumulative participants.

Breakdown by cohort as below:

Cohort 1	Cohort 2	Cohort 3	Cohort 4
26 Participants	**26** Participants	**26** Participants	**30** Participants
Induction Year: 2023 Graduation Year: 2025	Induction Year: 2024 Graduation Year: 2026	Induction Year: 2024 Graduation Year: 2026	Induction Year: 2025 Graduation Year: 2027

- Developed the employees with leadership skills and industry trends that will drive growth for the business with guidance from TM Leadership with coaching on #IniCaraKita behaviours to emerge as the role model to others.
- This programme provide the organisation with strong leaders who are able to take on higher and critical responsibilities in the organisation with the skills required to thrive in TM's growth area.
- Refining future top leadership with future-proof leadership skills.

PEOPLE

M10 Labour Practices and Human Rights

Initiatives

ZESTX

Description

Established in 2025, ZESTX is a 12-month leadership development programme with the goal to equip the Top Talents at Assistant Manager level with necessary leadership skills for a seamless transition into leadership roles.

Impact Story

Cohort 1

100
Participants

Induction Year: 2025
Graduation Year: 2026

- This programme cultivates a workplace culture of disruptive innovation and boldness, providing employees with cross-functional exposure, insights into TM as a whole and guidance from industry experts to strengthen their entrepreneurial mindset and drive One TM.
- Bring strength to the organisation through varied and diverse talents, skills and experiences ensuring sustainable leadership pipeline with diverse background.

Details on other learning and development programmes are available at Learning and Development section pages 221 to 225.

Our labour practices performance in 2025 :

	Unit of Measurement	Total
Employees		
Management	**Headcount**	215
Executives	**Headcount**	9,221
Non-executive	**Headcount**	7,864
Total		**17,300**
Human rights and labour practices		
Number of substantiated complaints concerning human rights violations	**Number**	0
Number and nature of child labour and forced labour incidents	**Number**	0
Number of substantiated complaints concerning discrimination and/or harassment **Corrective or disciplinary action were taken on the reported case*	**Number**	4
Gender Pay indicators		
Ratio of basic salary for women to men		
Management	**Ratio**	1:1.01
Executive	**Ratio**	1:0.97
Non-executive	**Ratio**	1:1.01

For full Labour Practices and Human Rights performance, refer to Sustainability Performance Data at www.tm.com.my/sustainability.

Moving Forward

Our human capital strategy enhances productivity, strengthens capabilities and prepares our workforce for future challenges. Across the short, medium and long term, we build a high-performing, resilient and future-ready organisation that creates lasting value for our people, customers, shareholders and the nation.

In the immediate term, we sharpen productivity, accelerate capability development and reinforce performance discipline while simplifying structures and strengthening accountability. We promote workplace harmony through flexible work arrangements and responsible labour practices. At the same time, we advance AI capability programmes and human rights initiatives to manage skills transitions and ensure fair, transparent and sustainable performance.

Over the medium term, we scale up future-ready skills, strengthen leadership succession and integrate capability development, well-being and performance management into a cohesive people strategy that drives agility and resilience.

In the long term, we build sustainable resilience by cultivating a resilient and adaptable workforce, safeguarding long-term employability and embedding responsible employer practices to sustain value in an evolving digital landscape.

Across all horizons, we align our human capital strategy with our Digital Powerhouse ambition and Sustainability priorities to deliver enduring impact.

M11 LEARNING & DEVELOPMENT

Inside this section:

221 Why It Matters
221 Our Approach
222 Governance and Policy
222 Our Commitment to Learning and Development
222 How We Create Value
225 Moving Forward

Learning and Development (L&D) remains a material priority for TM. Classified as Priority 2, it underscores its strategic importance in strengthening workforce readiness and enabling sustainable value creation to support our Digital Powerhouse journey.

Since 2023, we have shifted our L&D strategy from passive training to an active, leadership-led movement that embeds continuous learning into our business DNA. Talent development has been instrumental in driving our transformation into a strategic growth engine that accelerates capability building and business performance.

To achieve this, we focus on three (3) strategic imperatives:

Leadership-driven growth, where we discuss how our leaders act as catalyst, systematically steering our L&D strategy to navigate future challenges

Shaping a digital workforce, where we discuss how we built specialised expertise in AI, cloud and data analytics to ensure we have a future-proof workforce

Sustainable growth and leadership continuity, where we discuss how TM builds resilience by ensuring equitable development opportunities across the workforce

Capitals Deployed: **Affected Stakeholders:** E **Sustainability Pillar:** **Priority:** 2 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each, can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

As a nation builder and enabler of the digital economy, TM invests in the learning and development of our *Warga TM* to ensure we support the aspiration of PWR 2030.

At TM, we deliver on our stakeholder's expectation by:

Investing in comprehensive learning and development to build digital capabilities, ensuring equitable access to upskilling opportunities for all employees

Building a lean and efficient organisation while future-proofing our employees to support the Digital 2030 aspiration

Producing talents that deliver long-term value while enhancing organisational resilience and operational agility in the face of rapid technological change

TM leaders take full ownership of the growth journey, moving beyond traditional Human Resource (HR) roles to become active mentors and digital catalysts.

Our Approach

We drive organisational readiness for our PWR 2030 transformation by positioning L&D as a strategic priority. We have evolved beyond traditional training, building a deliberate growth engine that strengthens capabilities across *Warga TM* and powers our journey towards becoming a Digital Powerhouse. Our approach focuses on the following:

Leadership-Driven Growth

Our top management actively steers our L&D strategy, systematically identifying the priority skills needed to navigate future challenges. We recognise that development is a shared responsibility; our leaders serve as catalysts, ensuring that learning is deeply integrated into our business DNA.

Shaping a Digital Workforce

To support a sustainable transformation, we are aggressively building specialised digital capabilities. We focus on mastering emerging frontiers, including AI, Cloud Services, Cybersecurity and Data Analytics. This is to ensure our people remain the central engine of our digital future.

Inclusive Excellence and Continuity

We foster a resilient organisation by ensuring leadership continuity and inclusive growth. Our strategy transcends boundaries, providing equitable training pathways across all age groups, genders, management levels and races. By nurturing a diverse talent pool through targeted Top Talent Development programmes, we reinforce our business resilience and align our L&D strategy with TM's long-term sustainability objectives.

PEOPLE

M11 Learning and Development

Comprehensive Learning Channels

We leverage our digital learning infrastructure to deliver anytime-anywhere learning for all *Warga TM* through the following platforms:

TM Learn

We offer online learning modules in sustainability and sales training through Sales Academy and NextSTAR, alongside digital skills courses, including AI and cybersecurity, enabling our workforce to learn flexibly from any location.

LinkedIn Learning

We provide our executives with paid LinkedIn Learning access, allowing them to enroll in courses aligned with their interests.

International Leadership Programme

We equip our senior leaders with leadership programmes at international institutions to enhance their capabilities.

Physical Classroom Session

TM Digital Academy serves as the hub for our internal classroom sessions, workshops and learning events.

Others

We further strengthen capabilities through mentorship, on-the-job training and thought leadership engagements such as external forums and conferences.

Our Governance and Policy

We align our learning and development effort with policy and guidelines outlined below:

Learning & Development Policy and Guidelines

This framework defines the principles, standards and governance for all learning and development initiatives. It aligns training with business goals to build employee competencies and ensure regulatory compliance. The Chief Human Capital Officer oversees policy governance and reporting through Business Policy and Governance (BPG).

For details on our common sustainability policies, see page 106.

Our Commitment to Learning and Development

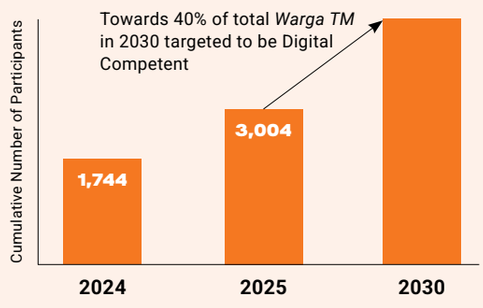
At TM, we strengthen workforce readiness and build competencies in the area of digital, leadership, operational and sustainability, which are essential to our transformation. Through learning and development, we actively expand our employees' capabilities and cultivate a future-ready team that drive innovation, operational excellence and long term business performance.

Since 2024, we have transformed learning to enhance digital capability across *Warga TM*, ensuring 40% achieve Digital Competent to drive sustainable innovation and growth.

How We Create Value

Our 2025 strategy accelerates digital capabilities needed for PWR 2030. By cultivating foundational and sustainability skills, we ensure a future-ready workforce and strengthen our pipeline for sustainable growth. Throughout the year we launched these key initiatives:

Initiatives	Description
Digital Conversant Programme	• Since 2024, we have actively cultivated a digitally fluent workforce through this initiative. We aim to equip 100% of *Warga TM* with digital fluency, ensuring our people understand core technologies and confidently apply digital concepts in their daily work. This approach moves our workforce beyond passive adaption towards active digital leadership. **Milestone:** • Building a Generation of Digital Advocates: We equip our talent with the skills and mindset to champion our digital transformation and drive change from within the organisation. • Driving Innovation: We sharpen our capacity to stay ahead of technological shifts and secure a competitive advantage in an evolving landscape. • Securing the Future: We ensure every *Warga TM* acts as a responsible steward of our digital assets and a driver of our PWR 2030 strategy. **Impact Story** • In 2025, we conducted several digital module programmes and achieved **100%** participation from our total workforce of **17,300** *Warga TM*. As the first year of the programmes roll-out, below are the three (3) digital modules introduced: Data Governance | Digital Product | Cybersecurity 2025 also defines our baseline year as we cultivate a digitally skilled organisation.

Initiatives	
Digital Competent Programme	**Description** • This programme was introduced in 2024, which targets 40% of *Warga TM* to be Digital Competent by 2030. • We focus our development effort on this programme for specialised teams to master high impact digital technologies. **Digital Competent Training Progress**  **Impact Story** • At the programme's launch in 2024, we trained 1,744 *Warga TM* employees. • In 2025, 1,260 employees were trained, bringing the total to 3,004 employees, or 16% of *Warga TM*. • This demonstrates stronger capability in applying digital tools and technologies to enable more efficient, data-driven ways of working. • Moving to 2030, we aim to achieve a population of 40% Digital Competent employees that will drive the PWR 2030 agenda.
Talent Marketplace Platform	**Description** • We have built a centralised digital talent inventory to seamlessly match employee's skills with growth opportunities, enabling talent-to-project matching for career opportunities. **Impact Story** • **Onboarded 3,534 Digital Competent talents:** We successfully integrated Digital Competent employees into the marketplace ecosystem. • **Optimised skills visibility:** We unlocked a clearer view of our internal digital landscape, allowing us to match talent to business needs and high priority projects. • **Driven productivity and performance:** We maximised internal talent utilisation, accelerating access to expertise while providing our people with clear pathways for skills growth and career development within TM. By bridging the gap between talent and opportunity, this platform fosters an agile workforce capable of driving meaningful digital transformation across TM.
'Spark the PWR' Programme	**Description** • Introduced in 2024, with 3,827 employees trained, the programme reinforced a performance-driven culture and embedded an 'Innovative, Bold and Entrepreneurial' mindset across TM. **Impact Story** • **Upskilled 9,091 employees:** We completed the 'Spark the PWR' Programme, training a cumulative total of 12,918 participants and equipping a significant portion of our workforce to lead our cultural shift. • **Embedded the 'One TM' mindset:** We reinforced a shared organisational culture focused on innovation, collaboration and accountability, creating a more performance-driven environment. • **Accelerated Transformation Readiness:** We increased our employee's ability to adopt new ways of working, empowering them to contribute actively to our business transformation initiatives.
Succession Planning and Leadership Development Programmes	**Description** • We sharpen our leadership bench and funnel, to ensure business continuity and talent retention through initiatives like the Top Talent Programme. **Impact Story** • **Developed 736 Leaders:** We accelerated the growth of 736 talents through our Top Talent Development Programmes—including LEAD, ASPIRE and CATALYST to ensure they are ready for strategic roles. • **Ensured Continuity & Retention:** We achieved 100% leadership continuity and maintained a 99% retention rate among our Top Talent by identifying successors for critical positions, significantly reinforcing our succession strength. • **Fast-tracked Readiness:** We accelerated the leadership readiness of our high-potential employees through targeted development tracks. • **Powered Long-Term Growth:** We secured long-term talent retention by providing clear leadership pathways and expanding growth opportunities across the organisation. *Details of our programmes on talent and leadership succession, are at Labour Practices and Human Rights section pages 218 to 220.*

PEOPLE

M11 Learning and Development

Initiatives	
Development Programme for Network Talent	**Description** • We built specialised cabling expertise through our Certifying Agency (CA) programme, ensuring both business continuity and long-term talent retention. • We train and certify our employees and contractors to ensure competence in cabling work, meeting business and Government standards, ensuring network reliability and service excellence. **Impact Story** • **7,484 highly skilled Professionals:** We advanced the participants through the CA programme, certifying them as experts in their field. • **Guaranteed Service Quality:** We increased our pool of certified technical talent, directly supporting consistent service quality and operational reliability in all cabling work. • **Strengthened Technical Readiness:** We enhanced specialised technical competencies, ensuring our workforce meets the most rigorous operational and industry requirements.
Sustainability Capability Programmes	**Description** • In 2025, we implemented sustainability programmes across all levels of TM to embed responsible business practices into our daily operations. Our key initiatives include: - **UN Global Compact Network Accelerator Business & Human Rights Accelerator for Sustainability team:** A six-month Business & Human Rights programme to strengthen their expertise in integrating human rights considerations into corporate sustainability practices. The online programme was completed in April 2025. - **TM Sustainability Policy & Framework for Senior Management:** We empowered our leadership with key sustainability knowledge through e-learning modules for managerial between January to April 2025 - **Accountability and ownership:** We assigned ownership of enhanced sustainability goals to the pivotal positions through KPIs in February 2025 (refer to page 108 for the detailed KPIs). - **"Hello Sustainability" E-Learning Module for Non-executive:** We established a clear link between global sustainability priorities and TM's business success, ensuring employees understand how sustainability connects to their role. The programme was completed in November 2025. **Impact Story** • **Developed Specialised Expertise:** We upskilled sustainability team members through the UN Global Compact Network Accelerator to lead our human rights initiatives. • **Engaged Senior Leadership:** We increased organisation-wide awareness, ensuring our leaders teams make decisions that align with TM's Sustainability Framework. • **Enhanced Sustainability Awareness:** We achieved a **96%** completion rate among **218** senior managers for our Sustainability Policy & Framework e-learning module. • **Mobilised the Workforce:** We secured a **92.2%** completion rate from **8,079** Non-executives for the "Hello Sustainability" e-learning module. **7,447** Non-executive completed their learning. • **Integrated Sustainability:** We built both foundational and specialised capabilities, enabling our people to weave sustainability considerations into daily operations and leadership practices.

We align our strategies with global benchmark such as 'Future of Jobs Report 2025' by The World Economic Forum, which ranks AI, data analytics and digital literacy among the most critical skills for the 2030 horizon. These insights confirmed that intelligent technologies are rapidly redefining roles and industries worldwide.

Full report available at www.weforum.org/publications/the-future-of-jobs-report-2025

To drive our PWR 2030 transformation, we are reimagining our workforce as a Digital Powerhouse. We embed a sustainability mindset into our capability-building efforts to ensure TM remains efficient, lean and future-ready.

Our 2025 learning and development achievements demonstrate this commitment:

Number of training sessions conducted

11,078

Number of programmes for upgrading employee skills

4,423

Total investment in employee training and development (RM million)

22.6

Average amount spent per FTE on training & development (RM)

RM1,254

For full details on Learning and Development performance, please refer to the Sustainability Performance Data available at www.tm.com.my/sustainability.

Moving Forward

Our Talent Roadmap: Powering PWR 2030

TM moving forward actions are divided into three (3) time horizons; short-term, medium-term and long-term, as follows:

Short-Term: Building the Foundation

We are rapidly scaling our foundational capabilities to ensure every employee excels in a digital environment. Our immediate actions include:

- **Driving AI Literacy:** We are deploying the AI @ Work Learning Framework to upskill our workforce in practical and ethical AI applications.
- **Modernising Sales & Function:** We are building a future-ready sales force through the Sales Academy while sharpening core functional and behavioural skills.
- **Securing Technical Excellence:** We continue to build specialised cabling expertise through the Certifying Agency (CA) programme.
- **Embedding Sustainability:** We are embedding environmental awareness across all *Warga TM* and developing in-house expertise in IFRS S1 & S2 (NSRF). At the same time, we are strengthening our business and human rights capabilities in alignment with the National Action Plan 2025–2030, complemented by targeted sustainability certification programmes for sustainability managers and senior leadership. An estimated 300 participants will undergo these programmes.

Medium-Term: Deepening Expertise & Service

We will shift our focus toward service excellence and the retention of high-demand technical talent:

- **Elevating Customer Experience:** We will transform our service delivery through the Elite Crew and Elite Crew Next Gen initiatives.
- **Retaining Elite Talent:** We are strengthening our Technical Specialist Career Tracks in Cloud, Cybersecurity and AI to keep critical expertise within TM.
- **Leading Climate Action:** We will build advanced capabilities in climate change, sustainable finance and emerging risk management to drive smarter investment decisions.

Long-Term: Sustaining Mastery & Leadership

We will secure TM's future through continuous investment in holistic development and leadership depth:

- **Fortifying Leadership:** We will use structured assessment tools to build robust succession plans, specifically for senior management.
- **Mastering Future Skills:** We will prioritise functional mastery and emerging skills to stay ahead of global shifts.
- **Future-Proofing Compliance:** We will continuously evolve our sustainability training to address emerging material risks, ensuring TM remains resilient and fully compliant.

PEOPLE

M12 HEALTH & SAFETY

Inside this section:

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TM places workforce health and safety at the core of operational excellence as a non-negotiable priority. Classified as Priority 3, it plays a critical role in protecting our people and ensuring business continuity.

We anchor our approach in the TM Occupational Safety, Health and Environment (OSHE) Policy and actively cultivate a "Safety First" culture across all organisational levels. To sustain our low-risk achievement status, we continuously strengthen our OSHE ecosystem through digitalisation, knowledge scalability and proactive collaboration. By embedding a safety-first mindset into our organisational DNA, we move beyond compliance and actively safeguard our people while reinforcing long-term business resilience.

Capitals Deployed: **Affected Stakeholders:** E S **Sustainability Pillar:** **Priority:** 3 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each, can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

At TM, we deliver on our stakeholder's expectation by:

Providing a safe and secure work environment by embedding health and safety into our everyday work culture

Proactively reducing risks in high-risk operations to protect our people and suppliers, safeguard TM's reputation and support long-term sustainability

Our Approach

Our strategic approach is built on the cornerstone of two (2) main objectives to ensure immediate risk reduction and long-term sustainability. They are:

Maintain a Low-Risk Rating by 2026

Systematically strengthen our OSHE risk profile through robust governance, disciplined risk management and consistent operational controls across all business units and contractors.

Shift from Compliance-Driven to Generative Safety Culture

Achieve a Generative Safety Culture by 2030, where safety is embedded as a core value and personal responsibility guides every decision and action.

To achieve these two (2) goals, we are guided by the ISO 45001:2018 requirements and TM's OSHE Policy, which prioritise:

Prevent work-related injuries and illnesses

Foster accountability and proactive risk management

Encourage active employee and suppliers participation in safety programmes

Our OSHE approach for the workforce and supply chain is driven by these priorities and anchored in our Digital Powerhouse strategy.

Our Approach

The OSHE Roadmap

Guided by the "Safety. We Own It" framework, the OSHE Roadmap empowers every employee to take ownership of workplace safety, building a culture of accountability, shared responsibility and continuous improvement.

1 LEADERSHIP COMMITMENT COMPASS

Leaders at all levels are guided by this framework to consistently demonstrate visible OSHE leadership, accountability and decision-making.

Objectives:
- To strengthen leader ownership of OSHE outcomes.
- To drive consistent safety behaviours across the organisation.
- To reduce serious incidents through strong top-down commitment.

2 EMPLOYEE INVOLVEMENT AND PARTICIPATION

Through self-audit and recognition programmes, this approach empowers employees to actively make TM a safer workplace by participating in OSHE through reporting, consultation and continuous improvement initiatives.

Objectives:
- To increase near-miss and hazard reporting.
- To build shared responsibility for safety.
- To strengthen safety culture maturity and trust.

3 EMBEDDING SAFETY IN EVERY DECISION

Integrating all of TM's OSHE considerations such as risk-based decision-making to integrating safety KPIs into operational, commercial and strategic decision-making processes.

Objectives:
- To prevent risks being introduced at the planning stage.
- To balance productivity with safety.
- To achieve sustainable low-risk operations.

4 REVOLUTIONISING SAFETY VIA DIGITALISATION

With the invention of real-time analytics, digital platforms and tools to enhance OSHE reporting, we can predict risks, boost compliance and create a smarter, safer environment.

Objectives:
- To improve real-time visibility of OSHE risks.
- To enable data-driven decision-making.
- To increase efficiency and transparency of OSHE management.

5 STRATEGIC CONTRACTOR MANAGEMENT

We integrate OSHE requirements into our procurement and contractual practices, ensuring contractors meet our high standards in alignment with our expectations, we have a structured contractor OSHE governance framework covering selection, onboarding and performance management.

Objectives:
- To reduce contractor-related incidents.
- To ensure consistent safety standards across supply chain.
- To strengthen contractor accountability and compliance.

6 COMPREHENSIVE AND INTERACTIVE SAFETY KNOWLEDGE

With a learner's mindset, we provide e-learning modules that facilitate engaging, role-based OSHE learning through training, simulations, videos and knowledge sharing platforms.

Objectives:
- To improve competency and hazard awareness.
- To reinforce Life Saving Rules (LSR) and critical controls.
- To embed safe behaviours through continuous learning.

7 EXTERNAL COLLABORATION

Closely working with regulatory bodies and industry experts will drive innovation, set new boundaries and strengthen national safety standards.

Objectives:
- To benchmark against industry best practices.
- To stay ahead of regulatory and emerging risks.
- To accelerate OSHE maturity and innovation.

PEOPLE

M12 Health and Safety

Our Governance

Ensuring compliance with legal, regulatory and ISO 45001:2018, our health and safety efforts are guided by the following policies and frameworks:

TM's Occupational Safety and Health Management System (OSHMS)

A structured framework that sets clear policies, procedures and safe work instructions to systematically manage workplace safety and health risks across TM's operations.

OSHE Policy

A formal commitment by TM's leaders represented by Group Chief Executive Officer to provide a safe and healthy workplace, comply with legal requirements, prevent injuries and ill health and continuously improve OSHE performance.

TM Smoke-Free Workplace Policy 2024

This policy sets clear and strict guidelines to enforce a smoke-free environment, aligned with the Control of Smoking Products for Public Health Act 2024 (Act 852), ensuring legal compliance while promoting a healthier and more productive workplace.

For details on our common sustainability policies, see page 106.

OSHE Governance Structure

We take a proactive approach to workplace safety. Our OSHE Committees meet quarterly to review ongoing and emerging issues, prioritise action plans and set measurable targets to improve OSH performance.

Through a structured, multi-tier governance framework, we ensure health and safety initiatives are consistently integrated across all operational levels of the organisation:

Tier 1: TM Group OSHE Steering Committee

- Serves as the apex governing body for safety and health matters, focusing on strategic oversight and decision-making.
- Chaired by top management, represented by Chief Human Capital Officer and union presidents, with the GM of Security Management & OSHE (SMOSHE) as Secretary.

Tier 2: LOBs/Division OSHE Committee and Subsidiaries OSHE Committee

- Ensures the implementation of the corporate strategies for both divisional and subsidiary committees.
- Chaired by Heads of Department (HODs) or CEOs (for subsidiaries), these committees maintain close collaboration with Tier 1 to report progress and challenges.

Tier 3: Operational Regional, Building & Premises and State OSHE Committee

- Focuses on localised oversight to ensure safety and health initiatives resonate with operational realities.
- Chaired by State GM, HODs or Premise Managers, these committees include representatives from both employer and employee groups, ensuring inclusivity in governance.

HAZARD IDENTIFICATION, RISK ASSESSMENT AND RISK CONTROL (HIRARC) APPROACH

The HIRARC approach is a form of accountability and compliance, integrated with regular reviews and monitoring to ensure continuous improvement to the process when changes are introduced. Managing workplace risks and ensuring safety through HIRARC include:

Hazard Identification

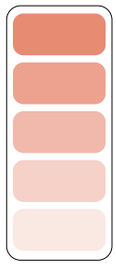
Identify potential sources of harm (e.g: physical, chemical, biological, ergonomic, mental and social wellbeing) in tasks, processes or the environment.

Risk Assessment

Evaluate the likelihood and severity of harm for each hazard, prioritise risks using a risk matrix and classify them as low, medium, high or extreme.

Risk Control

Apply the hierarchy of controls:



- **Elimination** (most effective)
- **Substitution**
- **Engineering Controls**
- **Administrative Controls**
- **Personal Protective Equipment (PPE)** (least effective)

Our Commitment to Safety

TM is committed to providing the highest possible standard of a safe, healthy and environmentally sustainable workplace for our employees, contractors, visitors and all other stakeholders across our operations. Endorsed by the Managing Director/GCEO, our OSHE Policy commits TM to complying with ISO 45001:2018 and all applicable legal requirements. Through the adoption of an Occupational Safety and Health Management System (OSHMS), we aim to prevent work-related injuries and ill health while continuously improving our OSH performance.

The implementation of OSHMS is a strategic and operational decision for TM. The success of OSHMS depends on leadership, commitment and participation from all levels and functions in TM. This also includes consultation and participation of workers and, where they exist, worker's representatives.

Procedures to investigate work-related injuries and incidents

We manage incidents through a clear and structured process that prioritises safety first, ensures timely reporting and reinforces accountability. Every incident is reported, verified and assessed for work-related relevance, with investigations conducted accordingly. We then implement, monitor and review corrective and preventive actions, share lessons learned and reassess OSHE related risks. The process concludes with management review and KPI updates, supporting effective closure, consequences action and a strong safety culture.

How We Create Value

In 2025, we implemented the initiatives to strengthen operational discipline, accelerate TM's journey towards a Generative Safety Culture and support TM's overall target of achieving a Low-Risk OSH Rating.

HEALTH & SAFETY CULTURE MATURITY MODEL

The HSE Safety Culture Maturity Model shows how organisations evolve in managing safety, moving from reactive, compliance-focused practices to a proactive culture where safety is fully integrated and drives everyday decisions.

For details on our Safety Ladder Culture, see page 231.

Value Created in 2025

Initiatives	
Hazard Reporting	**Description** • We rolled out the "U See U Act" internal campaign to encourage employees to actively observe, report and act on unsafe acts, unsafe conditions and near-miss incidents. • The initiative empowers employees to report hazards in MERCIS before they escalate into accidents or injuries. • Refer to the "Procedures to Investigate Work-Related Injuries and Incidents" section on page 229 for details on hazard reporting. **Impact Story** • **218** hazards reported. • Risks addressed before harm occurred, preventing potential accidents. • Stronger hazard awareness and safety ownership across the workforce. Overall, the campaign shifted behaviour from reactive incident reporting to preventive and proactive action, reinforcing a safety-first culture and supporting long-term operational resilience.
Engagement Programmes with Contractor OSHE Coordinator	**Description** • We conduct a structured engagement programme with Contractor OSHE Persons-in-Charge through regular coordination and awareness sessions. • Contractor OSHE Coordinator is responsible for managing Occupational Safety, Health and Environment (OSHE) compliance for contractors on a worksite. • These sessions reinforce contractor compliance with TM's OSH policies, procedures and legal requirements, particularly for high-risk activities. **Impact Story** • **786** participants attended the programmes. • Stronger contractor compliance with safety and health standards. • Reduced OSH risks arising from contractor-related activities. Through these engagements, we move beyond a transactional approach to contractor management, building a more collaborative risk partnership that strengthens safety capability, shared accountability and resilience across our operating ecosystem.

PEOPLE

M12 Health and Safety

Initiatives	
Onsite Monitoring of Certified Broadband Contractor (CBC)	**Description** • We carry out systematic monitoring at worksites and customer premises to observe, verify and enforce contractor compliance with safety and health requirements. **Impact Story** • **35** programmes conducted. • Ensures continuous compliance with safety and health requirements at all work locations. • Prevents accidents and serious incidents through early intervention and real-time control.
OSHE Committee Secretary Development Programme	**Description** • We introduced a development and awareness programme to equip OSHE Committee Secretaries with essential health and safety knowledge, skills and competencies across BPOC (Building Premise OSHE Committee), NSOC (Network State OSHE Committee) and FMROC (Facility Management Regional OSHE Committee). • The programme strengthens the capability and confidence of committee secretaries, supporting effective governance and the smooth functioning of OSHE Committees. **Impact Story** • **157** participants attended the programme. • Strengthening OSHE secretariat's competencies improves governance, speeds up hazard resolution and fosters a collaborative safety culture, enhancing enterprise-wide OSHE resilience and supporting ESG objectives.
TM National OSHE Day 2025	**Description** • We organised a national-level OSHE event in conjunction with the World Day for Safety and Health at Work (28 April 2025) to strengthen health and safety awareness across TM nationwide. • The event was delivered in collaboration with internal stakeholders and external partners, including the State Department of Occupational Safety and Health (DOSH). • TM achieved national recognition in The Malaysia Book of Records for the largest participation in an Occupational Safety and Health Integrity Pledge Recital. **Impact Story** • **10,116** participants attended the event. • The event marked a key milestone in demonstrating TM's organisation-wide commitment to a Safety-First culture, strengthening our health and safety reputation among external stakeholders. It also enabled employees to build closer partnerships with safety professionals and industry peers, reinforcing collaboration, knowledge sharing and continuous improvement in OSHE practices.
OSHE Supervision Programme (OSP)	**Description** • We developed and delivered a structured OSHE Supervision Programme tailored for Security Management personnel, including TM Auxiliary Police. • The programme strengthens OSH knowledge, supervisory capability and risk awareness during security and enforcement duties. **Impact Story** • **118** participants attended the programme. • The programme builds awareness of OSH risks and reinforces consistent safety practices during security operations across all sites.
Employee Health Awareness	**Description** • We rolled out an E-Learning Module on TM's Smoke-Free Workplace Policy 2024, aligned with the Control of Smoking Products for Public Health Act 2024 (Act 852) and in accordance with ISO 45001:2018 requirements. **Impact Story** • **17,461 (99.7%)** employees completed the e-learning awareness module and pledge. • Employee acknowledgement strengthened accountability and supported a healthier workplace environment.

Initiatives	
Safety Culture Ladder Survey	**Description** • We conduct the assessment annually to actively evaluate TM's safety culture, identify gaps in employee perceptions and behaviours and use the insights to design targeted, risk-focused interventions that strengthen safety performance. **Impact Story** • **11,561** surveys were completed by our employees, achieving a score of **4.01**, placing TM at the Proactive stage of the Safety Culture maturity scale. *(For reference, score 5.00 represents the highest – Generative stage.)* • Our ability to anticipate risks, strengthen preventive controls and embed shared accountability for safety and health across the organisation.
OSH Management System (OSHMS) Re-certification for the 3rd Cycle	**Description** • Our 3rd-cycle certification since 2019 reflects the maturity of our OSHMS, by the reduction of the OSH Risk Rating from High to Low. • Our commitment to protecting people, strengthening operational resilience and upholding strong governance across our nationwide operations. **Impact Story** • Enabled proactive risk management, continuous improvement and reliable service delivery.
TM OSHEIN	**Description** • The OSHE Intelligence System (OSHEIN), an AI-powered digital safety intelligence platform that enhances workplace safety through real-time monitoring, predictive analytics and actionable corrective recommendations is being developed. • OSHEIN will enhance workplace safety by enabling faster OSHE risk identification, compliance and drive proactive safety management.

TM's OSHE received an Honourable Mention at the
TM GCEO TEAM EXCELLENCE AWARD
for Q2 and Q3 2025, the team's strong commitment to safety excellence.

Our Safety Performance 2025

FOR ALL EMPLOYEES:

Zero fatalities

Lost Time Injury Frequency Rate (LTIFR) **0.71**

LOST TIME INJURY CASES

4 Working at Height (WAH)

0 Working in Confined Space (WCS)

2 Working on/by Road (WOR)

19 Working in Office/Premise (WOP)

0 Working near High Voltage (WHV)

0 Hot Work (HW)

1 Material Handling (MH)

26 recordable work-related injury cases

For full details on Health & Safety performance, please refer to the Sustainability Performance Data available at www.tm.com.my/sustainability

Moving Forward

Our OSHE Roadmap guides our journey toward continuous improvement. We execute this strategy across three (3) strategic horizons:

Short-Term:
Achieving Operational Excellence

We prioritise achieving and sustaining a Low-Risk Rating by 2026. To reach this, we strengthen leadership accountability, deepen employee participation and embed OSHE considerations into every operational and strategic decision.

Medium-Term:
Driving Digital Transformation

We accelerate digitalisation by deploying real-time risk visibility, predictive analytics and data-driven safety management. These OSHE digitalisation initiatives align with the National OSH Master Plan (OSHMP30) while tightening contractor governance to standardise safety across our supply chain. Simultaneously, we deliver targeted, role-based learning to reinforce critical safety behaviours.

Long-Term:
Sustaining Mastery & Leadership

We advance OSHE maturity by continuously partnering with regulators and industry peers. By anticipating regulatory shifts and emerging risks, we ensure our safety ecosystem remains proactive, resilient and future-ready.

PEOPLE

M13 DIGITAL INCLUSION

Inside this section:

232 Why It Matters
232 Our Approach
233 Governance and Policy
233 How We Create Value
235 Moving Forward

As Malaysia's leading telecommunications provider, we identified Digital Inclusion as Priority 2 material matters, representing our dedication to bridging the digital divide and educating as well as empowering communities and businesses with essential digital skills through various engagement initiatives.

This involves breaking down barriers to connectivity and digital tools and addressing a social gap to ensure that everyone, regardless of their background, can thrive in a digital world.

Capitals Deployed: **Affected Stakeholders:** C G&R BP CO **Sustainability Pillar:** **Priority:** 2 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

As the internet is increasingly recognised as a third public utility in Malaysia, Digital Inclusion is more than a social initiative; it is a strategic imperative that ensures the sustainability of our business and Malaysia's economy. The rationale for Digital Inclusion's significance to us includes:

Securing Our Social License to Operate

By connecting underserved communities, we directly support national development and reinforce our social license to operate

Delivering Inclusive Access

By providing equitable access to urban and rural areas, we deliver connectivity and data opportunities to every Malaysian, regardless of their geography

Bridging the Digital Gap

By making technology accessible, affordable and user-friendly, we reduce the digital gap, enhance digital literacy and fulfil our mission as the primary enabler of Malaysia's digital economy

Catalysing Economic Growth

By expanding Digital Inclusion, we create a larger pool of connected consumers and businesses, driving continuous demand for our core services

Our Approach

TM's approach to Digital Inclusion is built on the principle of Inclusive Access. Our initiatives foster digital literacy, nurture a culture of innovation and promote online safety. By doing so, it ensures no one is left behind and creates a secure environment for the digital economy.

Our approach is anchored by four (4) key objectives:

	Target Outcomes
Robust Infrastructure – Reliable Connectivity	No one is left behind – inclusive access
Meaningful Connectivity – The Convergence Champion	Seamless digital experience and lifestyle
Affordability – Packages that Cater to Different Economic Needs	Digital access becomes economically possible for everyone
MSME Empowerment – Bridging the Business Divide	Small businesses become digital competitors

Governance and Policy

We are guided by the following effective and robust guidelines and policies to ensure a structured and accountable approach to advancing Digital Inclusion:

Notifications of Universal Service Targets (UST) under Regulation 4 of the USP Regulations 2002

Official notices issued by the regulator identifying specific areas or groups that must receive telecommunications or internet services under the USP programme.

In addition to the above, we are guided by TM Business Initiative Governance Framework Policy, TM Data Governance Framework and First-Tier Financial Limit of Authority to ensure structured, accountable and effective execution of our Digital Inclusion initiatives.

For details on our common sustainability policies, see page 106.

How We Create Value

Under our Digital Inclusion pillar, we aim to deliver meaningful connectivity by providing affordable, reliable high-speed internet, equipping Malaysians with the skills to navigate the digital world and fostering trust in digital safety and security.

As we aspire to become a Digital Powerhouse by 2030, TM creates value by transforming digital access into tangible social and economic outcomes:

	Outcomes
Affordability	Enhanced quality of life through affordable access to education, healthcare and financial services via 5G and fibre connectivity.
Capability Building	Boosted productivity and market reach; since 2022 (post pandemic), more than 130,000 MSME subscribers are now empowered through our MSME digital enablement programmes.
Safe and Secure Digital Space	Increased digital literacy and safety, fostering a more resilient and informed online population.
Reachability and Accessibility	Direct contribution to national digital targets (*Jalinan Digital Negara* – JENDELA) and the development of a high-income digital economy.

The following sections outline the core initiatives implemented in 2025:

Consumers

As Malaysia's leading convergence provider, we deliver superior value through targeted digital initiatives:

Initiatives	
Providing Value for Money Package Offerings	**Description** • We made high-speed internet affordable for all Malaysians through entry-level broadband and mobile plans **Impact Story** • **UNI5G WOW Prepaid Plan:** priced from RM10, this plan offers 10GB of 5G and 4G LTE data with 30-day validity for flexible mobile broadband access from RM10 • **UNI5G Postpaid Package:** the plan is priced from RM39, offering a cost-effective solution for reliable and seamless digital access from RM39 • **Fixed Broadband Plan:** offers 100Mbps high-speed connectivity with uncapped data from RM89/month
Ensuring Universal Connectivity	**Description** • We expanded our network to ensure every Malaysian, regardless of location, could enjoy reliable internet **Impact Story** • In 2025, we surpassed our JENDELA Phase 2 targets by achieving **107%** of our three-year goal, connecting additional premises nationwide

PEOPLE

M13 Digital Inclusion

Business

We positioned Unifi Business as the preferred partner for Micro, Small and Medium Enterprises (MSMEs) through these value-driven initiatives:

Initiatives	
Driving MSMEs Growth Through Bundled Broadband, Mobile and Digital Solutions	**Description** • Bundled 5G devices and business broadband with essential digital tools such as our Digital Marketing Solution (DMS) • Continued to enhance the value of our broadband and mobile offerings through device-and-plan combinations for the micro, small and medium segments • Guided by market cost comparison, we curated affordable mobile postpaid plans bundled with 5G devices or business broadband plans bundled with essential digital solutions such as DMS, helping budget-conscious businesses reach a wider audience and increase leads across multiple online platforms • In May 2025, we introduced a new digital solution, Go Bookit, an online appointment booking system to help MSMEs to efficiently manage appointments, notifications and customer database **Impact Story** • Reduced financial barriers to digital adoption for small businesses by offering mobile bundles embedded with essential digital tools, from as low as RM69 per month • In total, Unifi Business has activated more than **13,000 campaigns** with DMS over the past three (3) years, demonstrating utilisation of digital solutions among MSME customers to improve productivity and profitability
Closing the Digital Divide Through Targeted Initiatives	**Description** • Drove digital adoption through the Unifi Business Club (UBC) and nationwide events such as *Jelajah Terpaling Digital* • Through the Unifi Business Mukut Community Programme in Pulau Tioman, we enhanced digital presence of the local entrepreneurs with a dedicated AI-powered online portal, visitmukut.com and equipped them with our digital solution, Go Bookit, a booking management system that allows tourists to directly book services such as tour guides, boat operators and accommodations through the portal • Empowered B40 entrepreneurs through the *Usahawan Digital TM* programme by providing digital connectivity, tools and training. This initiative supported the national *Sejahtera MADANI's* goal of alleviating poverty by enabling vulnerable groups to build sustainable online businesses **Impact Story** • Upskilled more than **600 Micro SMEs** across 13 nationwide sessions on the topics of how to level up and grow their business with digital solutions and through e-commerce platforms • Launched IMPAK BIZ, a free digital maturity assessment and recommendation tool used by more than **2,000 MSMEs** to date, leveling up their business digitally with focused, actionable recommendations from experts • Empowered Pulau Tioman entrepreneurs via visitmukut.com, attracting more than 9,600 page views since July 2025 • Trained 40 B40 entrepreneurs under the *Usahawan Digital TM* programme
Boosting Productivity via Grants	**Description** • Continued to facilitate the Government's *Geran Digital PMKS MADANI*, providing MSMEs with a 50% matching grant (up to RM5,000) for high-speed internet, cybersecurity, digital marketing and e-commerce tools **Impact Story** • Assisted more than **70%** of the total applicants to successfully obtain the grant, significantly reducing their digital transformation costs

Community

We believe that true connectivity goes beyond infrastructure; it requires establishing a foundation of trust and capability. By leveraging our national footprint, we empower local communities with the digital literacy and security skills necessary to navigate the online world with confidence and purpose.

Initiatives	
Enhancing Awareness on Internet Safety	**Description** • Delivered affordable high-speed internet while building digital confidence by equipping Malaysians with essential skills for safe and secure online navigation • Championed internet safety by leading awareness programmes at TM-managed NADI centres, ensuring local communities remain vigilant and secure online **Impact Story** • More than **95,200 individuals** participated in the internet safety awareness programmes conducted at TM-managed NADI centres, improving their vigilance and safe practices while navigating the web
Empowering Communities through TM-Managed NADI* **Pusat Sebaran Maklumat Nasional (National Information Dissemination Centre – NADI) is a Malaysian Government initiative designed to bridge the digital divide, especially in rural and underserved areas.*	**Description** • Under this initiative, we continued to provide high-speed internet to communities and digital-based entrepreneurship development skills **Impact Story** • Managed and operated 506 NADI nationwide (out of 1,099 NADI centres across Malaysia) • Supported more than **53,000** local MSMEs through entrepreneur empowerment initiatives, including free classes, workshops and webinars on marketing, branding and digital skills, among others. This enabled them to enhance their productivity and strengthen their market presence

THE SOCIETY OF ONLINE SUPERHEROES S.O.S.

We collaborated with *makchic*, a Malaysian-based online platform delivering trustworthy family-related content, to publish a pictorial internet safety guidebook for children, featuring engaging storytelling on how they can stay safe online.

Launch of the pictorial internet safety guidebook in collaboration with *makchic*

Read more about the internet safety guidebook at makchic.com/sosbook

Moving Forward

We will accelerate digital adoption and inclusion through a structured, high-impact roadmap designed to fuel Malaysia's digital economy. In the short term, we will continue to deliver value-driven offerings across all segments. For consumers and local communities, we will expand access to high-quality connectivity to ensure no one is left behind. Simultaneously, we will empower MSMEs by simplifying our service bundles, lowering entry-level investments and integrating the essential digital tools they need to scale their operations effectively.

INDUSTRY RECOGNITION FOR SME DIGITAL CONNECTIVITY LEADERSHIP

In September 2025, Unifi Business was recognised as the Best SME Connectivity Provider at the Business Today Industry Choice Awards 2025 for delivering accessible and scalable digital solutions that support MSME digitalisation.

ARTICLE:

EMPOWERING THE NEXT GENERATION THROUGH EDUCATION AND DIGITAL INCLUSION

As we advance our aspiration to become a Digital Powerhouse by 2030 (PWR 2030), we recognise that long-term success depends on our ability to build, sustain and renew human capital at scale. In an increasingly AI-driven global economy, we have adopted a deliberate and long-term approach to talent development through the strategic collaboration between Yayasan TM (YTM) and Multimedia University (MMU).

This integrated "cradle-to-career" talent pipeline strengthens capability development across multiple life stages, from early digital exposure to workforce readiness, while ensuring that individuals from diverse socio-economic backgrounds are able to participate meaningfully in the digital economy. The approach reflects our belief that resilient organisations are built alongside resilient communities.

BUILDING FOUNDATIONAL DIGITAL CAPABILITIES

Talent development begins at the foundational level through YTM's focus on STEM education and innovation. The TM Future Skills (TMFS) programme represents a cornerstone of this effort. From an initial pilot involving three (3) schools, the programme has expanded to 35 schools nationwide under the Sekolah Angkat MADANI initiative, encompassing 19 secondary schools and 16 primary schools across multiple states.

Through TMFS, more than 22,000 students and over 2,500 teachers have been exposed to applied learning in robotics, programming, coding and data analytics. By embedding exposure at a formative stage, the programme supports the development of curiosity, confidence and foundational digital skills that influence long-term learning and career trajectories.

Inclusivity is embedded within programme design. Through the Robocode initiative, we supported special needs students across 15 schools in Terengganu, Pahang and Kedah with customised learning modules and sustained mentoring. These interventions enabled participants to build technical confidence and teamwork skills, culminating in their participation in structured robotics challenges.

Complementing this, the Young Techno Maker initiative equipped 20 schools with 3D printers and Internet of Things (IoT) kits. Supported by industry-led coaching, students progressed from conceptual learning to hands-on prototyping, strengthening creativity, critical thinking and problem-solving capabilities increasingly valued in the digital economy.

EXPANDING ACCESS THROUGH SCHOLARSHIPS AND FINANCIAL ASSISTANCE

We recognise that access to education plays a critical role in shaping long-term capability development. Accordingly, we ensure that financial constraints do not hinder academic progression, particularly for students from B40 and underserved backgrounds. Through Yayasan TM (YTM) and Yayasan Universiti Multimedia (YUM), we administer a suite of scholarships and financial assistance programmes that support access, continuity and progression across education pathways.

Since its establishment, Yayasan TM has awarded more than 19,000 scholarships with a cumulative value exceeding RM650 million, supporting students across secondary and tertiary education. At the secondary level, the Young Leaders Scholarship provides one-off financial assistance to high-performing Form Four and Form Five students from B40 families in SBP, MRSM and public schools, helping students remain focused on their studies during critical examination years.

At the tertiary level, YTM's Future Leaders' Scholarship (FLS) supports high-achieving students pursuing studies at leading local and international universities. Beyond financial sponsorship, FLS incorporates structured leadership development, mentoring and professional exposure, strengthening graduate readiness and long-term employability in technology-driven fields.

Complementing this, Yayasan Universiti Multimedia (YUM) provides financial assistance to B40 students enrolled at Multimedia University (MMU). This support enables deserving students to pursue industry-relevant programmes, particularly in engineering, digital and artificial intelligence disciplines without financial barriers, reinforcing MMU's role as an inclusive talent incubator within our broader ecosystem.

Together, these initiatives support continuity in education, widen participation in high-demand disciplines and strengthen the sustainability of the digital talent pipeline.

STRENGTHENING AI AND DIGITAL TALENT THROUGH MMU

MMU plays a central role in advancing TM's digital and AI capability agenda. To respond to evolving industry demands, MMU has undertaken a strategic academic transformation with the establishment of the Faculty of Artificial Intelligence and Engineering (FAIE), replacing the traditional Faculty of Engineering.

FAIE offers specialised programmes such as the Bachelor of Science (Hons) in Applied Artificial Intelligence and Intelligent Robotics, integrating engineering fundamentals with applied AI use cases across sectors including smart healthcare, autonomous mobility and precision agriculture.

The academic ecosystem is further enhanced through the MMU AI Lab, developed in collaboration with industry partners such as ZTE and Intel. Equipped with industry-grade infrastructure, including the ZTE AiCube full-stack AI platform, the lab supports applied learning in generative AI, computer vision and cybersecurity—strengthening practical competencies and real-world problem-solving capabilities.

SUPPORTING TECHNICAL TALENT THROUGH TVET PATHWAYS

Recognising the importance of technical and vocational talent in supporting digital infrastructure and services, we have adopted a multi pathway approach to workforce development. This includes national TVET collaborations alongside Higher Technical and Vocational Education and Training (HTVET) delivery through Multimedia University (MMU), strengthening technical capability across multiple entry points.

Through the TVET MADANI initiative, we sponsor students in digital and fibre optic short courses, upgrade technical laboratories at selected institutions and enhances curriculum in areas such as Big Data, Cloud Computing, cybersecurity and fibre network deployment. These initiatives are expected to support 300–400 TVET graduates annually, with us facilitating employment opportunities across our business ecosystem.

Complementing this, MMU delivers industry oriented HTVET pathways that bridge academic learning with applied workforce deployment, particularly in digital and fibre related disciplines critical to TM's operations. MMU's HTVET programmes integrate certificate, diploma and degree level offerings with industry endorsed curriculum and professional certifications.

Collectively, these pathways strengthen job readiness by combining technical training with exposure to real world operational environments, enabling smoother transitions into technical and specialist roles within TM's ecosystem and its extensive contractor and vendor network.

ENABLING A FUTURE-READY WORKFORCE

At the organisational level, we ensure workforce readiness by systematically identifying priority skills and future competencies, integrating emerging technologies such as Artificial Intelligence and Cloud Analytics into learning and development frameworks to support the Group's PWR 2030 transformation.

Further enhancing skills development, we introduced the Talent Marketplace Platform, a centralised digital talent inventory designed to improve visibility of critical skills across the organisation. The platform enables talent-to-project matching by aligning individual capabilities with growth opportunities, supporting agile deployment of skills while broadening employee exposure to cross-functional and strategic initiatives. To date, 3,534 digital-competent talents have been successfully onboarded onto the Talent Marketplace, strengthening workforce mobility and accelerating skills application across the Group.

To strengthen leadership depth and succession continuity, we invest in a suite of Top Talent Development Programmes, including LEAD, ASPIRE and CATALYST, which are designed to prepare high-potential talents for strategic and leadership roles across the Group. Collectively, these programmes have developed 736 TM talents, strengthening leadership readiness and building a robust internal pipeline to support long-term organisational needs.

ASPIRE, a tailored development programme focused on nurturing high-potential women talents, provides structured development through leadership training, experiential learning, coaching, mentoring and sponsor engagement. Since its inception in 2023, 90 women employees have participated in ASPIRE, with 60 participants completing the programme in 2025. Of those who completed the programme, 11% progressed into senior management roles, contributing to stronger leadership continuity and increased representation of women within senior leadership positions.

Together, these initiatives enhance workforce agility, strengthen leadership succession and ensure that skills are not only developed but effectively deployed—reinforcing organisational resilience and positioning us to execute our long-term strategic ambitions.

OUTLOOK: SUSTAINING LONG-TERM HUMAN CAPITAL VALUE

TM's education and talent initiatives reflect a long-term commitment to capability building and access across the talent lifecycle. By strengthening early exposure, widening pathways to higher education, expanding AI-ready infrastructure and supporting continuous workforce development, we are cultivating a self-reinforcing digital talent ecosystem.

Ultimately, this approach extends beyond workforce development. It reflects our commitment to creating enduring value, supporting individuals, strengthening institutions and ensuring the Group remains resilient, competitive and future-ready as we progresses towards its aspiration of becoming a Digital Powerhouse by 2030.

PEOPLE

M14 COMMUNITY EMPOWERMENT

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Community Empowerment is one (1) of TM's Priority 1 material matters, reflecting the importance of promoting social equity and nurturing future talent to expand socio-economic opportunities across Malaysia.

Guided by our greater purpose as a nation builder, we strive to ensure that digital progress benefits every community. By expanding access, building digital skills and creating opportunities, we generate meaningful social impact while supporting Malaysia's journey towards an inclusive and resilient digital future. These efforts advance TM's aspiration to become a Digital Powerhouse by 2030.

Capitals Deployed: **Affected Stakeholders:** E G&R C CO **Sustainability Pillar:** **Priority:** 1 **UN SDGs:**

Note: *A complete list of our priority levels and detailed explanations of each can be found on page 107. This provides further context on how we classify and manage material matters across the organisation.*

Why It Matters

As Malaysia accelerates its digital transformation, it is critical that communities are not left behind. While connectivity continues to expand nationwide, gaps in digital access, skills and economic opportunities remain, particularly in underserved and rural areas. Bridging these gaps ensures that digital progress translates into real improvements in livelihoods, education and socio-economic mobility.

For TM, empowering communities is central to our role as Malaysia's leading national connectivity provider while advancing towards our PWR 2030 ambition. By expanding digital access, nurturing future-ready talent and enabling local entrepreneurship, we aim for the communities to become self-sustaining and able to participate meaningfully in the digital economy. When communities thrive, they strengthen local economies, drive inclusive growth and contribute to a more resilient digital future for Malaysia.

Our Approach

We advance community empowerment through close collaboration across the Group. Yayasan TM (YTM), Multimedia University (MMU), Yayasan MMU (YUM) and Group Corporate lead many flagship programmes, while teams across TM and our Lines of Business contribute expertise, resources and partnerships to expand reach and impact nationwide. Strategic collaborations further strengthen these efforts. Through Yayasan TM's partnership with the GLC *Demi Rakyat & Negara* (GDRN) initiative, for example, we support communities affected by disasters and accelerate recovery efforts.

By combining our strengths in connectivity, digital solutions, education and community partnerships, we empower communities more effectively and create lasting social impact.

Execution Arm	Primary Roles and Focus
Yayasan TM (YTM)	As the social impact arm of TM, YTM drives community empowerment initiatives that expand access to education, strengthen community resilience and preserve Malaysia's cultural heritage. ***Note:*** *As a registered foundation, YTM operates under its Trust Deeds and maintains strong fiscal accountability. It also renews its tax-exempt status regularly (covering the 2025 to 2029 cycle), ensuring programmes are delivered ethically and aligned with approved social objectives.*
Multimedia University (MMU)	MMU contributes to community empowerment by developing future-ready digital talent and expanding access to quality education. Through industry-aligned programmes, research and community engagement initiatives, the university equips students and communities with the knowledge and digital capabilities needed to participate in the evolving digital economy.
Yayasan MMU (YUM)	Established under MMU, YUM mobilises donations, zakat, waqaf and endowments from corporations and individuals to support scholarships, financial aid and community initiatives. These contributions help remove financial barriers to education while expanding opportunities for students and communities in need.
Group Corporate	Extends TM community empowerment efforts by leveraging partnerships and outreach programmes. These initiatives support diverse communities, including the neurodivergent community and further drive national initiatives, including *Kampung Angkat* and *Sekolah Angkat Malaysia* MADANI programmes. They also promote national pride through sports development initiatives such as sepak takraw.

Across TM, our Lines of Business further extend community empowerment through technology-driven initiatives, volunteerism and programmes such as NADI in collaboration with MCMC. These initiatives broaden our reach nationwide while reinforcing TM's role as a nation builder advancing inclusive digital progress.

We focus on creating lasting impact for communities while supporting Malaysia's long-term growth and resilience. By aligning our capabilities, partnerships and programmes, we work to build a more inclusive, resilient and digitally empowered Malaysia.

Our six (6) focused approaches are as follows:

Expanding Digital Access
Ensuring underserved communities benefit from reliable connectivity and digital platforms

Strengthening Community Resilience
Helping communities prepare and respond to disasters and emerging challenges

Developing Digital Talent
Equipping Malaysians with future-ready skills in STEM, digital technologies and innovation

Celebrating Culture and National Pride
Promoting inclusion and social cohesion through sports, arts and cultural initiatives

Empowering Local Entrepreneurs
Supporting MSMEs and community entrepreneurs through digital enablement and business development

Partnering for Greater Impact
Collaborating with Government agencies, academia and industry to scale community programmes nationwide

Governance and Policy

We ensure ethical delivery and accountability with structured oversight through a robust set of policies:

Sponsorship Management Policy
Through financial and in-kind contributions, TM supports community initiatives while reinforcing its role as a responsible corporate organisation that prioritises stakeholder well-being and contributes to broader societal progress.

YTM Trust Deeds & Supplementary Policy
The Trust Deeds define YTM's legal purpose and the governance structure for its Trustees. A Supplementary Policy further outlines operational procedures, reinforcing transparent management and ensuring full compliance with regulatory requirements.

MMU Sustainability Policies
These policies mandate sustainable practices across our campuses. By extending these guidelines to all staff, students, vendors and visitors, MMU leads by example in environmental and social stewardship within the university and the broader community.

For details on our common sustainability policies, see page 106.

How We Create Value

We advance national progress by driving inclusive digital transformation that empowers businesses, uplifts communities and strengthens economic resilience. This commitment is delivered through a portfolio of high-impact initiatives.

The key initiatives implemented in 2025 include:

Expanding Digital Access & Capability Building

***Jangkau Digital* TM: Transforming Kampung Mukut into a Smart Eco Village**

In August 2025, TM launched *Jangkau Digital* TM, our flagship *Kampung Angkat* initiative aligned with the Government's *Kampung Angkat* MADANI programme. We began in Kampung Mukut, Pulau Tioman, collaborating with the local community and the Tioman Development Authority to transform the village into a Smart Eco Village, integrating these four (4) initiatives:

Building the Digital Foundation for Inclusive Growth

Reliable connectivity is the backbone of this transformation. We strengthened Tioman's digital infrastructure with a **75 km submarine cable** from Kuala Rompin and installed **15 outdoor WiFi Access Points** across Kampung Mukut. Residents, businesses and visitors can now enjoy high-speed connectivity, enabling digital services, communication and online transactions in this previously remote location.

Developing Future Talent

Education is a core pillar of our impact. Through the TM Future Skills programme, students at SK Mukut and SMK Tekek gain exposure to **coding**, **robotics**, **artificial intelligence** and **3D design**, equipping them with future-ready digital skills. We also support the SK Mukut sailing team with windsurf equipment, competition apparel and the construction of a new boat slipway, scheduled for completion in April 2026.

Empowering MSME and Uplifting Economic

Connectivity has opened new opportunities for local entrepreneurs. Through **visitmukut.com**, an AI-powered platform by Unifi Business, we enable local tourism operators to showcase their offerings online. The Go Bookit extension allows visitors to book services digitally while operators manage reservations efficiently. From the launch, 13 local operators joined the platform, and within six (6) months, **the site recorded over 2,000 unique visitors** and approximately 10,000 page views, expanding Mukut's tourism reach and strengthening income opportunities for the community.

Protecting Nature While Advancing Progress

Environmental stewardship is central to the initiative. We protect the village's eco-tourism appeal with **AI-enabled CCTV systems** to enhance public safety and manage visitor flows. Our future efforts will focus on the restoration of nature trails and community-led conservation initiatives.

Impact Story

Jangkau Digital TM shows how connectivity transforms rural communities. Reliable digital access opens pathways for learning, entrepreneurship and innovation, enabling residents to fully participate in the digital economy. Local tourism operators reach wider markets, students acquire future-ready skills and the community benefits from sustainable livelihoods. At the same time, conservation initiatives safeguard the island's marine ecosystem and promote responsible tourism. Together, these outcomes demonstrate how digital infrastructure, community empowerment and environmental stewardship can work hand-in-hand to create a scalable model for inclusive rural transformation across Malaysia.

PEOPLE

M14 Community Empowerment

Initiatives

Developing Digital Talent

Scholarships and Financial Assistance

Description

- Through YTM, MMU and YUM, we provided scholarships and financial assistance to support deserving students across secondary, tertiary and university levels. These programmes help remove financial barriers to education, enabling students to pursue their studies and reach their full potential

Impact Story

- In 2025, we invested over **RM47 million** to support more than **7,000** students through scholarships and financial assistance. By expanding access to quality education, these initiatives help students overcome barriers, build future-ready skills and strengthen socio-economic mobility, ensuring a pipeline of talent equipped to drive Malaysia's digital economy and contribute to national development

Developing Future-Ready Digital Talent

Description

- Through the TM Future Skills initiative, we nurtured interest in Science, Technology, Engineering and Mathematics (STEM) by providing hands-on exposure to robotics, programming, coding, 3D printing and data analytics. The programme equipped students and teachers with practical digital skills while strengthening innovation and problem-solving capabilities for the digital economy
- Since its launch, the programme has trained more than **7,000 students** and nearly **250 teachers** across three (3) Champion Schools from 2022 to 2025. In parallel, the certification programme strengthened teaching capacity by certifying **1,000 teachers** in 2025, enabling them to deliver STEM modules to thousands of students nationwide. Through initiatives such as the Tech Titans Challenge hackathon, students gain hands-on experience in innovation, design thinking and applied STEM learning
- We further expanded this effort under the *Sekolah Angkat Malaysia* MADANI initiative, starting with three (3) schools, including SMK Tekek and SK Mukut in Pulau Tioman and SMKA (P) AlMashoor in Penang. The programme introduces STEM training, digital learning hubs equipped with robotics and technology tools and character development through sports such as sailing and sepak takraw. The initiative will be expanded to 35 schools nationwide by April 2026, creating digital learning hubs that extend resources to surrounding schools
- Complementing these efforts, we supported the TVET MADANI programme by sponsoring digital and fibre optics courses, upgrading learning facilities, training lecturers and facilitating job opportunities within our business ecosystem

Impact Story

- These initiatives expanded access to STEM education, digital skills and industry-relevant training, strengthening Malaysia's pipeline of future-ready digital talent. Early exposure to technology built students' confidence, creativity and problem-solving abilities, while teacher certification sustained continuous digital learning in classrooms
- When fully implemented, the programmes are expected to benefit over **60,000 students** nationwide. The TVET MADANI initiative trained 416 students in 2025, improving employability in the digital and telecommunications sectors. By aligning education with industry needs, these efforts help narrow the digital learning gap, strengthen workforce readiness and support Malaysia's transition to a technology-driven economy

Initiatives

Empowering Local Entrepreneurs

Rural Empowerment and Community Help (REACH) 2.0

Description

- Under this initiative, we worked closely with the local community to understand their strengths and challenges, shifting from traditional aid towards sustainable community empowerment. In support of the Government's GEAR UP initiative under *Santuni* MADANI, the programme equips residents with practical skills such as sustainable agriculture, digital literacy and financial literacy to strengthen self-sufficiency and improve livelihoods
- Implemented in Kampung Juasseh Tengah, Negeri Sembilan, the initiative promotes digital entrepreneurship and community learning through the establishment of a Smart Classroom at SK Juasseh Tengah, equipped with laptops and a smart television. Sustainability elements are also embedded through the Ecogreen Project, which includes solar installation and rainwater harvesting to support a community mushroom garden, combining environmental stewardship with local economic activities

Impact Story

- More than **1,000** community members benefited through training, digital learning and community development initiatives. Among participating entrepreneurs, 15 individuals recorded over **30% growth** in sales, demonstrating how targeted skills development and digital enablement translate into tangible economic gains
- By combining entrepreneurship, digital capability building and sustainable practices, the initiative strengthens income opportunities while fostering long-term resilience and inclusive growth

Entrepreneurship Development Centre (EDC) at MMU

Description

- MMU's Entrepreneurship Development Centre (EDC) continues to nurture student entrepreneurs as responsible job creators aligned with the Sustainable Development Goals and ESG agenda. The centre supports students in transforming innovative ideas into sustainable, market-ready ventures
- Through initiatives such as the Entrepreneur Cadetship (eCadet) programme, innovation competitions and startup incubation support, including workspaces, seed funding and mentorship, EDC integrates entrepreneurship, innovation and sustainability into the students' learning journey

Impact Story

- The EDC supported the creation of **24 MSME startups**, translating student innovation into real economic activity. These ventures contribute to job creation, expand inclusive economic participation and encourage young entrepreneurs to develop solutions that address societal and environmental challenges
- The programme reflects MMU's commitment to inclusive opportunity, with 23 female and 14 male student founders involved in the supported ventures. By empowering young entrepreneurs to build sustainable businesses, the initiative strengthens Malaysia's future innovation ecosystem while contributing to long-term economic resilience and community development

PEOPLE

M14 Community Empowerment

Initiatives

Celebrating Culture and National Pride

Sports Development

Description

- In 2025, we strengthened our presence in Malaysia's sports landscape through sepak takraw in partnership with the *Persekutuan* Sepak Takraw Malaysia (PSM). As the Official Partner, we supported and amplified sepak takraw through four (4) key initiatives:

  - **Supporting the National Sepak Takraw Team** – We supported both the men's and women's squads by providing the resources and encouragement needed to compete at the highest levels
  - **Developing future national athletes** – Through the National Sepak Takraw Development Programme (NSTDP), the NSTDP Championship brought together **200 students** from 14 schools nationwide, helping to build a pipeline of young talent for the national team
  - **Strengthening grassroots participation** – At the grassroots level, *Kursus Latihan Asas Sukan* (KLAS) Sepak Takraw programme engaged 258 students from SJKC and SJKT schools. The initiative promoted participation, encouraged healthy lifestyles and strengthened unity through sport
  - **Advancing women's participation in sepak takraw** – We introduced the Women's Youth category at the *Kejohanan Sepak Takraw Kebangsaan* TM 2025, with 30 young female athletes participating, reinforcing our commitment to expanding opportunities for women in the sport

- Through these initiatives, we continued to champion sports development in Malaysia by supporting inclusive talent pathways across genders and age groups

Impact Story

- Malaysia's success at the 2025 Southeast Asian Games underscored the importance of sustained investment in **athlete development**, with the national team reclaiming the Men's Team Regu gold medal after 34 years
- Our efforts contributed to the long-term sustainability of Malaysia's traditional sport by supporting talent development from **grassroots participation** to national representation. By creating opportunities for young athletes from diverse backgrounds, these initiatives also promoted inclusivity, encouraged active lifestyles and strengthened social cohesion

Mission to Empower the Neurodivergent Community

Description

- As part of our commitment to social inclusion and community development, we partnered with the neurodivergent community to empower individuals and celebrate their unique talents
- This initiative began with TM's Hari Raya 2025 campaign, *'Salam Teristimewa'*, which highlighted the creativity of Malaysia's autistic community. In collaboration with NakSeni, a social enterprise that supports artists with disabilities, we showcased the works of three (3) autistic artists. Their artworks, rich in emotion and individuality, were transformed into dynamic animated visuals using generative AI tools
- In conjunction with *Hari Kebangsaan* and *Hari Malaysia*, we also collaborated with the neurodivergent rock band ZIMI'J and Early Autism Project Malaysia to produce a special song titled Helo Malaysia. The music video combined the band's performance with creative expressions from the neurodivergent community, celebrating freedom of expression and the diversity that unites Malaysians

Impact Story

- Through these initiatives, we provided platforms for neurodivergent individuals to showcase their creativity, gain visibility and be recognised for their talents. These efforts also raised awareness of autism acceptance, fostering greater understanding of neurodiversity and contributing to a more **inclusive society**

Initiatives	
Digital Tech Incubator 2025	**Description** • This initiative empowered local digital artists by providing the space, tools and resources to develop and exhibit technology-driven creative projects. Through the incubator, several showcases were organised, including the TERANG Showcase at Muzium Telegraf Taiping (MTT) and Galeri Filamen at Muzium Telekomunikasi Negara (MTN), creating platforms for artists to present innovative digital works **Impact Story** • The showcases engaged **268 digital artists and exhibitors** and attracted more than 90,000 visitors, strengthening public appreciation for digital creativity while revitalising heritage spaces such as MTN and MTT. By connecting technology, art and cultural heritage, the initiative supports Malaysia's creative ecosystem and positions museums as vibrant spaces for learning, innovation and community engagement
Artefact Digitalisation	**Description** • We continued our efforts to digitally preserve and protect telecommunications artefacts and historical content at MTN and MTT, ensuring these national assets remain accessible for future generations • To enhance visitor experience, the museums have been modernised with interactive features, including upgraded submarine cable map projections and a Morse code learning application at MTT using more advanced technology. These enhancements make the exhibitions more immersive, interactive and engaging for visitors **Impact Story** • Through digital preservation and interactive learning, the museums served as important platforms for public education on Malaysia's telecommunications history. By combining **heritage conservation** with modern technology, the initiative brought historical narratives to life and deepened appreciation for the nation's digital and technological journey particularly among younger generations
Strengthening Community Resilience	
Disaster Relief & Recovery	**Description** • Provided immediate aid and essential support to communities affected by disasters, particularly during the East Coast Monsoon, helping families recover faster and rebuild livelihoods **Impact Story** • A total of RM1.6 million* was invested, benefiting more than **21,600 individuals** * *Including the MOF-GLC Demi Rakyat & Negara (GDRN) Grant*
Disaster Preparedness and Response Capability	**Description** • Strengthened disaster readiness through training, simulation exercises and multi-agency coordination programmes to enhance response effectiveness and community resilience **Impact Story** • The *Rakan* NADMA Disaster Simulation Exercise (RANDEX), conducted in collaboration with NADMA and RED A, trained **218 participants** from NGOs and agencies since 2023, improving preparedness, coordination and operational readiness for faster response during the Northeast Monsoon and other disasters • The Sarawak Intergovernmental and NGOs Disaster Response and Coordination Workshop (SISCOORD) is a three-day programme trained 60 participants from 34 NGOs and agencies, enhancing multi-agency coordination and strengthening disaster response networks across Sarawak and East Malaysia

PEOPLE

M14 Community Empowerment

Initiatives

Partnering for Greater Impact

Knowledge Transfer Programme (KTP) by MMU

Description

- MMU's Knowledge Transfer Programme (KTP) connects academic expertise with real-world community and industry needs across areas such as engineering, applied technologies, artificial intelligence, digital learning and creative industries. Through structured knowledge sharing and collaboration, the programme helps translate research into practical solutions that benefit communities

Impact Story

- MMU conducted 43 KTP sessions, engaging academic experts, industry partners and community stakeholders, reaching **4,546 participants** from 117 community groups. Participants gained practical exposure to technology, sustainability practices and digital skills that can be applied in their daily lives and local initiatives
- Beyond knowledge sharing, the programme strengthened collaboration between universities, industry and communities, while raising awareness of SDG and ESG practices. These efforts fostered more sustainable decision-making and contributed to stronger social, economic and environmental resilience within communities

JPA's Program Pembangunan Kepakaran dan Perunding Kerajaan (PRESTIJ) in Cybersecurity and AI by MMU

Description

- MMU delivered the *Program Pembangunan Kepakaran dan Perunding Kerajaan* (PRESTIJ) under the Public Service Department to strengthen public sector capabilities in cybersecurity and AI-driven digital transformation. In collaboration with JPA and industry partner ZTE, the programme combined intensive training at MMU with international benchmarking across seven (7) cities in China

Impact Story

- **20** senior Government officers completed the programme, strengthening leadership capabilities in cybersecurity, AI and digital transformation. By equipping policymakers with advanced technical knowledge and global exposure, the initiative enhanced the Government's ability to develop forward-looking digital policies, improve public service delivery and safeguard national digital infrastructure. It strengthened collaboration between academia, industry and Government, accelerating knowledge transfer and supporting Malaysia's long-term digital resilience

Festive Community Support

Description

- Provided essential assistance to vulnerable communities during festive periods through food packs, *duit raya*, clothing and iftar gatherings, fostering compassion, social solidarity and community engagement

Impact Story

- A total of RM320,000* was contributed for this cause in 2025, benefiting more than **12,700** community members

* *This is excluding the contribution amounting RM276,470 from Kelab TM and BAKIT*

NGO and Social Impact Partnerships

Description

- Supported NGOs championing causes such as women empowerment, education equity and environmental conservation, enabling broader outreach and strengthening community well-being through collaborative initiatives

Impact Story

- **13 NGOs** received a total of RM127,990 in support

Moving Forward

TM's community empowerment efforts will continue to evolve preparing the future workforce and addressing emerging technological and societal needs through capability building, innovation and sustainable partnerships.

In the short term, we will strengthen internal and external collaborations to expand on-the-ground impact, particularly in advancing digital participation and disaster relief. We will continue to provide education financial assistance for deserving students at leading global universities, while ESG and SDG themes are embedded across MMU's curriculum and co-curricular initiatives to strengthen sustainability awareness and future-ready competencies.

In the medium term, we will scale digital skills programmes for SMEs and communities and align them with national development priorities. At MMU, the Smart Campus Plan will enhance energy efficiency, environmental stewardship and accessibility through a People with Special Needs-friendly campus ecosystem. By leveraging digital technologies and sustainable infrastructure, the plan will create an inclusive, safe and resource-efficient learning environment that supports innovation, mobility and lifelong learning.

In the long term, we will continue our role as a nation builder by scaling local empowerment initiatives into broader national impact. Continued investment in education will ensure our scholarship programmes remain a strong pipeline for both TM's workforce and Malaysia's future talent needs.

Improving community infrastructure for better living conditions

Reaching out to neurodivergent community

Advancing sports development through partnerships

Equipping students with digital skills

Developing future-ready digital talents

Providing immediate support for community recovery

We bring together our capabilities, partnership and programmes to build a more inclusive, resilient and digitally empowered Malaysia

ARTICLE:

NEURODIVERGENT COMMUNITY: EMPOWERING INCLUSIVITY

SEE • HEAR • BELONG: ENABLING NEURODIVERGENT VOICES THROUGH CULTURE, NATIONHOOD and WORKPLACE READINESS

The Prelude: A New Connectivity

For decades, our story has been told through the lens of infrastructure: kilometres of fibre optics, submarine cables and the invisible waves of connectivity that bind a nation. Yet as we advance towards our aspiration of becoming a Digital Powerhouse, we recognise that the most meaningful connections are not solely technological. They are shaped by empathy, recognition and the ability to see the world through diverse perspectives.

In 2025, we embarked on a deliberate shift in how we approach inclusion. Rather than relying on isolated initiatives, we adopted a full-spectrum ecosystem aligned with our sustainability positioning and long-term social impact goals. This approach reinforces our commitment to social inclusion and community development, with an emphasis on sustainable empowerment, especially during moments of shared cultural significance.

This is the story of how we sought to See untapped potential, Hear voices too often overlooked and create conditions where diverse minds can truly Belong.

SEE: THE VISION OF SALAM TERISTIMEWA

Enabling Expression through Culture and Authenticity

To *See* is to recognise talent beyond conventional frames of ability. For many neurodivergent individuals, expression may not follow familiar norms yet their creativity, capability and unique perspectives are often profound.

In April 2025, during World Autism Acceptance Month, we introduced Salam Teristimewa as our Aidilfitri campaign, aiming to shift public perception from limitation towards talent, capability and potential. In collaboration with NAK SENI, a platform that empowers autistic artists to showcase and sell their work, the campaign featured original pieces by artists including Izzati Shahrin and Yuri Azzari. We worked with existing artworks created by the artists themselves, ensuring full creative ownership and authenticity throughout the collaboration.

The artworks were translated into other visual expressions to broaden accessibility and engagement, while preserving the integrity of the original creations. The initiative was also extended through physical platforms, including TM's Hari Raya Open House, where the artists' works were showcased and Raya packets were sold to *Warga TM*. Proceeds were channelled back to NAK SENI, creating a tangible pathway for economic participation.

Salam Teristimewa helped reframe autism from a narrative of sympathy to one (1) of respect, enabling the public to engage with neurodivergent perspectives through shared cultural moments. The initiative demonstrated that inclusion is most meaningful when it is grounded in dignity, ownership and authentic representation.

HEAR: THE RHYTHM OF HELO MALAYSIA

From Awareness to National Advocacy

Building on this foundation of awareness, we expanded our neurodiversity efforts from cultural engagement to national advocacy through Helo Malaysia. The campaign was launched in conjunction with Hari Kebangsaan and Hari Malaysia 2025, where we participated as the Platinum Strategic Partner.

The campaign featured ZIMI'J, a neurodivergent rock band, alongside artistic contributions from children supported by the Early Autism Project Malaysia. By placing neurodivergent talent at the heart of a national celebration, we sought to normalise inclusion within mainstream platforms, demonstrating that autistic individuals exist across a diverse spectrum and bring unique perspectives to our society.

While we initially considered the potential challenges of sensory environments and public exposure, we addressed these through careful preparation, strong support systems and the professionalism demonstrated by the performers

The Helo Malaysia music video reached 19.8 million viewers across YouTube and META, significantly increasing visibility and opening new performance and income opportunities for ZIMI'J. The campaign also received industry recognition in the Marketing Magazine Expert's Choice Awards, earning a place among the Top 10 Merdeka TVCs in Malaysia.

Beyond the impressive reach, we were deeply encouraged by feedback from caregivers and members of the public who shared that the campaign enhanced understanding and acceptance of neurodivergent behaviours during festive and public settings, signalling a meaningful shift in societal perception.

Composite image featuring artworks by autistic artists for TM's Aidilfitri campaign.

BELONG:
THE PWR 2030 WORKPLACE

From Visibility to Sustainable Empowerment

Visibility and voice are incomplete without belonging. That is why our external initiatives are complemented by internal efforts under PWR 2030, our transformation agenda that places people, capability and culture at the centre of long-term value creation.

We recognise that our success in the years ahead will not be defined by awareness alone, but by sustained empowerment. This includes creating structured entrepreneurship pathways, expanding economic participation and supporting greater independence within the neurodivergent community. It reflects our shift from short-term campaigns to long-term enablement.

Within the company, inclusion is embedded into our broader approach to workforce readiness and governance, ensuring consistency, accountability and scalability across all *Warga TM* nationwide.

Through this commitment, we aim to build a culture where every individual has the opportunity to thrive and truly belong.

THE SYNERGY:
A FULL SPECTRUM APPROACH

Together, *See, Hear* and *Belong* form an integrated ecosystem.

When talent is *Seen* through culture, it gains a Voice on national platforms and is supported to *Belong* through sustainable pathways and systems.

This approach ensures that our commitment to neurodiversity is embedded within our broader Sustainability ambition of Empowering the Future Together, across Prosperity, Planet and People, rather than confined to isolated moments or reporting cycles.

OUTLOOK FOR TM: SUSTAINING INCLUSION AS A DIGITAL ADVANTAGE

Looking ahead, we view neurodiversity as an evolving dimension of how a future-ready Digital Powerhouse engages with society, talent and innovation.

The experiences of Salam Teristimewa and Helo Malaysia have reinforced the importance of moving beyond awareness toward sustained empowerment where creativity, capability and participation translate into long-term opportunity.

Over the coming years, we intend to deepen this ecosystem approach by strengthening pathways that support economic participation, entrepreneurship and independence for the neurodivergent community, while continuing to embed inclusion within mainstream cultural platforms and our organisational systems. These efforts sit most directly within the People pillar, while also reinforcing Prosperity through broader workforce readiness, talent diversification and long-term national competitiveness.

As Malaysia's digital economy continues to expand, we believe that inclusive growth will be critical to sustaining resilience at both organisational and national levels. By integrating social responsibility into how technology is designed, deployed and experienced, we aim to ensure that digital progress is accompanied by lasting social value, consistent with our ambition of Empowering the Future Together.

SUSTAINABILITY PERFORMANCE DATA

TM's Sustainability Performance Data (SPD) presents a consolidated record of our key sustainability metrics over the past three (3) years:

Indicator	Measurement Unit	2023	2024	2025	Target	External Assurance
Environmental management						
Percentage of the company's total data centres portfolio in Malaysia certified to a recognized building management standard for property such as LEED, GBI, ISO 14001 (EMS) and ISO 45001 (EnMS)	Percentage	-	50	50	-	Yes
Energy management						
Total energy consumption	Megawatt	429,102	420,913	480,521	-	Yes
Three (3) years of total energy usage data on properties disclosed	Megawatt	1,287,778	1,280,429	1,330,536	-	Yes
Emissions management						
Scope 1 emissions	tCO_2e	9,431	8,763	12,708	-	Yes
Scope 2 emissions	tCO_2e	286,450	257,807	267,235	-	Yes
Scope 3 emissions (at least for the categories of business travel and employee commuting)	tCO_2e	751	799	79,521	-	Yes
Three (3) years of total GHG emissions data on properties disclosed	tCO_2e	948,852	880,603	923,465	-	Yes
Scope 3 emissions - Upstream Transportation & Distribution	tCO_2e	-	-	434	-	Yes
Scope 3 emissions - Business travel	tCO_2e	3	12	7,682	-	Yes
Scope 3 emissions - Waste Generation	tCO_2e	-	-	1,476	-	Yes
Scope 3 emissions - Employee commuting	tCO_2e	21,131	21,179	26,317	-	Yes
Scope 3 emissions - Upstream Leased Asset	tCO_2e	-	-	563	-	Yes
Scope 3 emissions - Downstream Leased Asset	tCO_2e	-	-	43,049	-	Yes
Waste management						
Total waste generated	Metric tonnes	4,721*	4,463*	12,097	-	Yes
Total waste diverted from disposal	Metric tonnes	3,279	2,950	9,372	-	Yes
Total waste directed to disposal	Metric tonnes	1,442	1,513	2,725	-	Yes
Water						
Total volume of water used	Cubic meters	131,506	122,771**	1,681,721	-	Yes
Three (3) years of total water withdrawal data is disclosed by source - Municipal potable water	Cubic meters	532,500	523,765	1,935,998	-	Yes

Notes:

* *The total waste generated in 2023 and 2024 has been recalculated based on the total waste diverted from disposal and directed to disposal.*

** *The total volume of water used for 2024 has been restated from 132,000 m^3 to 122,771 m^3 following a review and refinement of underlaying data to ensure greater accuracy and consistency in reporting.*

Indicator	Measurement Unit	2023	2024	2025	Target	External Assurance
Community/Society						
Total amount invested in the community where the target beneficiaries are external to the listed issuer	RM	38,354,335.00	39,787,258.58	57,402,542.01	-	Yes
Total number of beneficiaries of the investment in communities	Number	126,345	95,610	225,830	-	Yes
Labour practices and standards						
Total hours of training by employee category:						
Management	Hours	7,496	10,208	6,044	-	Yes
Executive	Hours	557,005	599,131	785,495	-	Yes
Non-executive	Hours	173,669	203,091	327,222	-	Yes
Percentage of employees that are contractors or temporary staff	Percentage	4.50	4.29	4.38	-	Yes
Total number of employee turnover by employee category:						
Management	Number	23	28	22	-	Yes
Executive	Number	430	442	568	-	Yes
Non-executive	Number	508	255	510	-	Yes
Number of substantiated complaints concerning human rights violations	Number	0	0	0	-	Yes
Maximum number of years executive remuneration is deferred	Number	0	0	0	-	Yes
Percentage of salary of executives to which bonuses are restricted	Percentage	0	0	0	-	Yes
Percentage of salary of other high paid staff to which bonuses are restricted	Percentage	0	0	0	-	Yes
Diversity						
Percentage of employees by gender and age group, for each employee category:						
Age Group by Employee Category						
Management Under 30	Percentage	0	0	0	-	Yes
Management Between 30-39	Percentage	0	0	0	-	Yes
Management Between 40-50	Percentage	0.7	0.6	0.6	-	Yes
Management Above 50	Percentage	0.5	0.5	0.6	-	Yes
Executive Under 30	Percentage	3.9	3.7	3.7	-	Yes
Executive Between 30-39	Percentage	19.4	17.3	14.2	-	Yes
Executive Between 40-50	Percentage	21.9	24.5	28.3	-	Yes
Executive Above 50	Percentage	6.5	7.1	7.1	-	Yes
Non-executive Under 30	Percentage	1.8	1.4	1.1	-	Yes
Non-executive Between 30-39	Percentage	22	19.6	17.1	-	Yes
Non-executive Between 40-50	Percentage	16.3	17.7	20	-	Yes
Non-executive Above 50	Percentage	6.9	7.5	7.4	-	Yes

SUSTAINABILITY PERFORMANCE DATA

Indicator	Measurement Unit	2023	2024	2025	Target	External Assurance
Diversity						
Gender Group by Employee Category						
Management Male	Percentage	0.8	0.8	0.8	-	Yes
Management Female	Percentage	0.4	0.4	0.5	-	Yes
Executive Male	Percentage	26.5	26.8	26.9	-	Yes
Executive Female	Percentage	25.3	25.7	26.4	-	Yes
Non-executive Male	Percentage	32.2	31.8	31.4	-	Yes
Non-executive Female	Percentage	14.8	14.5	14.1	-	Yes
Percentage of global staff with a disability	Percentage	0.09	0.09	0.1	-	Yes
Percentage of women in the global workforce	Percentage	40	41	41	-	Yes
Percentage of women on the Executive committee or equivalent	Percentage	47	47	43	-	Yes
Percentage of women in the management category	Percentage	32	35	36	35	Yes
Number of global staff with a disability	Number	17	16	17	-	Yes
Health and safety						
Number of work-related fatalities	Number	0	0	0	-	Yes
Lost Time Incident Rate (LTIR)	Rate	0.08	0.21	0.14	-	Yes
Number of employees trained on health and safety standards	Number	2,829	14,053	18,821	-	Yes
Number of work-related employee fatalities, over last 3 years	Number	0	0	0	-	Yes
Number of work-related contractor fatalities, over last 3 years	Number	0	0	0	-	Yes
Percentage of sites with OSHE - ISO 45001 certification	Percentage	0.8	0.12	0.12	-	Yes
Good governance						
Percentage of directors by gender and age group:						
Male	Percentage	67	73	67	-	Yes
Female	Percentage	33	27	33	30	Yes
Under 30	Percentage	0	0	0	-	Yes
Between 30-39	Percentage	0	0	0	-	Yes
Between 40-50	Percentage	17	18	17	-	Yes
Above 50	Percentage	83	82	83	-	Yes
Number of Board Directors	Number	12	11	12	-	Yes
Number of independent Directors on the board	Number	6	6	7	-	Yes
Number of women on the board	Number	4	3	4	-	Yes
Annual General Meeting: Number of days between the date of notice and date of meeting	Number	28	29	31	-	Yes

Indicator	Measurement Unit	2023	2024	2025	Target	External Assurance
Anti-corruption						
Percentage of employees who have received training on anti-corruption by employee category:						
Management	Percentage	6	5	60	-	Yes
Executive	Percentage	36	13	22	-	Yes
Non-executive	Percentage	19	7	24	-	Yes
Percentage of operations assessed for corruption-related risks	Percentage	65	65	50	-	Yes
Confirmed incidents of corruption and action taken	Number	8	18	13	-	Yes
Disclosure of number of staff disciplined or dismissed due to non-compliance with anti-corruption policy/policies	Number	15	23	11	-	Yes
Disclosure of cost of fines, penalties or settlements in relation to corruption	RM	0	0	0	-	Yes
Responsible conduct						
Disclosure of total amount of political contributions made	RM	0	0	0	-	Yes
Number of fines/settlements over the previous 3 years where each is valued > US $100 million	Number	0	0	0	-	Yes
Combined total value of fines/settlements over the previous 3 years where each is valued > US $100 million	RM	0	0	0	-	Yes
Supply chain management						
Proportion of spending on local suppliers	Percentage	74	76	79	-	Yes
Data privacy and security						
Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0	0	0	-	Yes
Number of major cybersecurity incidents that disrupted business operations	Number	0	0	0	-	Yes

For TM's comprehensive three (3) year Sustainability Performance data, please scan the QR code or visit www.tm.com.my/sustainability/appendices-download

CORPORATE GOVERNANCE OVERVIEW STATEMENT

OUR COMMITMENT TOWARDS GOVERNANCE EXCELLENCE

The Board recognises that strong corporate governance (CG) is fundamental to TM Group's long-term sustainability and value creation. The Board is committed to upholding high standards of integrity, accountability and transparency in the conduct of the Group's business and affairs.

TM GROUP'S GOVERNANCE FRAMEWORK

TM Group's CG framework is guided by the legal requirements, best practices, policies and guidelines issued by our regulators and is reviewed on a regular basis to ensure consideration of the latest CG developments. In addition, TM also leverages relevant international best practices and standards to remain globally aligned and competitive.

- Companies Act, 2016 (CA 2016)
- Main Market Listing Requirements (Main LR) of Bursa Malaysia Securities Berhad (Bursa Securities)
- CG Guide (4th edition) published by Bursa Malaysia Berhad
- Malaysian Code on Corporate Governance 2021 (MCCG) by the Securities Commission Malaysia (SC)
- Guidelines on Conduct of Directors of Listed Corporations and their Subsidiaries by the SC

The Board steers TM's dual role as a public listed company (PLC) and a Government-linked company (GLC) while advancing national priorities towards a Digital Malaysia. Through strategic leadership, the Board supports sustainable development driven by connectivity and technology, alongside initiatives that contribute to social progress and national resilience.

Guided by clear oversight from the Board, the Group adopts a disciplined governance approach that supports ethical conduct, effective decision-making and transparent stakeholder engagement. Oversight is strengthened through a structured committee framework, with defined responsibilities delegated to Board Committees and the Management Committee. These committees provide focused support across financial oversight, human capital development, internal control and risk management, as well as governance, procurement and sustainability matters, enabling more effective supervision and accountability.

The CG Framework is supported by key governance instruments including the Board Charter, Limits of Authority (LoA) Matrix, Business Policy and Governance (BPG) and the Directors' and Management's Conflict of Interest (COI) Policy. The Board Charter is reviewed annually, while the LoA and BPG framework are updated in line with organisational transformation initiatives. This structured review process strengthens effectiveness, adaptability and regulatory compliance, while supporting timely identification of emerging risks, opportunities and evolving governance practices.

Our CG Framework

Management Committee
- Focuses on business strategy, policies, regulatory and corporate matters

Business Operations Council
- Focuses on business and operational execution plans, including go-to-market revenue growth
- Authorised to undertake business arrangement and investment decisions in accordance with the LoA

Technology Committee
- Focuses on business with technology-agnostic solutions, including network, IT, digital, security and mobile/wireless
- Authorised to undertake investment decisions and project approval in accordance with the LoA

The Governance Framework includes:

1. Open, clear and timely communication with our shareholders
2. Skilled, experienced, diverse and majority independent directors, supported by relevant Board Committees suited to TM's requirements
3. Clear delegation, decision-making and accountability framework
4. Robust systems of risk management, internal controls and assurance
5. Our Vision, Mission, Code of Conduct and Business Ethics (CBE) policy define the standards of behaviour expected to achieve our targets based on clearly defined strategies

COMPLIANCE WITH THE MCCG 2021

A Board Leadership and Effectiveness

B Effective Audit and Risk Management

C Integrity in Corporate Reporting and Meaningful Relationships with Stakeholders

As at 31 December 2025, TM has applied all recommended Practices save for Step 8.3 and 9.4:

MCCG 2021 Practices	# of Practices	# of Practices Applied in		Practice/Step-up not adopted during the year
		2024	2025	
Recommended	43	42	43	
Step-ups	5	4	3	Step-up 8.3 on detailed remuneration of Senior Management on a named basis. Step-up 9.4 on Audit Committee to comprise solely of independent directors.
Total	**48**	**46**	**46**	

This CG Overview Statement is to be read together with the CG Report 2025, which further elaborates on how the practices of the MCCG are applied. The CG Report is available on the Company's website at www.tm.com.my.

TM was honoured with Excellence Awards: Silver for Companies with more than RM10 billion in market capitalisation at the National Annual Corporate Report Awards (NACRA) 2025

TM was honoured with Overall Excellence Award 2025 for being in the Top 10 at the prestigious National Corporate Governance & Sustainability Awards (NACGSA) 2025

TM was honoured with Industry Excellence Award 2025 in Telecommunications & Media category at the prestigious NACGSA 2025

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A Board Leadership and Effectiveness

BOARD RESPONSIBILITIES

Led by the Board Chairman, the Board holds primary responsibility for setting the tone at the top, defining the Group's strategic direction, ensuring effective function of the core processes relating to governance, business performance and ethical oversight with the aim of creating long-term sustainable value to stakeholders.

Key responsibilities of the Board are as follows:

Setting the vision, mission and strategic direction of the Company and exercising oversight on execution by MD/GCEO

Formalise the governance framework and ensure that appropriate policies and procedures are in place

Ensure effective internal controls and risk management framework that support balanced and sound judgement

Embed sustainability elements into business decisions creating competitive advantage

Deliberate on formal schedule of matters specifically reserved for Board's decision

Fostering culture of integrity and values to ensure that the Group adheres to high standards of ethics and integrity

Maintain effective communication and engagement with stakeholders

Board activities are structured to enable robust oversight and informed deliberation. This framework allows Directors to effectively support the MD/GCEO together with Management through constructive engagement, strategic guidance and performance monitoring, strengthening alignment between governance and operational execution.

Demarcation of Responsibilities between the Board, Board Committees and Management

The roles and responsibilities of the Board, Board Committees and Management including specific responsibilities of the Chairman, Senior Independent Director (SID), Non-Executive Directors (NEDs) and Executive Director (ED) are elucidated clearly in the Board Charter. The Board Charter also outlines matters that require approval at Board or Committee level, providing guidance on governance practices, policies and decision-making processes. This structured demarcation supports effective checks and balances, promotes transparency and prevents concentration of authority, safeguarding the integrity of the decision-making process.

Periodic reviews of the Board Charter are conducted to maintain alignment with the Company's objectives, strategies and prevailing regulatory requirements. During the year, no amendment was made to the Board Charter.

The Board Charter is accessible through the Company's website at www.tm.com.my.

Board

- Comprises Directors with diverse backgrounds, skills and expertise, supporting constructive dialogue and well considered deliberations at Board meetings.
- This diversity strengthens governance effectiveness and enables the Board to provide meaningful oversight across a broad range of strategic and operational matters.

Chairman

Roles

- Provides leadership to the Board and ensures its effectiveness.
- Leads the Board in overseeing Management.
- Acts as liaison between the Board and Management and carries out other duties as requested by the Board as a whole, depending on needs and circumstances.
- Maintains an effective communication channel that enables both the Board and Management to communicate effectively with stakeholders of the Company.
- Proactively engages with external stakeholders to promote the goals and objectives of the Company.

- Dato' Zainal Abidin Putih continues to provide strong leadership in guiding the Board and Management.
- Does not serve on any Board Committees, supporting independent leadership and focused oversight at Board level.
- Encourages thorough discussions and dialogues between Directors, ensuring informed decisions.
- Extensively involved in engagements with TM stakeholders, providing presence and support to the MD/GCEO in enhancing rapport with the Government and private sectors, whenever required.
- Based on the Board Effectiveness Evaluation (BEE) 2025, the Board continues to rate him with a higher score, a testament to his strong leadership. For the Self and Peer Assessment (SPA), he was also rated more than 4.0 evidencing his strong leadership in ensuring the effectiveness of the Board collectively.
- Commended on his good grasp on issues, well planned and effective management of Board meetings, strengthening communication and trust between Board and Management.

Senior Independent Director (SID)

Roles

- Chairs the Board Nomination and Remuneration Committee (NRC).
- Leads discussions among Independent Non-Executive Directors (INEDs) or NEDs in any concerns which may not have been considered by the Board as a whole.
- Serves as a sounding Board for the Chairman and helps resolve issues or disputes that may arise within the Board.
- Provides an alternative channel of communication for shareholders and other stakeholders to convey their concerns and issues.
- Contributes to Board succession planning, performance evaluation of the Chairman and Board and promotes high standards of CG.

- Hisham Zainal Mokhtar continues to play the role of SID, maintaining the integrity and governance within the Board.
- Though no specific session with NEDs was held during the year, SID chaired Board meetings in situations where Conflict of Interest (COI) involving the Chairman and other Interested Directors arose.
- Based on the BEE 2025 and SPA, Hisham was commended for his inquisitive approach and constructive challenges to Management, which fostered comprehensive deliberation, enhanced accountability and strengthened decision making. His insights and expertise contributed meaningfully to the Board's oversight function. Rated above 4.0, he was highly valued by the Board, further solidifying his leadership as an SID.

Executive Director

Roles

- Implements the broad policies approved by the Board.
- Reports and discusses at Board meetings all material matters currently or potentially affecting the Group and its performance, including all strategic projects, regulatory developments and sustainability matters.
- Ensures the smooth running of the day-to-day operations of the Company.
- Maintains an effective communication channel that enables both the Board and Management to communicate effectively with stakeholders.

- Amar Huzaimi Md Deris, with his leadership, hands-on knowledge, perspective and experience of the Management's capabilities enables focus on strategic aspects and businesses of the Group.
- Brings extensive knowledge of both the local and global telecommunication landscape, enabling the Board to benefit from his deep understanding of market trends, industry dynamics and emerging developments.
- Demonstrates his leadership competencies, skills and in-depth knowledge of the industry, adaptability and open mindedness towards changes.
- Engages confidently and effectively with stakeholders across various levels.
- Based on BEE 2025, he continued to be highly rated by the Board. He was rated above 4.0 for his deep understanding of the Company's core operations, acute awareness of the broader industry landscape, ability to showcase and anticipate trends and navigate challenges and maintains a constructive and transparent relationship with the Board and Management.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

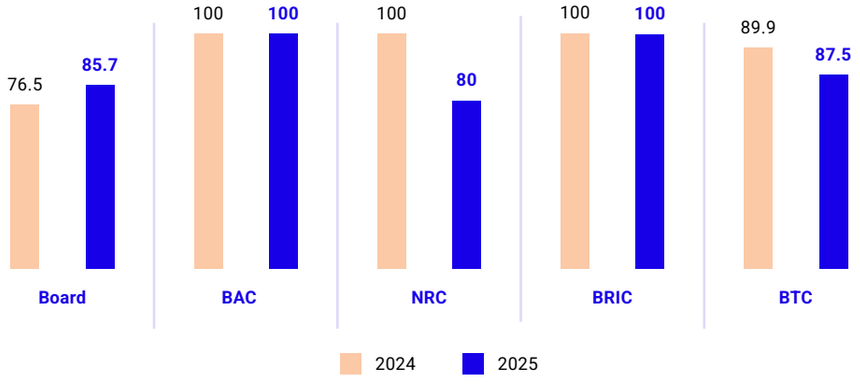
A Board Leadership and Effectiveness

BOARD ENGAGEMENT AND PARTICIPATION

Advance planning supports effective participation by Directors through the issuance of an annual meeting calendar outlining scheduled Board and Committee meetings, together with the meetings' key agenda items. This forward planning allows Directors to organise their schedules efficiently, facilitating consistent attendance and meaningful discussions. The structured meeting framework also enables focused deliberation on strategic, financial, risk and governance matters, supporting timely decision making and stronger oversight.

Directors demonstrate a high level of engagement throughout the year, reflected in their consistent attendances at Board and Committee meetings. This reinforces the Directors' collective accountability and active participation in the discharge of their fiduciary duties.

Directors' Minimum Attendance at Board and Committee Meetings



Compliance to the Minimum Directors' Attendance at Board Meetings for 2025

- More than 50% attendance – Paragraph 15.05 of the Main LR
- Not less than 75% attendance – Company's Board Charter
- Not less than 75% attendance – Khazanah Nasional Berhad's (Khazanah) Shareholder Expectations and Investment Stewardship 2024
- At least 75% attendance – Employees Provident Fund (EPF) CG Principles and Voting Guidelines 2025/2026 Edition
- Minimum 75% attendance – Permodalan Nasional Berhad (PNB) Domestic Voting Guidelines 2025

In accordance with the Board Charter, attendance of alternate Director at Committee meetings and Board strategy retreats is permitted to support continuous oversight, effective decision-making and the Board's succession planning. This arrangement supports smooth Board operations while maintaining robust governance standards. The Company has one (1) alternate Director, representing the interests of the Special Shareholder, providing appropriate stakeholder representation without compromising the Board's independence, objectivity or governance balance.

During the financial year, two (2) Board Strategy Retreats were convened to facilitate in-depth discussions and deliberations on key strategic priorities and providing Management with strategic guidance on the Group's future growth initiatives.

BOARD MID-YEAR STRATEGY RETREAT 21 - 23 JULY 2025

- Aligned key strategic moves to achieve PWR 2030 aspirations and beyond
- Sharpen TM's strategy to sustain leadership in the industry and uplift TM's growth

BOARD STRATEGY RETREAT: ANNUAL OPERATING PLAN (AOP) 2026 30 NOVEMBER - 2 DECEMBER 2025

- Detailed the execution plan for strategic priorities and move it into action
- 2026 AOP Commitment for TM Group

In addition to the Board Meetings, two (2) circular resolutions with supporting information were issued and passed on urgent proposals.

Decisions at Board Meetings and circular resolutions are decided by a majority of votes of the Directors or their alternates in line with the Company's Constitution.

In line with regulatory requirements and established governance practices, Directors are required to disclose their interests and any potential COI in matters presented at the Board and its Committees, to the best of their knowledge and ability. Where necessary, legal advice is sought to ensure proper assessment and compliance. All declared interests, including the nature and extent of any potential conflict, are formally recorded in a register which is made available to the Group Internal Audit (GIA) for independent review. Where a conflict is identified, the Interested Director abstains from deliberations and decision-making on the relevant matter to preserve objectivity and governance integrity. A similar process is applied at Management Committee, chaired by the MD/GCEO, to promote consistent governance standards and ethical conduct across the Group. The practice is also replicated at TM's subsidiaries.

Directors' commitment, attendance and time spent at Board and Committees' Meetings in 2025

No.	Director & Representation	Designation / Time Spent	No. of Attendance/No. of Meeting				
			Board	Committee			
				BAC	BTC	NRC	BRIC
			70.60	30.85	23.30	29.55	20.00
A.	**Represent TM's Special and Major Shareholders**						
1.	Dato' Zainal Abidin Putih	NINEC	14/14				
2.	Amar Huzaimi Md Deris [AHMD][1]	NIED	14/14				
3.	Datuk Dr. Shahrazat Haji Ahmad [DSA][2]	NINED	12/14		5/8		
	Alternate: Iszad Jeffri Ismail [IJI] (Ceased on 6 August 2025)		2/8		2/4		
	Alternate: Syaiful Hafiz Moamat Mastam [SHM] (Appointed on 6 August 2025)		4/5		2/3		
4.	Dato' Mohamed Nasri Sallehuddin	NINED	14/14			9/10	8/8
5.	Muhammad Afhzal Abdul Rahman (MAAR)[3]	NINED	14/14	4/5	3/3		
B.	**Represent Minority Shareholders**						
6.	Hisham Zainal Mokhtar	INED	14/14	9/9		10/10	8/8
7.	Datuk Siti Zauyah Md Desa	INED	14/14		7/8	8/10	
8.	Ahmad Taufek Omar	INED	14/14		8/8	10/10	
9.	Tan Sri Datuk Yong Poh Kon (TSY)[4]	INED	14/14			7/7	8/8
10.	Datuk Bazlan Osman (DBO)[5]	INED	14/14	9/9	5/5		3/3
11.	Dr. Tunku Alina Raja Mohd Alias *(Appointed on 3 June 2025)*	INED	9/9	5/5			5/5
12.	Shahnaz Al-Sadat Abdul Mohsein *(Appointed on 3 June 2025)*	INED	9/9	5/5	5/5		
C.	**Former Director**						
13.	Rossana Annizah Ahmad Rashid *(Retired on 27 May 2025)*	INED	5/5	4/4	3/3		

Note:
(1) *AHMD is not a member of any of the Board Committees and his attendance at the Committees meetings represent Management's interest.*
(2) *IJI and SHM attended two (2) BTC meetings respectively on behalf of DSA. In line with the Board Charter, the attendance of an alternate director at Committee meetings is accounted for as the attendance of the substantive director.*
(3) *MAAR resigned as BTC member and appointed as BAC member on 27 May 2025. MAAR abstained and did not participate in one (1) BAC Special Meeting as he was an Interested Director for the said transaction.*
(4) *TSY resigned as NRC member on 3 June 2025.*
(5) *DBO resigned as BRIC member and appointed as BTC member on 27 May 2025.*

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A Board Leadership and Effectiveness

Key Focus Areas/Matters Reviewed and Deliberated by the Board in 2025

Strategy
- Business Strategy of Business Clusters, Enablers and Group Human Capital Management (GHCM)
- Budget and AOP for the Group for FY2026
- FY2025 Corporate Scorecard
- New growth areas: cloud, submarine cables, data centres digital solutions etc.
- Update on strategic projects and inorganic proposals

Financial and Performance Management
- Financial Results Review including BAC Reports
- Quarterly Business Review
- Corporate Finance Matters

Human Capital Management
- Board and Leadership Succession Plan
- Pivotal Positions' Scorecard and Performance Review
- Review of Performance Management Framework

Sustainability
- TM Sustainability Roadmap 2024 - 2026 Progress Update
- Sustainability Key Performance Indicators (KPI) for Pivotal Positions
- Board Training Programme (BTP) on Digital Innovation Trends
- BTP: Digital Transformation Journey – Softbank success story

Governance
- Changes in composition of Board and Board Committees
- BEE Report and Actionable Improvement Programme
- CG Disclosures in IAR
- COI matters
- Related Party Transactions (RPT) with related parties
- IAR

The Board also deliberates and/or decides on the updates and recommendations from the Board Committees.

ETHICS AND INTEGRITY

The Board drives ethical leadership through a top-down approach that promotes TM's values of good governance and accountability across the Group. This leadership stance sets the tone at the top and guides conduct throughout the organisation.

TM's Code of Conduct and Business Ethics (CBE), Anti-Corruption Guide and Whistle Blowing Policy provide a clear framework governing ethical conduct, COI management and reporting of concerns. These policies apply to Directors, employees and suppliers, establishing clear standards of behaviour while fostering a culture of integrity, transparency and accountability across operations.

For further details on Good Governance please refer to pages 188 to 195.

BOARD COMMITMENT TO SUSTAINABILITY

The Board has strengthened sustainability governance across the Group through the adoption of an updated Sustainability Framework and Integration Plan, supported by TM's Sustainability Roadmap. TM focuses its sustainability initiatives on the interconnected goals of prosperity, planet and people, aligning sustainability with business strategy.

To deepen the understanding on sustainability trends and expectations, the Board and Senior Management participated in targeted training programmes such as training on Digital Innovation Trends to unlock sustainable growth. In addition, four (4) Directors completed the Mandatory Accreditation Programme (MAP) Part II on sustainability in 2025, totalling 11 Directors who have completed the programme. As at the date of the CG Statement, all TM directors have completed their MAP Part II training.

Sustainability KPIs are also incorporated into the Corporate Scorecard and adopted by all staff within the Group.

For more information on TM's sustainability targets and initiatives, please refer to Sustainability Statement on pages 100 to 251.

BOARD BALANCE, COMPOSITION AND DIVERSITY

The Board, assisted by NRC, regularly reviews its composition to ensure that it remains appropriate, effective and aligned with the Company's needs in discharging its duties and responsibilities. The Board's composition reflects a balanced mix of skills, experience and industry knowledge relevant to TM's business and strategic direction. During the year, several changes to the Board took place, as outlined below:

No.	Director	Circumstances of Change	Date of Change
1	Rossana Annizah Ahmad Rashid	Retired upon the conclusion of the 40th AGM	27 May 2025
2	Dr. Tunku Alina Raja Muhd Alias	Appointed as INEDs	3 June 2025
3	Shahnaz Al-Sadat Abdul Mohsein		
4	Iszad Jeffri Ismail	Ceased as Alternate Director to Datuk Dr. Shahrazat Haji Ahmad, a NINE Director	6 August 2025
5	Syaiful Hafiz Moamat Mastam	Appointed as Alternate Director to Datuk Dr. Shahrazat Haji Ahmad	

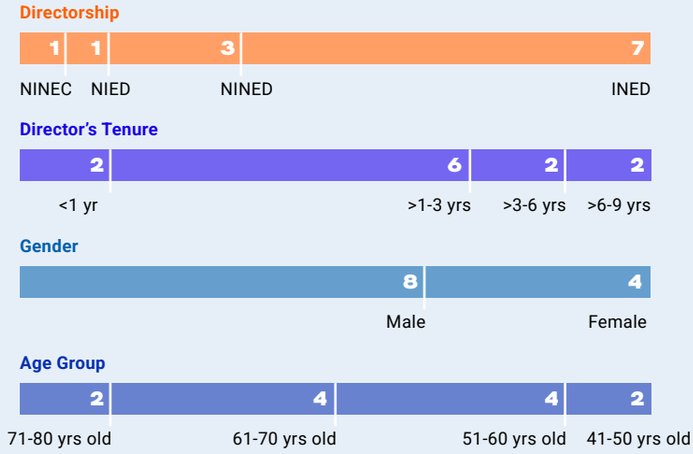
Diversity forms an integral part of TM's Board composition strategy, supporting balanced deliberation and well-rounded decision-making. The selection of Directors considers a broad range of diversity attributes, including gender, ethnicity, nationality, religious beliefs, cultural and socio-economic backgrounds, as well as age. This approach encourages the exchange of varied perspectives and constructive dialogue in the boardroom.

Beyond demographic representation, diversity also encompasses professional experience, skill sets and competencies. This mix supports a dynamic and effective Board, enabling Directors to contribute diverse viewpoints, challenge assumptions and strengthen governance quality through informed debate and collaborative engagement.

The independence of Directors, including NEDs, is assessed annually by the Board with advice from the NRC. The assessments consider factors such as skills, experience, contributions, background and family relationships to determine objectivity and independence of judgement. Criteria set out under Paragraph 1.01 of the Main LR are also applied to ascertain the independence of INEDs. This includes independence from Management, absence of business or other relationships that may affect judgement and independence from major shareholders.

As part of the BEE 2025, all Directors, including the Alternate Director, underwent fit and proper assessments. All seven (7) INEDs completed the assessment and affirmed their independence.

Board Composition as at 31 December 2025



- Paragraph 15.02(1)(a) of the Main LR requires more than 1/3 of the Board is independent: INED (58%) vs NINED (42%)
- Paragraph 15.02(1)(b) of the Main LR for at least one (1) woman director: Four (4) women Directors.
- Paragraph 2.1.5.8 of the Board Charter requires disclosure that 1/3 of the Board is independent: 58% INEDs.
- Practice 5.2 of MCCG on majority independent director for large companies: 58% INEDs.
- Practice 5.9 of MCCG on at least 30% women directors: 33% women Directors

***Note**: Board composition excludes Alternate Director.*

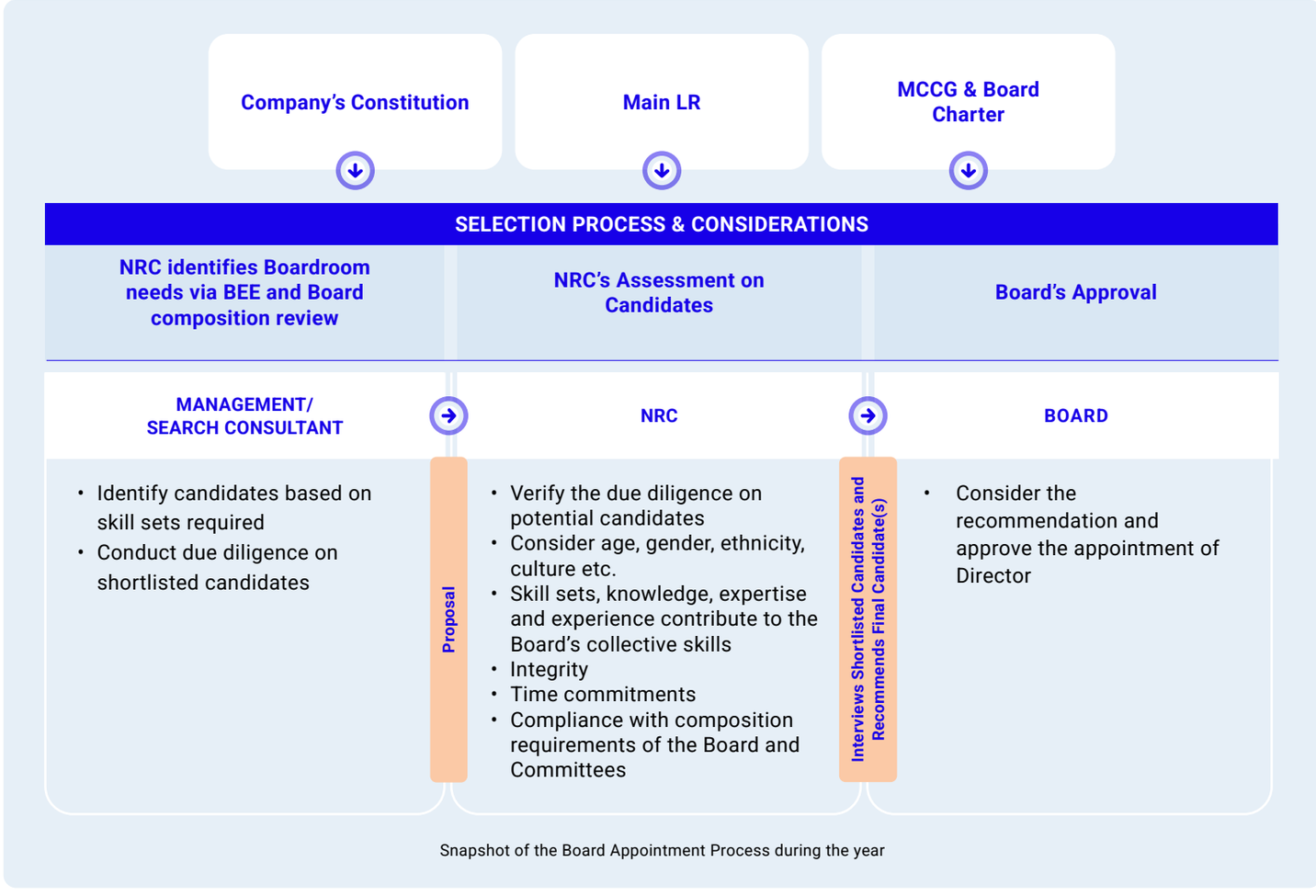
Details of the Directors, including their qualifications, experience, skill set and any COI or potential COI, can be referred to in the Board of Directors section on pages 281 to 287.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A Board Leadership and Effectiveness

BOARD APPOINTMENT AND SUCCESSION PLANNING

The NRC oversees Board appointment and succession planning processes to support leadership continuity and long-term governance effectiveness. This includes evaluating future skill requirements, identifying, evaluating and selecting potential candidates with the appropriate mix of skills, competencies and experience to support the needs of a fast paced and dynamic telecommunications industry, prior to making its recommendations to the Board.



Snapshot of the Board Appointment Process during the year

During FY2025, the Board engaged an independent search consultant in its search for women director(s) with identified skill sets required. After a vigorous process by NRC, the Board approved the appointment of Dr. Tunku Alina Raja Muhd Alias and Shahnaz Al-Sadat Abdul Mohsein as TM new INEDs.

Succession Planning

The Board recognises that robust succession planning is essential to mitigate continuity risks arising from the departure of qualified and experienced individuals. It seeks to ensure that both the Board and Pivotal Positions are supported by individuals with the requisite competencies, experience and strategic acumen to drive sustainable performance and long-term value creation.

The policy on tenure of directorships facilitates orderly succession planning by providing the Board with the opportunity to periodically evaluate its memberships, promote refreshment and maintain an optimal mix of independence, diversity and competencies.

As part of the succession planning framework, NRC maintains a directors' pool comprising suitably potential candidates for consideration in the appointment of INEDs on the Board. NRC reviews and refreshes this pool on a regular basis to ensure it remains relevant, diverse and aligned with the Board's evolving skills matrix, strategic priorities and governance requirements.

Directors' Retirement and Re-election

The NRC and the Board ensure that the annual re-election of Directors is contingent upon satisfactory evaluation of each Directors' performance, contribution and effectiveness as a member of the Board.

In respect of the Directors seeking re-election at the forthcoming Annual General Meeting (AGM), the NRC has considered the fit and proper declarations submitted by respective Directors and is satisfied that they continue to meet the criteria set out in TM's Fit and Proper Policy, including the requisite integrity, competence, experience and time commitment to effectively discharge their responsibilities.

The details of the Directors standing for re-election and the justification can be found on pages 343 to 350 of the Notice and Statement Accompanying Notice of the 41st AGM.

BOARD EFFECTIVENESS AND TRAINING

Board Effectiveness Evaluation (BEE)

The Board's performance evaluation in 2025 was conducted internally, by the Group Company Secretarial Division (Cosec) based on the enhanced template initially introduced by the independent consultant during the 2023 performance evaluation. This is intended to provide a better comparison basis to assess the Board's performance effectiveness.

All 12 directors, excluding the Alternate Director, participated in the BEE 2025. The findings are then presented to the NRC and Board for discussion. The assessment conducted covered the following areas:

Key Areas

- Board Governance and Oversight
- Boardroom Processes and Infrastructure
- Boardroom Composition and Diversity
- SPA
- Fit and proper
- Independence
- Board Committees

Areas of Strength

- Effective Chairman Leadership
- Enhanced Effectiveness of Board Committees
- Robust Board Governance and Oversight

Areas of Development

- Strategic Depth and Collaborative Board Management infused with sustainability considerations
- Sustainability, digital transformation, artificial intelligence, cybersecurity and future-oriented competencies at the Board level
- Succession Planning and Leadership Pipeline for Board, Committees and Pivotal Positions

The BEE 2025 also assesses the effectiveness of the Board Committees, particularly its composition and its members' skills, functionalities and oversight responsibilities. The Committees were rated between 76% to 82%. The findings will be shared with the respective Committees accordingly to deliberate on the areas of improvement.

SPA is conducted to assess each Director's professional competency, attributes and personality. Directors' Peer Evaluation overall results were rated 3.0 and above. A face-to-face session will be conducted between Chairman and each Director on the SPA results and improvement actions moving forward.

Board Management Effectiveness Programme (BMEP)

In addition, Cosec has also carried out the BMEP survey, an assessment tool to measure the strength of working relationship and engagement of selected Pivotal Positions (C-levels) with the Board and Committees. The results of the BMEP survey were incorporated in the Pivotal Positions and Group Company Secretary's scorecards.

The BMEP 2025 Survey Results was tabled to NRC and the Board. Results were also shared with relevant C-levels for comprehension of their areas of strength and areas of improvement.

Board Training Programme (BTP)

Continuous learning forms an integral part of the Board's commitment to effective governance. Directors are provided with access to relevant information, industry updates and insights on emerging regulatory, technological and market developments, enabling them to remain well-informed within a rapidly evolving technology and telecommunication environment.

A structured and ongoing training framework encourages Directors to participate in continuous professional development programmes, both external programmes and tailored internal sessions conducted for the Board and its Committees. These learning opportunities enhance Directors' knowledge of strategic, regulatory and operational matters, thereby strengthening informed oversight, constructive challenge and sound decision-making.

During the year, two (2) dedicated knowledge sharing sessions were organised, focusing on digital transformation journey and digital innovation trends. These sessions provided practical insights into regulatory changes, sustainability priorities and industry shifts.

A comprehensive induction programme is in place to support newly appointed Directors to transition effectively into their roles and to facilitate a clear understanding of the Group's business strategy, operations and governance framework. Newly appointed Directors are required to attend the induction programme as soon as practicable following their appointments. The programme includes engagement sessions with MD/GCEO, GCFO, Head of Group Strategy and relevant heads of business and enablers. These sessions provide detailed briefings on the Group's business operations, strategic priorities, financial performance, key risks and challenges. In addition, newly appointed Directors and newly assigned members of Board Committees are also briefed on the roles, responsibilities and scope of work of the respective Board Committees to ensure clarity of expectations and effective participation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A Board Leadership and Effectiveness

Through the BEE 2025, Directors also assessed their technical proficiencies. Based on the gaps identified, Directors will continue to strengthen their capabilities in the identified areas through targeted development initiatives.

As at the financial year end, a total of 153 training hours were recorded for industry related courses in 2025, representing 15% of the total training hours attended by Directors, reflecting a significant increase from 65.5 hours in 2024.

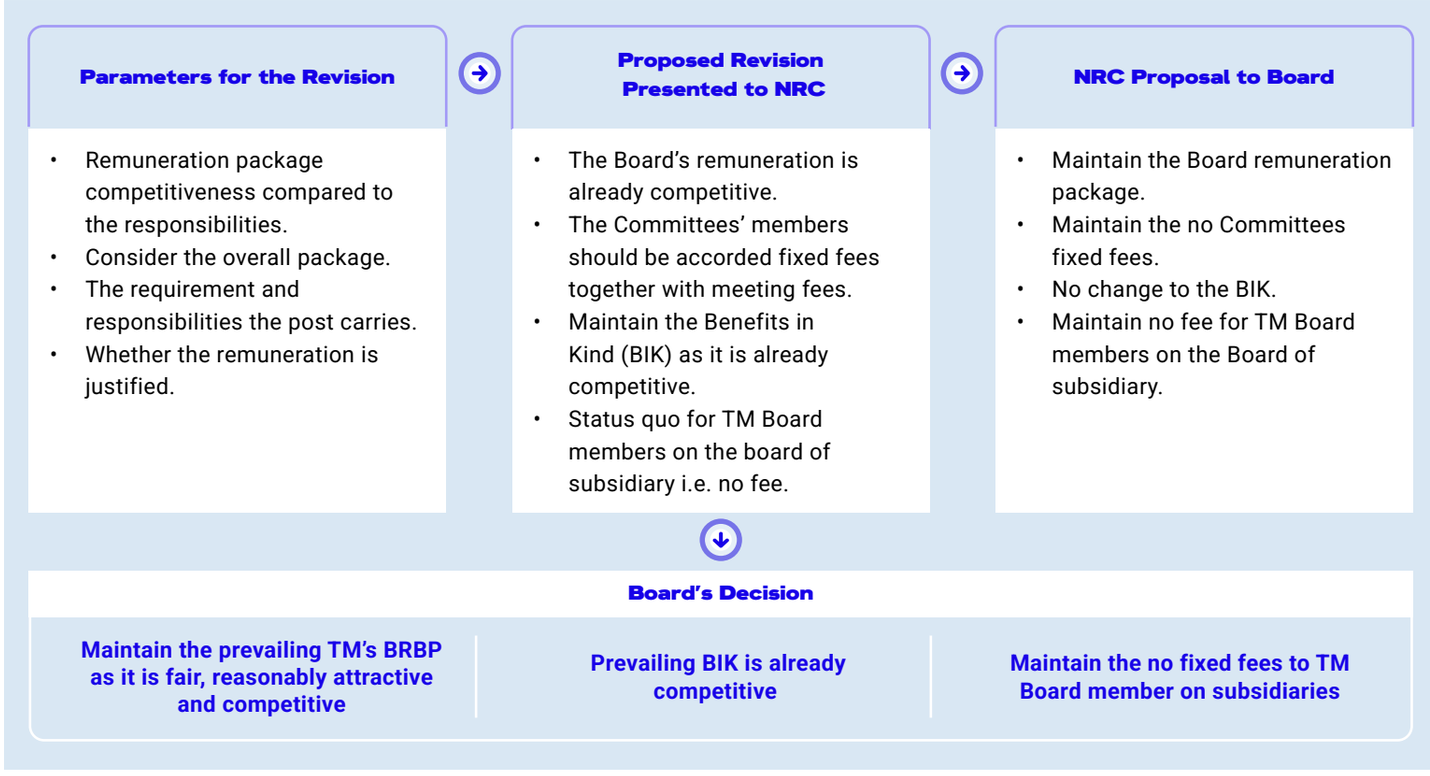
Further details of training programmes attended by Directors are outlined in the CG Report available on the Company's website at www.tm.com.my.

DIRECTORS' AND SENIOR MANAGEMENT'S REMUNERATION

TM Board Remuneration

The Board's Remuneration and Benefits Policy (BRBP) is designed to reflect prevailing market practices, ensuring that remuneration remains fair, transparent and competitive, while balancing the interests of shareholders. The policy supports the attraction and retention of Directors with strong leadership capabilities, relevant expertise and the experience necessary to guide the Group effectively.

The NRC undertakes an annual review of the policy to ensure its continued relevance, alignment with the Group's strategic objectives and competitiveness within the market. In January 2025, an external consultant was appointed to conduct an independent benchmarking exercise. The review provides an objective assessment of TM's remuneration framework against comparable market standards and industry practices, enabling the NRC to make informed recommendations to the Board.



Following the benchmarking exercise, no major revisions were proposed to the existing remuneration structure, save for a minor enhancement to the BIK accorded to the Directors. The Directors' fee quantum, as approved by shareholders in 2018, remains competitive and aligned with prevailing market practices.

The Non-Executive Chairman (NEC) and NEDs are not entitled to participate in any employee share schemes or performance-linked incentive programmes. This clear separation preserves independence, supports objective oversight and reinforces the integrity of the Board's governance framework.

The benefits payable applicable to NEC and NEDs comprise meeting fees, fixed emoluments and claimable benefits incurred in the discharge of their duties. The following represents the current TM Directors' fee structure, which shall remain in effect until the next AGM of the Company:

Position / Fee/ Allowance (RM)	NEC	NED	SID	Claimable Benefits
Monthly/Annually	30,000/360,000	20,000/240,000	22,250/267,000	• Leave Passage • Business Equipment • Telecommunication Bill • Insurance • Medical Coverage
Meeting Allowance (per meeting)				
Board	5,000	3,000	-	
BAC	4,750	2,500	-	
NRC	2,500	2,000	-	
BTC	3,250	2,500	-	
BRIC	2,500	2,000	-	

Meeting attendance allowances are payable to NEDs only and are granted based on their attendance at Board and Board Committee meetings. Such allowances are paid to each respective member for meetings attended. Meeting allowances are also payable to an Alternate Director when attending meetings in the absence of his principal Director.

Pursuant to Section 230(1) of the CA 2016, the Company will seek shareholders' approval for the payment of Directors' fees and benefits payable to the NEDs at the forthcoming 41st AGM.

Please refer to Ordinary Resolutions 5 and 6 on pages 343 to 348 in the Notice of the 41st AGM for further details.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A Board Leadership and Effectiveness

The total remuneration received by each TM Director from TM Group of Companies, for the financial year ended 31 December 2025, are as follows:

Directors	Salary (RM)	Variable Pay (RM)	TM Fee (RM)	Allowance (RM)		Benefit In Kind (RM)	Total Amount (RM)
				TM	Subsidiary		
Non-Independent and Executive Director (NIED)							
Amar Huzaimi Md Deris (MD/GCEO)	2,750,250.00[a]	1,920,000.00[b]	–	60,000.00[c]	–	274,345.09	5,004,595.09
Total Amount	**2,750,250.00**	**1,920,000.00**	**–**	**60,000.00**	**–**	**274,345.09**	**5,004,595.09**
Non-Independent and Non-Executive Directors (NINED)							
Dato' Zainal Abidin Putih	–	–	360,000.00	75,000.00	–	157,121.41	592,121.41
Datuk Dr. Shahrazat Haji Ahmad	–	–	240,000.00	43,000.00	–	62,010.00	345,010.00
Dato' Mohamed Nasri Sallehuddin	–	–	–[d]	–[d]	–[d]	60,884.17	60,884.17
Muhammad Afhzal Abdul Rahman	–	–	240,000.00[e]	62,500.00	12,000.00	56,480.70	370,980.70
Independent and Non-Executive Directors (INED)							
Hisham Zainal Mokhtar	–	–	267,000.00	106,500.00	–	76,031.95	449,531.95
Datuk Siti Zauyah Md Desa	–	–	240,000.00	78,500.00	9,000.00	56,847.20	384,347.20
Ahmad Taufek Omar	–	–	240,000.00	90,750.00	9,000.00	111,025.65	450,775.65
Tan Sri Datuk Yong Poh Kon	–	–	240,000.00	75,000.00	–	73,004.64	388,004.64
Datuk Bazlan Osman	–	–	240,000.00	101,500.00	9,000.00	144,476.78	494,976.78
Dr. Tunku Alina Raja Mohd Alias *(Appointed on 3 June 2025)*	–	–	138,666.67	42,000.00	–	69,003.05	249,669.72
Shahnaz Al-Sadat Abdul Mohsein *(Appointed on 3 June 2025)*	–	–	138,666.67	46,500.00	–	56,126.20	241,292.87
Alternate Director to NINED							
Syaiful Hafiz Moamat Mastam *(Alternate to Datuk Dr. Shahrazat Haji Ahmad, appointed on 6 August 2025)*	–	–	–	11,000.00	–	11,611.55	22,611.55
Former INED							
Rossana Annizah Ahmad Rashid *(Retired on 27 May 2025)*	–	–	97,419.35	37,750.00	9,000.00	71,133.62	215,302.97
Former Alternate Director to NINED							
Iszad Jeffri Ismail *(Ceased as Alternate Director to Datuk Dr. Shahrazat Haji Ahmad on 6 August 2025)*	–	–	–	11,000.00	–	13,298.80	24,298.80
Total Amount	**–**	**–**	**2,441,752.69**	**781,000.00**	**48,000.00**	**1,019,055.72**	**4,289,808.41**

Notes:

[a] *Inclusive of Company's contribution to the provident fund.*
[b] *Bonus payment.*
[c] *Car allowances in lieu of the provision of a company car.*
[d] *In line with Khazanah's policy, no fee or allowance was paid in FY2025.*
[e] *50% of director's fees paid directly to EPF.*

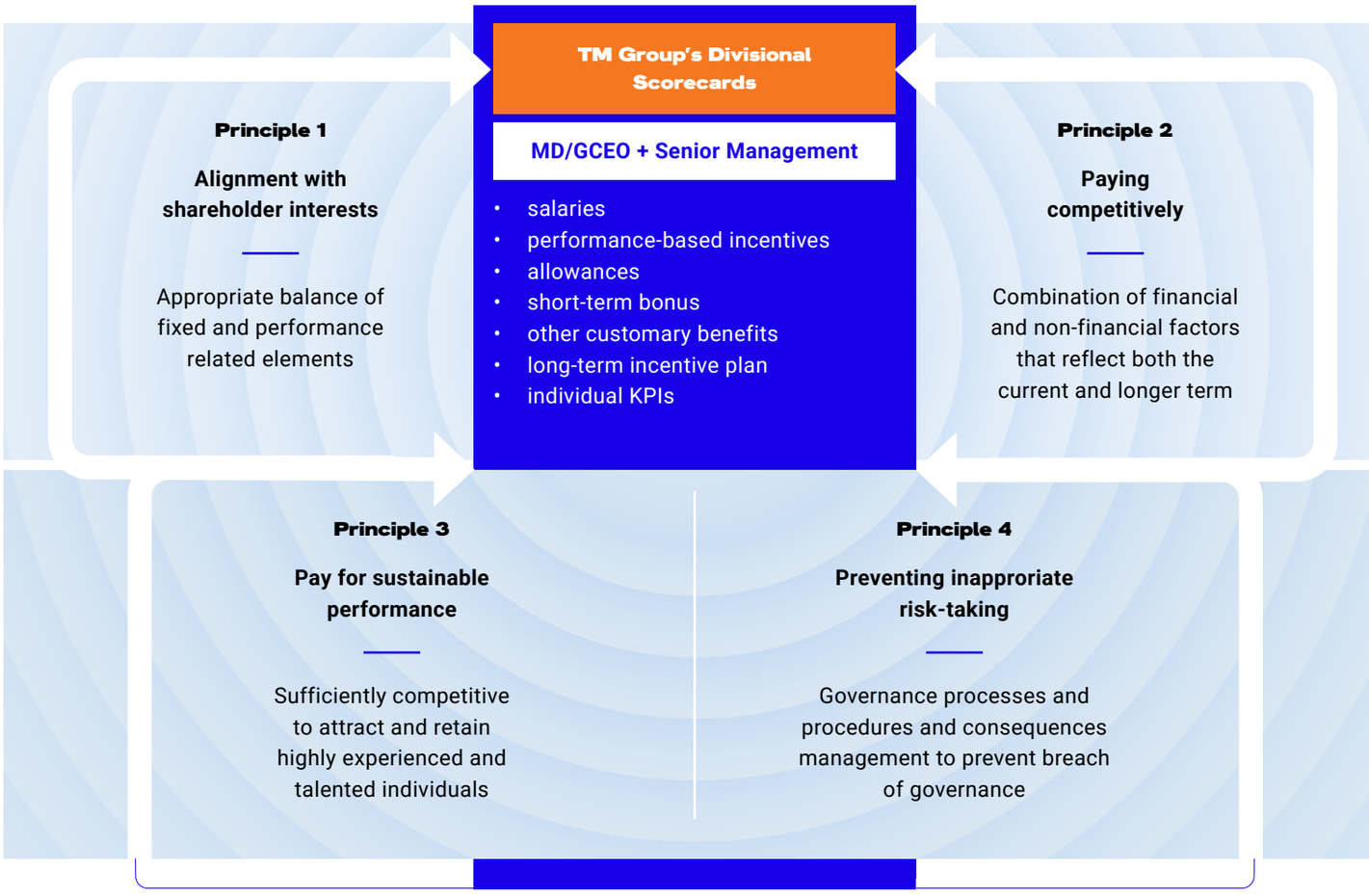
TM Subsidiary Board Remuneration Framework (SRF)

TM Directors serving on subsidiary Boards are compensated in accordance to the TM Subsidiary Tiering Framework (STF). Under this framework, subsidiaries are categorised into three (3) tiers based on their strategic importance, shareholding structure and contribution to the Group's financial performance. The prevailing SRF, last revised on 1 November 2023, remains in effect. Under the SRF, no directors' fees are accorded to TM's NEC and NEDs serving on subsidiary Boards. Instead, they are entitled only to meeting allowances. This structure ensures consistency, cost discipline and alignment with the Group's governance principles.

Category of TM's Subsidiaries	Board Meeting Allowance (RM)		Committee's Meeting Allowance (RM)	
	NEC	NED	Chairman	Member
Tier 1 & Universiti Telekom Sdn Bhd	3,000	2,000	500	300
Other Subsidiaries	1,500	1,000	-	-

MD/GCEO and Senior Management of Group

TM remuneration is based on performance culture and appropriate balance of risk and reward which is based on the following principles:



CORPORATE GOVERNANCE OVERVIEW STATEMENT

A Board Leadership and Effectiveness

Key elements of TM's remuneration package for Senior Management are summarised below:

Fixed Elements

- **Base salary:**
  Recruit and retain calibre Senior Management with required skills and experience to perform the role to implement TM Group strategy.

- **Fixed allowances:**
  A competitive alternative with itemised benefits and pensions that are not linked to base salary.

- **Other benefits:**
  Cost-effective benefits to attract and retain Senior Management.

Performance-Related Elements

- **Short-term bonus:**
  Incentivises Year-on-Year (YoY) delivery of stretching short-term financial, strategic and operational and personal performance objectives to support our annual business strategy to enhance shareholder's value. Recognising performance through annual bonus controls our cost base flexibly and its reaction to events and market circumstances.

Senior Management remuneration and/or reward assessment process is as follows:

Payments have to be competitive and aligned with the Group's corporate objectives and strategy

Management Reward Proposal to NRC	NRC Recommendation to Board	Board Decision
MD/GCEO, Pivotal Positions (direct reports to GCEO; positions that are critical to TM's business; other positions that are deemed strategic or material to the Company) and the Group Company Secretary.	Suitable adjustments to the remuneration and/or reward based on their contributions for the year.	Board's approval and authority to GHCM to distribute the reward.

- KPI scorecard considers the quantitative and qualitative perspectives, face-to-face performance review and leadership competencies (SUCCESS) rating
- Adjustments to the remuneration and/or reward are based on their contributions for the year

MD/GCEO recused himself during the deliberations of his performance reward and remuneration review at NRC and Board meetings.

For FY2025, remuneration package (including fixed and performance-related elements) of the top five (5) Senior Management (excluding MD/GCEO) is disclosed in the CG Report, pursuant to Practice 8.2 of the MCCG and is accessible on TM's website at www.tm.com.my.

NOMINATION AND REMUNERATION COMMITTEE

Chairman

Hisham Zainal Mokhtar
Senior Independent Director

Meeting Attendance 10/10

Members

Dato' Mohamed Nasri Sallehuddin
Non-Independent Non-Executive Director

Meeting Attendance 9/10

Datuk Siti Zauyah Md Desa
Independent Non-Executive Director

Meeting Attendance 8/10

Ahmad Taufek Omar
Independent Non-Executive Director

Meeting Attendance 10/10

Former Member who served during the year under review:

Tan Sri Datuk Yong Poh Kon
Independent Non-Executive Director
Resigned on 3 June 2025

Meeting Attendance 7/7

KEY OBJECTIVE

Since its establishment, the NRC has undertaken a dual role, combining both nomination and remuneration functions within a single committee for the purpose of expediency and practicality, with the same members entrusted with responsibilities relating to both functions. In addition, the NRC provides oversight of CG matters within the Group, supporting the Board in promoting sound governance practices and effective Board composition.

MEMBERSHIP

The NRC continues to be chaired by the SID. During the year, the Committee's composition was streamlined from five (5) to four (4) members, whilst maintaining a majority of INEDs.

RESPONSIBILITIES

The nomination function of the NRC plays a key role in assisting the Board in reviewing and determining the appropriate size, composition and balance of the Board to ensure the required mix of responsibilities, skills, experience and diversity. In this regard, NRC ensures that the Board composition remains aligned with the needs of the Company and establishes, maintains and reviews the criteria applied in the recruitment, selection and annual assessment of Directors. NRC also guides Management to ensure that the Group continues to have the appropriate leadership bench and manpower capabilities to support the Group's strategic direction and future growth.

In respect of remuneration, NRC supports the Board in maintaining and reviewing the policy framework governing all elements of remuneration for the ED and Pivotal Positions, with the aim of attracting, retaining and motivating high-calibre leadership. NRC also oversees the remuneration entitlements of the NEDs.

NRC also supports the Board in promoting efficiency, effectiveness and transparency in Board governance matters, through initiatives such as the BEE, the Board Performance Improvement Programme and oversight of Board operations.

The number of NRC meetings, Members' attendance as well as total time spent for NRC meetings throughout 2025 is tabulated on page 257.

NRC's ToR is enumerated in the Board Charter and available on TM's website at www.tm.com.my.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

A Board Leadership and Effectiveness

MAIN ACTIVITIES IN 2025

During 2025, NRC deliberated and, where applicable, made key recommendations to the Board on the following matters:

- Succession Plan for Board and Management
- Appointments to the Board and Pivotal Positions
- Board Remuneration
- Employees Remuneration
- Board Performance Evaluation
- Disclosure on Board Governance in IAR 2024
- Group's Reorganisation

Key Activities

Nomination Function

1. Board:

- Reviewed the composition of the Board and membership of Board Committees to ensure an appropriate balance of skills, experience and independence.
- Proposed the extension of service of NINEDs to the Special Shareholder.
- Reviewed the Board succession plan and Directors' pool to ensure continuity of leadership and effective Board composition.
- Assessed and recommended suitable candidates as INEDs, based on searches conducted by an external consultant.
- Considered and recommended the re-appointments and re-elections of Directors for the 40th AGM, with reference to the Directors' Fit and Proper Policy and the findings of the BEE.

2. Board of Subsidiaries:

- Considered and recommended the appointment of a director on Tier 1 subsidiary and the associated remuneration.

3. Pivotal Positions:

- Deliberated on succession planning of Pivotal Positions and the development of the leadership talent pool.
- Considered the appointments of Pivotal Positions, renewal of employment contracts and their remunerations.
- Reviewed the list of Pivotal Positions in view of the Group's reorganisation.

Remuneration Function

1. Board:

- Reviewed the findings of TM BRBP, conducted by an external consultant and recommended that the prevailing Directors' fees and benefits payable remain unchanged.

2. Pivotal Positions:

- Evaluated and recommended the performance of MD/GCEO, Pivotal Positions and the Group Company Secretary against pre-set KPIs, including bonus entitlements.
- Considered and proposed the compensation package for MD/GCEO.
- Deliberated and recommended the scorecards and reviewed scorecards for Pivotal Positions for FY2025.

Activities

Remuneration Function (continued)

3. Company and Group:

- Reviewed and recommended the FY2025 TM Group Scorecard and KPIs.
- Deliberated on the Group's manpower optimisation plan.
- Reviewed the framework governing employees' performance ratings.

4. Employees:

- Reviewed and recommended the FY2024 bonus pool and FY2025 salary increment.
- Considered and recommended the mandate for the collective agreement from 2025 to 2027.

Human Capital Management

1. Presented the findings of the Organisation Health Index survey.
2. Deliberated on the insights from the Hogan Assessment conducted for Senior Management.
3. Deliberated on the Group's reorganisation.
4. Updated the medical cost optimisation programme and progress of manpower optimisation plan.

Governance and Board Matters

1. Reviewed the results of the BEE for FY2024 and the corresponding improvement plans and recommended the report for tabling to the Board.
2. Reviewed the CG Overview Statement for inclusion in the IAR and CG Report.
3. Updated the status of Directors' continuing education programme in compliance with the BTP.
4. Monitored Directors' adherence to governance requirements pursuant to the Main LR and other relevant guidelines.

NRC Effectiveness Review and Performance

Based on the findings of the BEE 2025, the Board was satisfied that NRC has effectively discharged its responsibilities, enabling TM to maintain an appropriate balance of skills, experience, independence and diversity within the Board, while ensuring that Senior Management are rightly identified, appointed and remunerated. NRC was also commended for its consistent and well-considered recommendations, which were aligned with the Company's established policies and governance framework, reflecting strong adherence to governance standards and supporting the Company's competitiveness and compliance with CG requirements.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

A Board Leadership and Effectiveness

BOARD TENDER COMMITTEE

Chairman

Ahmad Taufek Omar
Independent Non-Executive Director
Redesignated as Chairman on 27 May 2025

Meeting Attendance 8/8

Members

Datuk Siti Zauyah Md Desa
Independent Non-Executive Director

Meeting Attendance 7/8

Datuk Dr. Shahrazat Haji Ahmad
Non-Independent Non-Executive Director

Meeting Attendance 5/8

Syaiful Hafiz Moamat Mastam
Non-Independent Non-Executive Alternate Director
Appointed as Alternate Member to Datuk Dr. Shahrazat Haji Ahmad on 6 August 2025

Meeting Attendance 2/3

Datuk Bazlan Osman
Independent Non-Executive Director
Appointed as Member on 27 May 2025

Meeting Attendance 5/5

Shahnaz Al-Sadat Abdul Mohsein
Independent Non-Executive Director
Appointed as Member on 3 June 2025

Meeting Attendance 5/5

Former Members who served during the year under review:

Rossana Annizah Ahmad Rashid
Independent Non-Executive Director
Retired as Director at the 40th AGM thus ceased as BTC Chairperson and Member on 27 May 2025

Meeting Attendance 3/3

Muhammad Afhzal Abdul Rahman
Non-Independent Non-Executive Director

Meeting Attendance 3/3

Iszad Jeffri Ismail
Non-Independent Non-Executive Alternate Director
Ceased as Alternate Member to Datuk Dr. Shahrazat on 6 August 2025

Meeting Attendance 2/4

KEY OBJECTIVE

BTC provides Board-level oversight on procurement proposals across TM Group in accordance with the approved LoA and the Board's delegation of powers. In discharging its mandate, BTC facilitates the Board in:

- Providing independent oversight on high-value and strategic procurement proposals in line with the LoA.
- Ensuring a transparent, fair and efficient decision-making process, guided by principles of integrity, sound risk management and sustainability considerations.
- Reviewing and ensuring that procurement exercises comply with the Company's procurement policies, procedures and delegated authority limits.
- Safeguarding that procurement outcomes deliver optimal value and are aligned with the best interests of the Company and Group.

Through its structured oversight, the BTC reinforces governance discipline, enhances transparency in procurement practices and supports sustainable value creation.

MEMBERSHIP

With the changes in Board composition in 2025, the composition of BTC was reviewed and strengthened with the appointment of a new Chairman and additional members to enhance its overall effectiveness. BTC continues to comprise five (5) members and one (1) alternate member. All members are NEDs, with a majority being INEDs, thereby ensuring independent judgement, objective evaluation and robust oversight in procurement matters. Collectively, the members possess relevant expertise and experience in procurement, commercial evaluation, governance and risk management, enabling the Committee to discharge its responsibilities effectively.

RESPONSIBILITIES

BTC is responsible for:

- Ensuring that procurement processes comply with the applicable procurement policies, procedures and ethical standards of the Group.
- Verifying the validity and adequacy of the technical and financial capabilities of the tenderers.
- Evaluating and approving or recommending procurement proposals based on a comprehensive assessment of relevant commercial, technical, risk, governance and sustainability considerations.
- Monitoring the achievement and progress of the Bumiputera Vendor Development Programme (BVDP) in line with the Group's commitments.

BTC is supported by two (2) Management-level procurement committees, chaired by the MD/GCEO and GCFO respectively, in accordance with the LoA accorded to the respective sub-procurement committees.

The MD/GCEO, GCFO and Chief Procurement Officer (CPO) are in attendance, together with relevant business owners who are invited to present Management's justifications and recommendations for the respective procurement proposals.

The number of BTC meetings, Members' attendance as well as total time spent for BTC meetings throughout 2025 is tabulated on page 257.

BTC's powers, duties and responsibilities are provided in the Board Charter, available on our website at www.tm.com.my.

MAIN ACTIVITIES IN 2025

Among the key activities undertaken by BTC during FY2025 are as follows:

- Procurement proposals oversight and approval
- Procurement strategy
- Procurement governance, processes and policies
- Procurement performance, plans and updates
- BTC performance and governance

Key Activities

Procurement Proposals Oversight and Approval

1. Deliberated on procurement proposals within the ambit of and the approved LoA of BTC and Board.
2. Considered 14 procurement proposals within the BTC's LoA and recommended nine (9) procurement proposals falling under the Board's purview for the Board's approval.
3. Deliberated on strategic and critical procurement matters to ensure alignment with the Group's business priorities and risk parameters.

Procurement Strategy

1. Deliberated on and approved four (4) procurement strategy for strategic proposals to ensure alignment with the Group's long-term objectives and value creation priorities.

Procurement Governance, Processes and Policies

1. Ensured procurement activities were conducted in compliance with applicable procurement ethics, policies and procedures.
2. Reviewed procurement-related policies supporting the Bumiputera Empowerment Agenda as well as the policies addressing anti-competitive practices, including bid-rigging safeguards.

Procurement Performance, Plans and Updates

1. Reviewed the Group's procurement performance for FY2024.
2. Deliberated on procurement plans and strategies for FY2025 and monitored the performance of Group Procurement (GP) throughout the financial year.
3. Reviewed the CPO's KPI and performance outcomes for 2024.
4. Reviewed and monitored quarterly reports on the sole/single sourcing approvals by respective procurement approval committees, as well as inventory management reports.
5. Monitored the progress of contract establishment, status of critical contracts and overall procurement updates on a half-yearly basis.
6. Deliberated on the GP Organisation structure to ensure operational effectiveness and delivery capability.

BTC Performance and Governance

1. Reviewed and deliberated on the BEE 2024 results relating to the BTC and identified improvement actions to enhance its effectiveness.

For more information about Sustainable Value Chain, please refer to pages 168 to 178.

BTC Effectiveness Review and Performance

The effectiveness evaluation of the BTC formed part of the annual BEE. The assessment covered the effectiveness of the BTC and its Chairman in providing sound recommendations to the Board, as well as Members' self-assessment on the Committee's skills, composition, functionality and oversight responsibilities.

Based on the BEE 2025 results, the BTC was assessed to be effective in discharging its roles and responsibilities. The BTC Chairman was commended for effective meeting management and for fostering inclusive participation, ensuring that diverse views and constructive challenges were encouraged during deliberations. Discussions at BTC meetings were considered robust and comprehensive. The LoA were periodically reviewed to ensure they remained appropriate and aligned with business requirements, while maintaining governance discipline and control expectations.

The BEE also highlighted the importance of conducting annual review of tender and procurement policies to ensure continued relevance and alignment with evolving business and regulatory requirements. In addition, emphasis was placed on ensuring that procurement proposals are supported by sound investments justifications or business cases, taking into consideration of the Company's risk appetite.

CORPORATE GOVERNANCE
OVERVIEW STATEMENT

A Board Leadership and Effectiveness

BOARD AUDIT COMMITTEE

Chairman

Datuk Bazlan Osman
Independent Non-Executive Director

Meeting Attendance 9/9

Members

Hisham Zainal Mokhtar
Senior Independent Director

Meeting Attendance 9/9

Muhammad Afhzal Abdul Rahman
Non-Independent Non-Executive Director
Appointed as Member on 27 May 2025

Meeting Attendance 5/5

Dr. Tunku Alina Raja Muhd Alias
Independent Non-Executive Director
Appointed as Member on 3 June 2025

Meeting Attendance 5/5

Shahnaz Al-Sadat Abdul Mohsein
Independent Non-Executive Director
Appointed as Member on 3 June 2025

Meeting Attendance 5/5

Former Member who served during the year under review:

Rossana Annizah Ahmad Rashid
Independent Non-Executive Director
Retired as Director at the 40th AGM thus ceased as BAC Member on 27 May 2025

Meeting Attendance 4/4

KEY OBJECTIVE

The key objectives of the BAC are:

- Oversees the independent review of financial information and reports to ensure their integrity, reliability and compliance with applicable accounting standards and regulatory requirements.
- Reviews audit findings and their root causes and recommends corrective actions to strengthen internal controls.
- Oversees ethics, integrity and governance matters and promotes sound governance practices throughout the Group.
- Reviews and monitors RPT and recurrent related party transactions (RRPT) to ensure compliance with regulatory requirements.
- Oversees COI situations that have arisen, persist or may potentially arise within the Group, including the measures taken to resolve, eliminate or mitigate such conflicts.

MEMBERSHIP

With the changes in Board composition in 2025, the membership of BAC was reviewed and strengthened. The Committee currently comprise of five (5) members, of whom four (4) are INEDs, thereby maintaining a majority of Independent Directors.

All members are financially literate and possess the necessary experience and expertise to effectively discharge their responsibilities.

BAC continues to comply with Paragraph 15.09 of the Main LR:

- ✓ Membership compose of not fewer than three (3) members.
- ✓ Comprise non-executive directors.
- ✓ One (1) BAC member must either be: (a) member of Malaysian Institute of Accountants (MIA); or (b) has three (3) years working experience and qualified as prescribed in the Main LR; or (c) fulfil Bursa Securities' requirements.
- ✓ No alternate director as BAC member.
- ✓ Chairman is an INED.

B Effective Audit and Risk Management

RESPONSIBILITIES

BAC assists the Board in overseeing financial reporting, internal controls, audit processes and integrity and governance practices across the Group. The Committee plays an important role in safeguarding the integrity of the Group's financial reporting, ensuring the effectiveness of internal control systems and maintaining the independence and performance of both internal and external auditors.

The MD/GCEO, GCFO and Chief Internal Auditor (CIA) attended all BAC meetings. The external auditors also attended BAC meetings where the quarterly financial results were deliberated. Whilst, the Chief Integrity and Governance Officer (CIGO) attended BAC meetings on matters relating to ethics and integrity.

BAC also held two (2) private sessions with the external and internal auditors, without the presence of Management, during the year.

The Company Secretaries and CIA serve as joint secretariat for BAC meetings. Reports on BAC proceedings are presented to the Board, while meeting minutes are circulated to members for comments prior to confirmation at subsequent meetings. Matters requiring Board's approval are escalated to the Board.

The number of BAC meetings, Members' attendance as well as total time spent for BAC meetings throughout 2025 is tabulated on page 257.

BAC's powers, duties and responsibilities is incorporated in the Board Charter, which is accessible on the Company's official website at www.tm.com.my.

MAIN ACTIVITIES IN 2025

During the year, the BAC deliberated and, where applicable, recommended the following matters to the Board:

- Financial reporting
- Internal control issues
- Integrity, ethics and governance matters
- COI situations
- RPT and RRPT
- External audit matters
- Internal audit matters

Activities

Financial Reporting

1. Reviewed the Company's and Group's quarterly financial performance and financial statements for recommendation to the Board:
   - Based on the recommendations from the Best Practices Committee (BPC), a BAC sub-committee headed by the GCFO.
   - Ensuring compliance with the Malaysian Financial Reporting Standards (MFRS) 134, Main LR and other legal and regulatory requirements.
2. Reviewed and recommended to the Board:
   - Draft announcements of the quarterly financial results to Bursa Securities.
   - Audited financial statements of TM Group.
3. Assessed and recommended two (2) dividend payments in accordance with the Company's dividend policy and provisions of the CA 2016.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

B Effective Audit and Risk Management

Activities

Internal Control

1. Reviewed the adequacy and effectiveness of the Group's internal controls.
2. Deliberated on the Directors' Statement on Risk Management and Internal Control (DSORMIC), for inclusion in the IAR, after the review by the external auditors before recommending to the Board for approval.
3. Reviewed internal control reports based on Self-Assessments conducted by Management of the Company and Group.
4. Deliberated and monitored audit findings raised by internal and external auditors.
5. Reviewed compliance reports from BPC.

External Audit

1. Maintained oversight of the external audit process to ensure the independence and effectiveness of the external auditors.
2. Deliberated on the external audit report, audit plan and DSORMIC with the Auditors.
3. Reviewed the Management Letter of Representation (MLR), audit findings and Management's responses to audit observations.
4. Monitored non-audit services provided by the external auditors to ensure that their independence and objectivity was not impaired. GCFO was authorised by BAC to approve the proposed non-audit engagement valued below 50% of the cumulative value of statutory audit fee for the current year and to present to BAC for tracking and noting.
5. Recommended the reappointment of Ernst & Young PLT (EY) as external auditors for the financial year ended (FYE) 31 December 2025. The shareholders at the 40th AGM approved the reappointment of EY for FYE 31 December 2025.

Non-audit service fees paid/payable to the external auditors and member firms of EY during the year relative to the statutory audit fees are as follows:

	Company (RM'000)	Group (RM'000)
2025 Audit Fees		
• Statutory Audit	433.7	3,290.9
• Other Audit-Related Services	-	903.8
Total Audit & Audit-Related Services	**433.7**	**4,194.7**
2025 Non-Audit Fees		
• Other Services Approved in Current Financial Year	-	2.8
Total Non-Audit Fees	**-**	**2.8**
Percentage of Non-Audit Fees over Statutory Audit & Other Audit related Services & Fees	Nil	0.1%

The abovementioned non-audit fees paid/payable for FY2025 to EY and its affiliates for the following non-audit works were within the limit provided in the BAC ToR:

- Workshop on SST scope expansion compliance.

Activities

Internal Audit

1. Oversees the effectiveness and independence of the GIA function.
2. Reviewed the performances of GIA and CIA for FYE 31 December 2024.
3. Reviewed and approved KPI 2025 targets and deliberated on their quarterly performances, competency and resources of the internal audit functions to ensure that, collectively, GIA has the required expertise and professionalism to discharge its duties.
4. Reviewed and approved the internal audit plan and budget to ensure adequate scope and comprehensive coverage of the Group's activities.
5. Reviewed and deliberated on the internal audit reports, audit recommendations and Management's action plan to ensure all key risks and critical issues were properly addressed.
6. Ensured the internal audit personnel are free from any relationships or COI of which could impair their objectivity and independence and are given assistance and co-operation by TM's officers.

RPTs and RRPTs

1. Deliberated and recommended the RPTs and RRPTs for Board's approval, ensuring they were in the best interest of TM, fair and reasonable, on normal commercial terms and not detrimental to the interest of the minority shareholders.
2. Reviewed the estimated RRPT mandates for the ensuing year and recommended the Circular to Shareholders on the Renewal of Shareholders Mandate for TM Board's approval for further recommendation to the shareholders for approval at AGM.

Conflicts or Potential COI

1. Reviewed and assessed COI situations and disclosures by Directors and Management in relation to proposals presented at the meetings. Individuals with declared conflicts recused from the meeting and abstained from deliberation and decision-making on the relevant matters.
2. Considered the legal opinion on COI involving an INED.

Integrity, Ethics and Governance

1. Reviewed and approved GIG's KPI for 2025 and monitored its quarterly performances, competency and resources in ensuring GIG has the required expertise and professionalism to discharge its duties.
2. Reviewed the update on investigation matters and deliberated on the findings, root causes and actions taken including proposed enhancement on internal controls and processes.
3. Deliberated on the findings of the review of TM's adequate procedures conducted by an external consultant to assess compliance with Section 17A of the Malaysian Anti-Corruption Act 2009.
4. Overseeing the preventive initiatives and monitored the implementation of the OACP undertaken by GIG for Group-wide implementation.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

B Effective Audit and Risk Management

Activities

Governance

1. Deliberated on and recommended the revisions to the First Tier LoA.
2. Reviewed and recommended the IAR 2024 and CG Report for approval by the Board.
3. Deliberated on the BEE results relating to the BAC and monitored the implementation of improvement actions.

Significant judgements and issues

Deliberated on the key audit matters identified by the external auditors and based on the assessments, BAC was satisfied that the accounting treatments applied, the significant judgements made and key assumptions used in preparing the financial statements were appropriate and in compliance with applicable financial reporting standards.

COI OR POTENTIAL COI ASSESSMENT PROCESS

The evaluation of COI or potential COI involves verification against the Company's COI Policy and the register of interests maintained pursuant to Sections 219 and 221 of the CA 2016. Where a potential COI is identified, the matter is presented at the relevant meeting for deliberation and confirmation. Confirmed cases are recorded in the meeting minutes and COI Register and the conflicted director abstained from deliberation and voting on the matter.

Potential COI situations are also recorded in the COI Register maintained by the Company Secretaries and subject to periodic review by GIA.

BAC believed the procedures to scrutinise COI or potential COI is rigorous to ensure compliance with regulatory requirements and internal policies in ensuring transparency and accountability in decision-making process.

During the year, six (6) COI and eight (8) potential COI cases were recorded. Following verification, the potential COI cases were determined not to fall within the ambit of COI requiring further disclosure other than notation in the COI Register.

TRAINING

During the year, BAC members attended conferences, seminars and training programmes to enhance their knowledge and competencies to efficiently discharge their duties as Directors.

Details of the training programmes attended by the members are disclosed under Practice 2.1 of the CG Report, accessible on the website www.tm.com.my.

BAC EFFECTIVENESS REVIEW AND PERFORMANCE

The evaluation on BAC's effectiveness involved the Board's assessment on the effectiveness of BAC and its Chairman in providing the Committee's recommendation to the Board, as well as Members' assessment on its skills and composition and its functionalities and oversight responsibilities.

Based on the BEE 2025 results, the Board was satisfied that the BAC and its Chairman had effectively discharged their roles and responsibilities. The Committee's effectiveness is further strengthened by the diverse expertise of its members across financial management, legal, sustainability, digital/technology and telecommunication.

BOARD RISK AND INVESTMENT COMMITTEE

Chairman

Dato' Mohamed Nasri Sallehuddin
Non-Independent Non-Executive Director

Meeting Attendance 8/8

Members

Hisham Zainal Mokhtar
Senior Independent Director

Meeting Attendance 8/8

Tan Sri Datuk Yong Poh Kon
Independent Non-Executive Director

Meeting Attendance 8/8

Dr. Tunku Alina Raja Muhd Alias
Independent Non-Executive Director
Appointed as Member of BRIC on 3 June 2025

Meeting Attendance 5/5

Former Member who served during the year under review:

Datuk Bazlan Osman
Independent Non-Executive Director
Resigned as Member on 27 May 2025

Meeting Attendance 3/3

KEY OBJECTIVE

BRIC supports the Board through focused oversight of enterprise risk management (ERM), strategic investments and sustainability governance, while safeguarding shareholder value and the Group's assets.

BRIC mandate includes:

- Ensuring the establishment and maintenance of a sound and robust ERM framework to support the achievement of TM's strategic objectives.
- Identifying, assessing and monitoring key business risks, including financial, operational, regulatory compliance, reputational and sustainability risks, encompassing climate change and cyber security risks including data privacy.
- Reviewing strategic investment and divestment proposals, together with their associated risks and mitigation strategies, prior to Board's approval.
- Overseeing the alignment of the Group's sustainability strategies, priorities, targets and practices with its long-term sustainability commitments.

Through its integrated oversight, BRIC enhances the Board's ability to balance growth opportunities with prudent risk management and responsible business practices.

MEMBERSHIP

During the financial year, BRIC's composition was strengthened with the appointment of Dr. Tunku Alina Raja Muhd Alias who brings extensive experience in sustainability matters, in place of Datuk Bazlan Osman. This refreshment further enhanced the Committee's capability in overseeing sustainability and emerging risk considerations.

BRIC continues to benefit from a healthy mix of competencies and expertise, encompassing finance, strategic investments, internal controls, risk management, sustainability and broad business acumen. A majority of BRIC members are INEDs, ensuring objective judgement, independent oversight and adherence to sound governance practice.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

B Effective Audit and Risk Management

RESPONSIBILITIES

The key responsibilities of BRIC include:

Risk Management

- Ensuring the effectiveness of ERM framework including oversight of top corporate risks.
- Recommending the corporate risk appetite and monitoring key and emerging risks to ensure their management within established tolerance and appetite.
- Reviewing and assessing the adequacy of risk management policies and frameworks.
- Advising the Board on risk-related areas affecting the Group.

Investment

- Reviewing and evaluating strategic investment and divestment proposals within its LoA prior to recommending the same for the Board's approval.
- Assessing business collaboration and partnership proposals before submission to the Board.

Sustainability

- Reviewing sustainability frameworks, strategies, policies and initiatives.
- Monitoring sustainability matters and their impact on the Group's operations and long-term value creation
- Reviewing sustainability-related KPI and the implementation.
- Reviewing the Sustainability Statement prior to Board's approval.

The number of BRIC meetings, Members' attendance as well as total time spent for BRIC meetings throughout 2025 is tabulated on page 257.

BRIC's ToR is enumerated in the Board Charter and available on TM's website at www.tm.com.my.

MAIN ACTIVITIES IN 2025

During 2025, BRIC considered and, where applicable, made the following key recommendations to the Board on the following subject matters:

- Risk Management
- Investment
- Sustainability
- Cyber Security
- Governance

Key Activities

Risk Management

1. Continued quarterly monitoring of the ERM framework and corporate risk report on quarterly basis to ensure that the risks are monitored and mitigated.
2. Reviewed the corporate risk appetite and corresponding measures.
3. Assessed risks, mitigation controls and implementation risks of key and critical projects.
4. Maintained focus on strategic and emerging risks including cyber security, climate change, sustainability and regulatory.
5. Participated in a sharing session conducted by an external advisor on emerging global risks, including financial, economic, geopolitical, technological and regulatory developments and their impact on sustainability and the telecommunication industry.

Investment

1. Reviewed ten (10) investment proposals, including business collaborations and potential partnerships and recommended six (6) for the Board's approval.
2. Reviewed key risks and mitigation plans for the proposed strategic investments.
3. Assessed risk elements of high-risk projects and endorsed recommendations on the way forward.

Sustainability

1. Reviewed quarterly sustainability progress updates.
2. Reviewed and recommended the Sustainability Report and materiality matters for inclusion in the IAR 2024.
3. Reviewed and recommended the sustainability-related KPI of Pivotal Positions.

Cyber Security

1. Continued quarterly oversight of cyber security updates, including strategic programmes and evolving threat intelligence landscape.
2. Updated on cyber security incidents, key incidents and cyber threat simulation exercises.

Regulatory

1. Reviewed quarterly regulatory updates and deliberated on their impact on the Group.
2. Updated on regulatory matters and their impact on the Group.

Governance

1. Reviewed and recommended the BRIC Report, DSORMIC, ERM and Business Continuity Management statements for inclusion in the IAR 2024.
2. Reviewed and recommended the CG report relating to the application of Principle B of MCCG for FYE 31 December 2024.
3. Reviewed and recommended KPI elements for the CCO position.
4. Deliberated on the BEE FY2024 results relating to BRIC's performances and effectiveness and the improvement plans moving forward.

BRIC EFFECTIVENESS REVIEW AND PERFORMANCE

A two-pronged evaluation of BRIC's effectiveness was conducted as part of the BEE 2025, comprising the Board's assessment on the effectiveness of BRIC and its Chairman in providing the Committee's recommendation to the Board and Members' self-assessment of the Committee's skills, composition, functionality and oversight responsibilities.

Based on the BEE 2025 results, the Board concluded that BRIC had effectively discharged its mandate with comprehensive oversight across the Group's risk landscape. BRIC demonstrated sound decision-making within the approved risk universe parameters and risk appetite. Members adopted a balanced and methodical approach in overseeing risk governance, strategic investments and sustainability matters.

CORPORATE GOVERNANCE OVERVIEW STATEMENT

C Integrity in Corporate Reporting and Meaningful Relationships with Stakeholders

STAKEHOLDER COMMUNICATION AND ENGAGEMENT

Effective communication underpins TM's governance approach by facilitating transparent, accurate and timely dissemination of information to stakeholders. Guided by the Internal Communication Policy and established best practices, the Group manages corporate disclosures in compliance with regulatory requirements, with a strong emphasis on clarity, consistency and accountability. This framework ensures that the Group's performance, strategic priorities and material developments are communicated in a structured and responsible manner.

A broad range of channels is utilised to reach stakeholders nationwide. Corporate updates and announcements are released through Bursa Securities and complemented by media briefings and updates on the Company's website. The Investor Relations (IR) Unit facilitates proactive engagement with shareholders and investment community through teleconferences, virtual briefings and spotlight sessions. Digital platforms such as MS Teams, Zoom and Webex further enhance accessibility and enable wider participation.

During the financial year, TM actively engaged with its diverse stakeholder groups, including shareholders, institutional investors, analysts, fund managers, regulators and members of the public. Structured engagements included analyst briefings led by the MD/GCEO and GCFO, investor spotlight sessions, as well as participation in conferences and group meetings. Feedback and queries received from stakeholders were addressed in a timely and transparent manner, reinforcing two-way communication and stakeholder trust.

Further details are available in the Responsible Communication section on pages 179 to 183.

CONDUCT OF GENERAL MEETING

The 40th AGM marked the Company's first hybrid AGM, conducted in compliance with Paragraph 8.27A of the Main LR. The hybrid format enhanced shareholders' participation by providing the option to attend either physically at the meeting venue or virtually via live streaming and online voting using the Remote Participation and Electronic Voting facilities. This enables shareholders, corporate representatives and proxies to participate and exercise their voting rights seamlessly, regardless of location.

All Directors, including the MD/GCEO, GCFO and Group Company Secretary, were present at the meeting venue demonstrating the Board's commitment to transparency and accountability. Shareholders, whether attending physically or virtually, were encouraged to engage actively through submission of questions during the meeting. All questions raised were addressed live and subsequently published on the Company's website after the AGM to ensure transparency and equal access to information.

To facilitate structured and orderly engagement, Deloitte Business Advisory Sdn Bhd (Deloitte) was appointed as an independent moderator to manage the question-and-answer session and support fair participation. A total of 887 shareholders and proxies registered for the 40th AGM, with 654 attending physically at the meeting venue and 233 participating virtually.

The AGM also featured a presentation by the MD/GCEO outlining the Group's 2024 performance highlights and strategic plans to deliver sustainable business value over the long term. Responses were also provided to questions raised by the Minority Shareholders Watch Group and an institutional investor i.e. PNB.

The voting results were independently verified by Deloitte prior to being announced to shareholders. Moving forward, TM remains committed to fostering meaningful shareholders engagement, ensuring regulatory compliance and leveraging technology to enhance accessibility and effectiveness in future general meetings.

Minutes of the 40th AGM is available on the Company's website at www.tm.com.my.

COMPLIANCE STATEMENT

This CG Statement observes the Intended Outcome as prescribed in MCCG. The Board remains dedicated and committed to strengthening the Group's governance practices for the interest of all its stakeholders.

This Statement is made in accordance with the resolution of the Board of Directors duly passed on 2 April 2026.

BOARD OF DIRECTORS

DATO' ZAINAL ABIDIN PUTIH

Non-Independent Non-Executive Chairman

DATE OF APPOINTMENT
1 August 2023

DATE OF LAST RE-ELECTION
30 May 2024

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board
14/14

Nationality	Age	Gender
	80	

BOARD COMMITTEE
- Nil

QUALIFICATION
- Fellow of the Institute of Chartered Accounts in England and Wales (ICAEW)
- Member of the Malaysian Institute of Accountants (MIA)
- Member of the Malaysian Institute of Certified Public Accountants (MICPA)

WORKING EXPERIENCE
Decades of accounting experience and expertise in auditing across various industries and skills in taxation, acquisitions, takeovers, restructuring and public listed companies.

PRESENT DIRECTORSHIP
Listed Issuers:
- Chairman, Telekom Malaysia Berhad
- Chairman, Land & General Berhad

Public Companies:
- Chairman, Tokio Marine Insurance (Malaysia) Berhad

Others:
- Chairman, Financial Reporting Foundation
- Chairman, Yayasan Telekom Malaysia (YTM)
- Trustee, Institut Jantung Negara (IJN)
- Trustee, MICPA Education Trust Fund
- Council member, Frost & Sullivan Fin Tech Advisory Council
- Member Council, RHL Ventures Sdn Bhd
- Chairman, Mobile Money International Sdn Bhd

SKILLS A AU B BK CG E FA I RM SA

AMAR HUZAIMI MD DERIS

Managing Director/ Group Chief Executive Officer/
Non-Independent Executive Director

DATE OF APPOINTMENT
1 August 2023

DATE OF LAST RE-ELECTION
30 May 2024

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board
14/14

Nationality	Age	Gender
	50	

BOARD COMMITTEE
- Nil

QUALIFICATION
- Master of Business Administration (MBA), Deakin University, Australia
- Bachelor of Commerce (Accounting and Finance), Monash University (Clayton), Australia
- Fellow Certified Practising Accountant Australia (CPA), Australia
- Former Certified Information System Auditor (CISA)
- Attended various leadership programmes, including Proteus at London Business School (LBS); the Global CEO Program at The Wharton School, National University of Singapore, IESE Business School and MIT Sloan

WORKING EXPERIENCE
Has over two (2) decades of experience in the telecommunications industry. Prior to his current role as MD/GCEO, Amar has served as the Executive Vice President (EVP) of TM Global, overseeing the Group's wholesale domestic and international business arm.

PRESENT DIRECTORSHIP
Listed Issuers:
- Telekom Malaysia Berhad

Public Companies:
- Nil

Others:
- Director, TM Technology Services Sdn Bhd
- Deputy Chairman, YTM
- Director, TM Digital Innovation Sdn Bhd (Credence)
- Director, TM DC Holdings Sdn Bhd
- Director, ASEAN Telecom Holdings Sdn Bhd
- Chairman, Telekom Malaysia (S) Pte Ltd
- Chairman, Telekom Malaysia (Hong Kong) Limited
- Chairman, Telekom Malaysia (UK) Limited
- Chairman, Telekom Malaysia (USA) Inc
- Chairman, Telekom Malaysia (Australia) Pty Ltd
- Chairman, Telekom Malaysia DMCC
- Director, BlueTel Networks Pte Ltd

SKILLS B BT DT I IB SA SP TI T&I

BOARD OF DIRECTORS

DATUK DR. SHAHRAZAT HAJI AHMAD

Non-Independent Non-Executive Director

DATE OF APPOINTMENT
15 December 2023

DATE OF LAST RE-ELECTION
30 May 2024

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	BTC
12/14	5/8

Nationality	Age	Gender
	57	

BOARD COMMITTEE
- Member of BTC

QUALIFICATION
- Advanced Diploma in Accounting, MARA Institute of Technology (ITM)
- Masters in Social Sciences in International Economics, International University of Japan (IUJ), Japan
- Doctorate in Social Sciences in International Economics, The University of Kitakyushu, Japan

WORKING EXPERIENCE
Has extensive experience in Government service, particularly in the Ministry of Finance (MoF) and other Government department, having served in various roles.

PRESENT DIRECTORSHIP
Listed Issuers:
- NINED, Telekom Malaysia Berhad

Public Companies:
- Director, Petroliam Nasional Berhad (Petronas)

Others:
- Chairperson, Lumut Naval Shipyard Sdn Bhd (formerly known as Boustead Naval Shipyard Sdn Bhd)
- Director, The National Trust Fund of Malaysia (KWAN)
- Director, Lembaga Tabung Angkatan Tentera (LTAT)
- Member, Energy Commission Malaysia
- Director, Malaysia Development Holding Sdn Bhd

SKILLS E I PA SP

DATO' MOHAMED NASRI SALLEHUDDIN

Non-Independent Non-Executive Director

DATE OF APPOINTMENT
26 August 2019

DATE OF LAST RE-ELECTION
25 May 2022

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	NRC	BRIC
14/14	9/10	8/8

Nationality	Age	Gender
	55	

BOARD COMMITTEE
- Chairman of BRIC
- Member of NRC

QUALIFICATION
- MBA, University of Strathclyde Business School, United Kingdom (UK)
- Utter Barrister by the Honourable Society of Gray's Inn
- LLB (Hons), Aberystwyth University, Wales, UK

WORKING EXPERIENCE
Over two (2) decades of experience in the legal industry and investment and currently Chief Corporate Officer and General Counsel at Khazanah Nasional Berhad (Khazanah).

PRESENT DIRECTORSHIP
Listed Issuers:
- NINED, Telekom Malaysia Berhad

Public Companies:
- Director, UEM Group Berhad
- Trustee, Yayasan Hasanah

Others:
- Chairman, Taman Tugu Project Development Sdn Bhd
- Chairman, Destination Resorts and Hotels Sdn Bhd
- Chairman, Think City Sdn Bhd
- Chairman, Desaru Development Corporation Sdn Bhd (DDC)
- Chairman, Desaru Development Holdings One Sdn Bhd

SKILLS CG I LE RM SA SP

MUHAMMAD AFHZAL ABDUL RAHMAN

Non-Independent Non-Executive Director

DATE OF APPOINTMENT
1 December 2021

DATE OF LAST RE-ELECTION
25 May 2022

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	BTC	BAC
14/14	3/3	4/5

Nationality	Age	Gender
	50	

BOARD COMMITTEE
- Member of BAC

QUALIFICATION
- Bachelor of Science Degree in Electrical Engineering, Columbia University, New York, United States of America (USA)
- Advanced Management Program (AMP) Harvard Business School, USA

WORKING EXPERIENCE
Over 27 years of experience in digital and technology sector and specialises in strategy and technology architecture, business transformation and technology implementations for enterprises across the financial services and oil & gas industries.

PRESENT DIRECTORSHIP
Listed Issuers:
- NINED, Telekom Malaysia Berhad

Public Companies:
- Nil

Others:
- Director, Credence

SKILLS B BK BT DT T&I SA SP

HISHAM ZAINAL MOKHTAR

Senior Independent Director

DATE OF APPOINTMENT
3 October 2018

DATE OF LAST RE-ELECTION
25 May 2023

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	BAC	NRC	BRIC
14/14	9/9	10/10	8/8

Nationality	Age	Gender
	63	

BOARD COMMITTEE
- Chairman of NRC
- Member of BAC
- Member of BRIC

QUALIFICATION
- Chartered Financial Analyst, CFA Institute
- MBA, Massachusetts Institute of Technology, USA
- Master of Science in Mathematics, Illinois State University, USA
- Bachelor of Science in Mathematics, Illinois State University, USA

WORKING EXPERIENCE
Has an extensive experience in investment management, corporate finance and senior leadership across the financial services and investment sectors.

PRESENT DIRECTORSHIP
Listed Issuers:
- SID/INED, Telekom Malaysia Berhad
- INED, KPJ Healthcare Berhad
- SID/INED, Aeon Co. (M) Bhd.

Public Companies:
- Nil

Others:
- Director, Touch 'n Go Sdn Bhd
- Director, Cross Light Capital Sdn Bhd
- Director, BPMB Dana Sdn Bhd (formerly known as Ecologitec Sdn Bhd)
- Investment Panel Member, LTAT
- Director, Brahm Capital Partners Sdn Bhd

SKILLS E CF FA I RM SA

BOARD OF DIRECTORS

DATUK SITI ZAUYAH MD DESA

Independent Non-Executive Director

DATE OF APPOINTMENT
10 June 2020

DATE OF LAST RE-ELECTION
25 May 2023

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	NRC	BTC
14/14	8/10	7/8

Nationality	Age	Gender
	66	

BOARD COMMITTEE
- Member of NRC
- Member of BTC

QUALIFICATION
- MBA (International Banking), University of Manchester, UK
- Bachelor of Science (Hons) in Quantity Surveying (Second Class Upper), University of Reading, UK
- Diploma in Public Administration (Excellent), National Institute of Public Administration (INTAN)
- Completed the Oxford High Performance Leadership Programme at Said Business School, University of Oxford, UK

WORKING EXPERIENCE
Over 30 years of experience in the public sector, particularly at the MoF, where she held various senior roles, including Deputy Secretary General (Policy) before retiring in 2019.

PRESENT DIRECTORSHIP
Listed Issuers:
- INED, Telekom Malaysia Berhad
- INED, Westports Holdings Berhad

Public Companies:
- INED, Cagamas Holdings Berhad
- Director, Cagamas SRP Berhad

Others:
- Chairman, GITN Sdn Berhad

SKILLS E BK PA SP

AHMAD TAUFEK OMAR

Independent Non-Executive Director

DATE OF APPOINTMENT
1 November 2023

DATE OF LAST RE-ELECTION
30 May 2024

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	BTC	NRC
14/14	8/8	10/10

Nationality	Age	Gender
	57	

BOARD COMMITTEE
- Chairman of BTC
- Member of NRC

QUALIFICATION
- Bachelor of Business Administration (B.BA Hons), International Islamic University Malaysia (IIUM)
- Completed the General Management Programme at INSEAD

WORKING EXPERIENCE
Has more than 30 years of experience in the telecommunications and IT sectors, with expertise in business development and sales, having held key roles across major Malaysian telcos including Maxis, CelcomDigi, Time dotCom and TM.

PRESENT DIRECTORSHIP
Listed Issuers:
- INED, Telekom Malaysia Berhad

Public Companies:
- Nil

Others:
- Chairman, Universiti Telekom Sdn Bhd

SKILLS B BT M SA TI T&I

TAN SRI DATUK YONG POH KON

Independent Non-Executive Director

DATE OF APPOINTMENT
30 May 2024

DATE OF LAST RE-ELECTION
27 May 2025

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	BRIC	NRC
14/14	8/8	7/7

Nationality	Age	Gender
	80	

BOARD COMMITTEE
- Member of BRIC

QUALIFICATION
- Bachelor in Mechanical Engineering, University of Adelaide, Australia

WORKING EXPERIENCE
Has an extensive experience in economics and corporate finance of Malaysia business. Previously, he served as Co-Chair alongside the Chief Secretary of Malaysia for PEMUDAH, a Special Task Force to Facilitate Business, until September 2013. He is also recognized as the founder of the Malaysia Mensa Society.

PRESENT DIRECTORSHIP
Listed Issuers:
- INED, Telekom Malaysia Berhad

Public Companies:
- Director, GS1 Malaysia Berhad

Others:
- Chairman, Royal Selangor International Sdn Bhd

SKILLS B BT CF E I SA

DATUK BAZLAN OSMAN

Independent Non-Executive Director

DATE OF APPOINTMENT
30 May 2024

DATE OF LAST RE-ELECTION
27 May 2025

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	BAC	BRIC	BTC
14/14	9/9	3/3	8/8

Nationality	Age	Gender
	61	

BOARD COMMITTEE
- Chairman of BAC
- Member of BTC

QUALIFICATION
- Association of Chartered Certified Accountants (ACCA), UK (Fellow)
- Member of MIA
- Diploma in Accounting, Polytechnic of North London, UK

WORKING EXPERIENCE
Has over 40 years of professional experience, primarily in the telecommunications sector, Datuk Bazlan has also held key roles in audit, accounting and finance. His career spans over public accounting firm and companies across various industries.

PRESENT DIRECTORSHIP
Listed Issuers:
- INED, Telekom Malaysia Berhad
- SID/INED, Bursa Malaysia Berhad
- SID/INED, Bank Islam Malaysia Berhad
- Chairman/INED, FIMA Corporation Berhad

Public Companies:
- Nil

Others:
- Chairman, Credence

SKILLS A AU B CF CG FA I TI

BOARD OF DIRECTORS

DR. TUNKU ALINA RAJA MUHD ALIAS

Independent Non-Executive Director

DATE OF APPOINTMENT
3 June 2025

DATE OF LAST RE-ELECTION
Nil

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	BAC	BRIC
9/9	5/5	5/5

Nationality	Age	Gender
	62	

BOARD COMMITTEE
- Member of BAC
- Member of BRIC

QUALIFICATION
- PhD in Islamic Finance, International Centre for Education in Islamic Finance (INCEIF)
- Master in Laws (LL.M) (Corporate and Commercial Law), King's College, London, UK
- Bachelor of Laws (LL.B), Universiti Malaya

WORKING EXPERIENCE
Has extensive legal and corporate governance experience, having served as managing partner at a law firm and currently holds directorships in several public listed companies.

PRESENT DIRECTORSHIP
Listed Issuers:
- INED, Telekom Malaysia Berhad
- INED, Nestlé (Malaysia) Berhad
- SID/INED, Batu Kawan Berhad
- INED, Inari Amerton Berhad

Public Companies:
- Director United Overseas Bank (Malaysia) Berhad

Others:
- Director, J A Russell & Company Sdn Bhd
- Director, Joyous Waves Sdn Bhd
- Director, FIDE Forum

SKILLS A B CF CG LE I RM SG

SHAHNAZ AL-SADAT ABDUL MOHSEIN

Independent Non-Executive Director

DATE OF APPOINTMENT
3 June 2025

DATE OF LAST RE-ELECTION
Nil

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	BAC	BTC
9/9	5/5	5/5

Nationality	Age	Gender
	57	

BOARD COMMITTEE
- Member of BAC
- Member of BTC

QUALIFICATION
- MBA, International Institute of Management Development (IMD), Switzerland
- LL.B (Hons), University of Nottingham, UK
- CPA, MICPA
- Chartered Accountant (CA), MIA
- Certified Internal Auditor (CIA), The Institute of Internal Auditors (IIA USA)

WORKING EXPERIENCE
Has over three (3) decades of experience in audit, consultancy, corporate leadership, Government - linked companies and entrepreneurship.

PRESENT DIRECTORSHIP
Listed Issuers:
- INED, Telekom Malaysia Berhad

Public Companies:
- Nil

Others:
- Trustee, CIMB Foundation
- Member, TFM Foundation
- Member of the Board of Governors Kolej Yayasan UEM
- Director, Synapse Education Holdings Sdn Bhd
- Chairperson, LeapEd Services Sdn Bhd
- Managing Director, SAM Education Sdn Bhd

SKILLS A AU BH FA LM SA SE

SYAIFUL HAFIZ MOAMAT MASTAM

Non-Independent Non-Executive Alternate Director

DATE OF APPOINTMENT
6 August 2025

DATE OF LAST RE-ELECTION
Nil

ATTENDANCE AT BOARD & BOARD COMMITTEE MEETINGS IN 2025

TM Board	BTC
4/5	2/3

Nationality	Age	Gender
	43	

BOARD COMMITTEE
- Alternate Member of BTC

QUALIFICATION
- Bachelor of Arts (Hons) Accounting and Finance, University of East London, UK
- Diploma in Public Administration, National Institute of Public Administration (INTAN)
- Diploma in Accounting, Kolej Agama Sultan Zainal Abidin (KUSZA), Terengganu
- Executive Fellows Programme (EFP) Australia & New Zealand School of Government (ANZSOG)

WORKING EXPERIENCE
Serves as a Principal Assistant Secretary at the Government Investment Companies Division, MoF, overseeing corporate matters, investments and strategic direction for MoF (Incorporated) companies, particularly in the land public transportation sector.

PRESENT DIRECTORSHIP
Listed Issuers:
- NINED, Telekom Malaysia Berhad

Public Companies:
- Nil

Others:
- Director, MKD Kencana Sdn Bhd
- Director, Southern Catalyst Sdn Bhd
- Director, Northern Gateway Sdn Bhd & Group
- Director, Northern Gateway Free Zone Sdn Bhd
- Director, Northern Gateway Development Sdn Bhd
- Director, Northern Gateway Logistics Sdn Bhd
- Director, Northern Gateway Commercial Sdn Bhd
- Director, MKD Aman Makmur Sdn Bhd
- Director, Suria Strategic Energy Resources Sdn Bhd
- Director, Lumut Naval Shipyard Sdn Bhd (formerly known as Boustead Naval Shipyard Sdn Bhd)

SKILLS A CF PA I SP

SKILLS

A	Accounting	IB	International Business
AU	Audit	LE	Legal Expertise
B	Business	LM	Leadership & Management
BH	Business & HR Transformation	M	Marketing
BK	Banking	PA	Public Administration
BT	Business Transformation	RM	Risk Management
CF	Corporate Finance	SA	Strategic Advisory
CG	Corporate Governance	SE	Social Entrepreneurship
DT	Digital Technology	SG	Sustainability Governance
E	Economy	SP	Strategic Planning
F&A	Finance & Accounting	TI	Telecommunication Industry
FA	Financial Advisory	T&I	Technology & Innovation
I	Investment		

Additional Information:

1. *Except as disclosed below, the other Directors have no family relationship with any Director or major shareholder of TM, no conflict of interest or potential conflict of interest, including interest in any competing business with the Company and/or its subsidiaries and have not been convicted of any offences (other than traffic offences) within the past five (5) years, or subject to any public sanctions or penalties by relevant regulatory authorities during the FYE 31 December 2025:*

   a) *Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her Alternate Director, Syaiful Hafiz Moamat Mastam, were nominated by TM's Special Shareholder, the Minister of Finance (Incorporated) (MoF Inc.), a body corporate established under the Ministry of Finance (Incorporation) Act 1957.*

      In matters involving the interests of MoF Inc, the aforesaid Directors recused themselves from the deliberation and abstained from voting on the relevant matters relating to MoF Inc.

   b) *During 2025, the following proposals involving COI were considered.*

      (i) Dato' Zainal Abidin Putih was deemed interested in a partnership proposal involving a company where a member of his family is employed. He recused himself and abstained from the deliberation and voting on the said proposal.

      (ii) Muhammad Afhzal Abdul Rahman is a nominee director of EPF, the largest major shareholder of TM. During discussions involving the interests of EPF and/or its investee companies, Muhammad Afhzal recused himself from deliberation and voting on matters involving EPF investee companies.

      During the year, he recused and abstained from the deliberation, decision-making and voting on matters relating to transactions involving EPF Investee Companies upon EPF becoming the largest major shareholder of TM in August 2025. Muhammad Afhzal also did not participate in the deliberation and decision-making on a proposed securitisation of TM's properties.

      (iii) Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah, a major shareholder of TM. He recused himself from the deliberation and voting on matters involving Khazanah and/or its group of companies. He also abstained from the deliberation on matters relating to MoF Inc., as MoF Inc. is the holding body corporate of Khazanah.

      (iv) Ahmad Taufek Omar, an INED, disclosed that his family member is a director of a company, operating a competitor retail outlet.

      (v) Datuk Bazlan Osman recused and abstained from the deliberation on a business arrangement entered into in 2016 as he was involved in the approval of the business arrangement in his previous capacity as TM's GCFO.

      (vi) Directors due for re-election at the 40th AGM and 41st AGM abstained from the deliberation and recommendation on their respective resolutions for re-election involving themselves.

2. *The full profile of the Board of Directors are available on TM Website at https://www.tm.com.my/corporate/our-people*

SENIOR LEADERSHIP

1 **AMAR HUZAIMI MD DERIS**
Managing Director/ Group Chief Executive Officer (MD/GCEO)

2 **AHMAD FAIRUS RAHIM**
Group Chief Financial Officer (GCFO)

3 **NOR FADHILAH MOHD ALI**
Chief Corporate Officer (CCO)

4 **KHAIDHIR ELIAS**
Chief Human Capital Officer (CHCO)

5 **ANAND VIJAYAN**
Chief Business & Consumer Officer (CBCO)

6 **SHANTI JUSNITA JOHARI**
Executive Vice President TM One

7 **SHAZURAWATI ABD KARIM**
Chief Customer Experience Officer (CXO)

8 **MOHAMAD REJAB SULAIMAN**
Chief Executive Officer, Credence

9 **KHAIRUL LIZA IBRAHIM**
Executive Vice President TM Global

10 **MOHAMED TAJUL MOHAMED SULTAN**
Chief Network Officer (CNO)

11 IVAN CHONG
Chief Information Officer (CIO)

12 NOR AZURA AB. WAHAB
Chief Procurement Officer (CPO)

13 NIK AZLI ABU ZAHAR
Group General Counsel (GGC)

14 AZWEEN ZAKARIA
VP Strategy

15 HAWABY SULTAN MUHAMAD
Chief Internal Auditor (CIA)

16 MUHAMAD ASRI DOLLAH
Chief Integrity & Governance Officer (CIGO)

17 PROFESSOR DATO' DR. MAZLIHAM MOHD SU'UD
President / Chief Executive Officer (CEO) Multimedia University (MMU)

18 RAJA AZRINA RAJA OTHMAN
Chief Information Security Officer (CISO)

19 HAMIZAH ABIDIN
Group Company Secretary (GCS)

SENIOR LEADERSHIP

1

AMAR HUZAIMI MD DERIS

Managing Director/Group Chief Executive Officer

Nationality	Age	Gender
	50	

DATE OF APPOINTMENT

1 August 2023

QUALIFICATION

- MBA, Deakin University, Australia
- Bachelor of Commerce (Accounting and Finance), Monash University (Clayton), Australia
- Fellow CPA Australia, Australia
- Former CISA
- Attended various leadership programmes, including Proteus at London Business School (LBS); the Global CEO Program at The Wharton School, National University of Singapore, IESE Business School and MIT Sloan

WORKING EXPERIENCE

Has over two (2) decades of experience in the telecommunications industry. Prior to his role as MD/GCEO, Amar has served as the Executive Vice President (EVP) of TM Global, overseeing the Group's wholesale domestic and international business arm.

PRESENT DIRECTORSHIP

Listed Issuers:

- NIED, Telekom Malaysia Berhad

Public Companies:

- Nil

Others:

- Director, TM Technology Services Sdn Bhd
- Deputy Chairman, Yayasan Telekom Malaysia
- Director, TM Digital Innovation Sdn Bhd (Credence)
- Director, TM DC Holdings Sdn Bhd
- Director, ASEAN Telecom Holdings Sdn Bhd
- Chairman, Telekom Malaysia (S) Pte Ltd
- Chairman, Telekom Malaysia (Hong Kong) Limited
- Chairman, Telekom Malaysia (UK) Limited
- Chairman, Telekom Malaysia (USA) Inc
- Chairman, Telekom Malaysia (Australia) Pty Ltd
- Chairman, Telekom Malaysia DMCC
- Director, BlueTel Networks Pte Ltd

SKILLS B BT DT I IB SA SP TI T&I

2

AHMAD FAIRUS RAHIM

Group Chief Financial Officer

Nationality	Age	Gender
	46	

DATE OF APPOINTMENT

1 November 2024

QUALIFICATION

- Bachelor of Accounting (Honours) Degree, Multimedia University (MMU), Cyberjaya
- Chartered Global Management Account (CGMA)
- Member of MIA
- Fellow of the Chartered Institute of Management Accountants (FCMA)
- Completed Executive Leadership programs at INSEAD Business School, International for Management Development (IMD) and the ICLIF Executive Education Center

WORKING EXPERIENCE

Has more than 21 years of expertise in commercial finance and accounting within the telecommunications industry, specialises in strategic planning, mergers and acquisitions, corporate restructuring and capital allocation.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Tulip Maple Berhad

Others:

- Director, TM Technology Services Sdn Bhd
- Director, TM Facilities Sdn Bhd
- Director, TMF Autolease Sdn Bhd
- Director, TM DC Educity Sdn Bhd
- Director, ST Dynamo DC Sdn Bhd
- Director, Universiti Telekom Sdn Bhd
- Director, Rebung Tower Sdn Bhd

SKILLS A CF CRF MA SP SPT TD T&I

3

NOR FADHILAH MOHD ALI

Chief Corporate Officer

Nationality	Age	Gender
	56	

DATE OF APPOINTMENT

17 June 2024

QUALIFICATION

- Bachelor of Accounting (Hons), International Islamic University Malaysia (IIUM)
- Chartered Accountant of the Malaysian Institute of Accountants (MIA)
- Associate Member of the Malaysian Institute of Chartered Secretaries and Administrators (MAICSA)
- Completed Oxford Strategic Leadership Programme at Said Business School, University of Oxford, UK
- Completed Digital Transformation Programme for Senior Executives, IMD Business School

WORKING EXPERIENCE

More than 29 years of experience encompassing strategy, corporate finance, mergers and acquisitions, business development, treasury, financial management, regulatory, corporate governance, subsidiary management, risk management, sustainability, investor relations, strategic communications, brand and partnership and group programme management.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Director, Fiberail Sdn Bhd

SKILLS BA BD CRF MA RC RMC SP S

4

KHAIDHIR ELIAS

Chief Human Capital Officer

Nationality	Age	Gender
	57	

DATE OF APPOINTMENT

1 September 2024

QUALIFICATION

- Bachelor of Science (Hons) in Applied Statistics & Computing, Liverpool John Moores University (formerly Liverpool Polytechnic), UK
- Attended Senior Management Development Programme, Harvard Business School
- Attended Enterprise Agile Coaching Certified Professional, International Consortium Agile and Global HR Leadership Programme at National University of Singapore

WORKING EXPERIENCE

Has over 29 years of experience in the telecommunications industry, with extensive exposure across the mass market, enterprise business and human resources ecosystem. He has spearheaded numerous transformative initiatives in TM including Reorganisation Exercise, Product Innovations, New Way of Working, Culture and Mindset Programme, HR Value/Growth Programs & TVET national programmes.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Trustee, Yayasan Telekom Malaysia
- Director, Universiti Telekom Malaysia Sdn Bhd
- Director, Unitele Multimedia Sdn Bhd

SKILLS AP BD HR PD STM TI

SENIOR LEADERSHIP

5

ANAND VIJAYAN

Chief Business & Consumer Officer

Nationality	Age	Gender
	51	

DATE OF APPOINTMENT
1 February 2020

QUALIFICATION
- MBA (e-Commerce), Charles Sturt University, Australia
- Bachelor of Business (Accountancy), Royal Melbourne Institute of Technology (RMIT) University, Australia
- Certified Practising Accountant, CPA Australia

WORKING EXPERIENCE
Has over 31 years of experience in consultancy, risk management, business turnaround and telecommunications. He has spent several years with the Big Four accounting firms providing assurance and advisory services across multiple countries, including Kazakhstan, Bulgaria, Russia, Albania and Uzbekistan.

PRESENT DIRECTORSHIP
Listed Issuers:
- Nil

Public Companies:
- Nil

Others:
- Nil

SKILLS A BA BD BM PD RMC SB SM SP TI

6

SHANTI JUSNITA JOHARI

Executive Vice President, TM One

Nationality	Age	Gender
	50	

DATE OF APPOINTMENT
15 November 2023

QUALIFICATION
- MBA (Strategic Management), Universiti Teknologi Malaysia (UTM) with Tampere University, Finland
- Bachelor of Engineering (Electronics) Vanderbilt University, USA

WORKING EXPERIENCE
With over 26 years of experience, Shanti has held diverse strategy, commercial and operational roles in the telecommunications industry. Her expertise spans marketing, product management and sales, serving both consumer and enterprise markets.

PRESENT DIRECTORSHIP
Listed Issuers:
- Nil

Public Companies:
- Nil

Others:
- Director, GITN Sdn Berhad
- Director, TM Digital Innovation Sdn Bhd (Credence)

SKILLS CEP CM SM SP TI

7

SHAZURAWATI ABD KARIM

Chief Customer Experience Officer

Nationality	Age	Gender
	52	

DATE OF APPOINTMENT

1 January 2022

QUALIFICATION

- Master of Arts, Cambridge University, UK
- Master of Engineering, University of Cambridge, UK
- Bachelor of Arts (Honours) in Electrical Engineering, University of Cambridge, UK
- Completed Leadership Program, Stanford University, USA

WORKING EXPERIENCE

A seasoned professional with extensive leadership experience across various portfolios within TM Group, she has successfully delivered innovative and transformative initiatives, fostered industry collaborations and talent development demonstrating her expertise in driving stakeholders value creation and forward-looking operational excellence.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Chairman, VADS Berhad

Others:

- President Commissioner, PT VADS

SKILLS BPL CEP ICT TI T&I

8

MOHAMAD REJAB SULAIMAN

Chief Executive Officer, Credence

Nationality	Age	Gender
	48	

DATE OF APPOINTMENT

17 October 2023

QUALIFICATION

- Master of Applied Statistics, Universiti Malaya (UM)
- Bachelor of Electronic & Electric Engineering, University College London, UK

WORKING EXPERIENCE

With more than 21 years of experience in telecommunications, he leads the Credence team in driving TM's technology and digital innovations. He also played a key role in expanding the Hyperscale Data Centre and establishing Cloud Alpha as part of the Government's MyDIGITAL initiative.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Nil

SKILLS DT ICT PD STM T&I

SENIOR LEADERSHIP

9

KHAIRUL LIZA IBRAHIM

Executive Vice President, TM Global

Nationality	Age	Gender
	56	

DATE OF APPOINTMENT

1 November 2024

QUALIFICATION

- Bachelor of Engineering (Major in Electrical Engineering), UTM
- Completed Strategic Board Leadership Programme, Multimedia University with Henley Business School
- Completed Digital Transformation Journey Programme, IMD Business School
- Completed Becoming a Leader of Leaders: Pathway for Success Programme, The Wharton School, University of Pennsylvania

WORKING EXPERIENCE

With over 30 years of experience in wholesale and international business, she pioneered Malaysia's HSBB rollout and now drives TM Global's growth in connectivity, data centres, and digital services. Recognised by Capacity Media's 20 Women to Watch (2020) and The Fast Mode Awards 2025 as Woman Leader of the Year (Telco APAC).

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Chairman, Fiberail Sdn Bhd
- Director, Telekom Malaysia (S) Pte Ltd.
- Director, Telekom Malaysia (Hong Kong) Limited
- Director, Telekom Malaysia (UK) Limited
- Director, Telekom Malaysia (USA) Inc.
- Director, Telekom Malaysia (Australia) Pty Ltd.
- Director, TM DC Holdings Sdn Bhd
- Alternate Director, BlueTel Networks Pte Ltd
- Committee Member, the Malaysia Internet Exchange (MyIX)

SKILLS BPL IWB SM SP TI

10

MOHAMED TAJUL MOHAMED SULTAN

Chief Network Officer

Nationality	Age	Gender
	55	

DATE OF APPOINTMENT

1 November 2020

QUALIFICATION

- MBA (Strategic Management), International Business School, UTM
- Bachelor of Electrical Engineering, Hanyang University, Seoul, South Korea

WORKING EXPERIENCE

Has over 31 years of experience spearheading the full spectrum of new technology adoption, operations management, service enhancements and network infrastructure transformation in the telecommunications industry.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Director, Fibrecomm Network (M) Sdn Bhd

SKILLS NI SP STM TI T&I

11

IVAN CHONG

Chief Information Officer

Nationality	Age	Gender
	44	

DATE OF APPOINTMENT

1 September 2022

QUALIFICATION

- MBA, Leadership Program at Harvard Business School, USA
- Bachelor of Business Information and Technology (Honours), Coventry University, UK
- Professional Certification of PMP, Advanced Scrum Master, ITIL V3 and Data Centre Professional

WORKING EXPERIENCE

Has over 21 years of professional experience across multiple industries namely, telecommunications, financial services, healthcare, energy and resources. He was recognised at the CIO100 Awards in ASEAN and Hong Kong by International Data Corporation (IDC) for 3 consecutive years in October 2023, November 2024 and November 2025 respectively. Additionally, he was awarded as the Transformative CIO in Southeast Asia by Economic Times in January 2024 and January 2025, while also driving TM in winning 2 significant awards in 2025, namely PIKOM (The National Tech Association of Malaysia) Digital Excellence Award 2025 under Outstanding Digital Transformation Project for TM's Digital Business Support System (BSS), as well as the Highest TM Forum Open API Conformance Certification by TM Forum at Copenhagen.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Nil

SKILLS AP CC DT ICT SP STM TD T&I

12

NOR AZURA AB. WAHAB

Chief Procurement Officer

Nationality	Age	Gender
	56	

DATE OF APPOINTMENT

1 October 2021

QUALIFICATION

- MBA, MMU, Cyberjaya
- Bachelor of Accountancy, Sheffield University, UK
- Postgraduate Diploma in Accountant, Demontfort University Leicester, UK

WORKING EXPERIENCE

More than 22 years of experience working in TM in different areas and divisions. A TM's home grown talent that responsible in leading the overall TM Procurement strategy and contract management services in supporting the business requirement whilst ensuring full compliance to TM's policy, process and governance.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Nil

SKILLS A P SP SPT TI

SENIOR LEADERSHIP

13

NIK AZLI ABU ZAHAR

Group General Counsel

Nationality	Age	Gender
	55	

DATE OF APPOINTMENT

1 October 2022

QUALIFICATION

- Bachelor of Laws (Honours), University of Newcastle Upon Tyne, UK
- Certificate of Legal Practice, Malaysia
- Advocate and Solicitor of the High Court of Malaya

WORKING EXPERIENCE

Has extensive experience as an in-house legal counsel and has served on the leadership teams of several prominent organisations. Notably, he was recognized with the Energy and Resources In-House Legal Team Award at the Asia Legal Business (ALB) Malaysia Law Awards in 2015.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- TM DC Educity Sdn Bhd
- ST Dynamo DC Sdn Bhd

SKILLS CG L MA RC SPT PDP

14

AZWEEN ZAKARIA

Vice President, Strategy

Nationality	Age	Gender
	54	

DATE OF APPOINTMENT

1 January 2021

QUALIFICATION

- MBA in Strategic Management, UTM and Tampere University, Finland
- Bachelor of Business Administration (Honours), IIUM
- Completed Leadership and Professional Development Program from IMD and Harvard Business School, USA

WORKING EXPERIENCE

She has extensive experience in telecommunications specifically in sales and marketing, internal audit and business strategy and held various senior level positions strategy, transformation office and internal auditing.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Director, Telekom Research & Development Sdn Bhd

SKILLS AD DT SB SP

15

HAWABY SULTAN MUHAMAD

Chief Internal Auditor

Nationality	Age	Gender
	53	

DATE OF APPOINTMENT

1 November 2023

QUALIFICATION

- Bachelor of Accounting and Finance, De Montfort University, UK
- Fellow member of the Association of Chartered Certified Accountants (FCCA)
- Certified Internal Auditor
- Certified Internal Audit Practitioner (IAP), The Institute of Internal Auditor
- Master Certification in Project Management
- Completed Leadership Program from IMD and Harvard Business School, USA

WORKING EXPERIENCE

Over two (2) decades of corporate experiences in financial audit, internal audit or review of internal controls, enterprise risk management, strategic project management, strategic planning, quality management and stakeholder management.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Nil

SKILLS A AD BA CF CG CRF RMC SP

16

MUHAMAD ASRI DOLLAH

Chief Integrity & Governance Officer

Nationality	Age	Gender
	51	

DATE OF APPOINTMENT

2 October 2023

QUALIFICATION

- Master of Corruption Studies, Universiti Kebangsaan Malaysia (UKM)
- Bachelor of Communication, Universiti Sains Malaysia (USM)
- Certified Integrity Officer (CeIO), Malaysian Anti-Corruption Academy (MACA)

WORKING EXPERIENCE

Has served in several pivotal roles in MACC before he was assigned to TM as CIGO to spearhead TM's strategy in combatting corruption through prevention, education and awareness as well as enforcement in strengthening an ethical culture in TM Group.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Nil

SKILLS ACE IGE RC SP

SENIOR LEADERSHIP

17

PROFESSOR DATO' DR. MAZLIHAM MOHD SU'UD

President/Chief Executive Officer, MMU

Nationality	Age	Gender
	58	

DATE OF APPOINTMENT
1 August 2020

QUALIFICATION
- Ph.D. in Computer Engineering, Université de La Rochelle, France.
- Bachelor of Science (Hons) in Electronics, Electrotechniques and Automation and Post Master Degree in Electronics, Université de Montpellier 2 - Sciences et Techniques du Languedoc, Montpellier, France.

WORKING EXPERIENCE
With over 30 years of experience, he has held key roles and achieved significant milestones, notably leading the Higher Technical and Vocational Education & Training (HTVET) initiative and he serves as the Malaysian Director for the Malaysia-France University Centre (MFUC).

He has also been honoured with numerous prestigious awards such as Darjah Sri Sultan Ahmad Shah Pahang (D.S.A.P.) in 2013 and Pingat Panglima Mahkota Wilayah in 2021. Internationally, he was awarded the Chevalier de l'Ordre National du Mérite in 2015 and the Légion d'Honneur in 2021 by the Government of France, as well as the Italian Knight of the Order of Merit by the Government of Italy in September 2020, recognizing his exceptional contributions.

PRESENT DIRECTORSHIP
Listed Issuers:
- Nil

Public Companies:
- Nil

Others:
- Nil

SKILLS LM TE RA EVT

18

RAJA AZRINA RAJA OTHMAN

Chief Information Security Officer

Nationality	Age	Gender
	54	

DATE OF APPOINTMENT
1 September 2021

QUALIFICATION
- Master's degree in Information Security and Computer Crime Glamorgan University, UK
- Bachelor's Degree in Computer Engineering, Lehigh University, USA
- Certified Lead Auditor (ISMS)
- GIAC Certified Intrusion Analyst Gold by The SANS Institute, USA
- Registered Technical Expert of Laboratory Accreditation Scheme of Malaysia (SAMM) for Common Criteria and Assessor of Scheme for Accreditation and Certification Body for ISO/IEC 27006 (ISMS) under the Department of Standards Malaysia
- Executive Education on Cyber Resilience by ISTARI and Cambridge Judge Business School, Cambridge University

WORKING EXPERIENCE
Has over 30 years' experience in Cyber Security, which includes research, product development, operations, management, pre-sales and advisory. She was also co-founded of the Malaysian Computer Emergency Response Team (MyCERT) followed by the first Digital Forensics Lab in Malaysia.

PRESENT DIRECTORSHIP
Listed Issuers:
- Nil

Public Companies:
- Nil

Others:
- Nil

SKILLS CS ICT RMC SP ST STM

19

HAMIZAH ABIDIN

Group Company Secretary

Nationality	Age	Gender
	55	

DATE OF APPOINTMENT

1 September 2020

QUALIFICATION

- Bachelor of Laws, IIUM
- Licenced Secretary, Companies Commission of Malaysia since December 1998

WORKING EXPERIENCE

Hamizah spent the early years of her career in legal practice before joining TM in 1996 where she climbed the rank from being Assistant Company Secretary to Group Company Secretary on 1 January 2017. She left TM on 1 January 2020 and rejoined on 1 September 2020 heading the Group Company Secretarial Division.

She has more than 30 years of experience in corporate secretarial, compliance and corporate governance matters.

PRESENT DIRECTORSHIP

Listed Issuers:

- Nil

Public Companies:

- Nil

Others:

- Nil

SKILLS CG CSP L RC SPT

SKILLS

- A Accounting
- AD Auditing
- AP Agile Practitioner
- ACE Anti-Corruption Enforcement
- B Business
- BA Business Advisory
- BD Business Development
- BM Business Management
- BPL Business Portfolio Leadership
- BT Business Transformation
- CC Cloud Computing
- CF Commercial Finance
- CG Corporate Governance
- CM Commercial Management
- CS Cyber Security
- CSP Corporate Secretarial Practice
- CEP Customer Experience and Partnership
- CRF Corporate Finance
- DT Digital Transformation
- EVT Educational & Vocational Training Expertise
- I Investment
- IA International Affairs
- IB International Business
- IGE Integrity and Government Expertise
- ICT Information and Communication Technology
- IWB International Wholesale Business
- HR Human Resources Management
- L Legal
- LM Leaderships & Management
- MA Mergers and Acquisitions
- NI Network Infrastructure
- P Procurement
- PD Product Development
- RA Research & Academic
- RC Regulatory Compliance
- RMC Risk Management and Compliance
- SA Strategic Advisory
- SB Strategic Business
- SC Strategic Communications
- SM Strategic Marketing
- S&M Sales & Marketing
- SP Strategic Planning
- ST Strategic Thinking
- SP Strategic Project
- STM Strategic and Technology Management
- TD Technology and Digital
- TE Technical Engineering
- TI Telecommunication Industry
- T&I Technology & Innovation
- S Sustainability
- PDP Personal Data Protection

Notes:

1. *Date of Appointment refers to the first date of appointment as TM's Senior Leadership.*
2. *As disclosed below, the other senior leadership have no family relationship with any Director or major shareholder of TM, no conflict of interest or potential conflict of interest, including interest in any competing business with the Company, its subsidiaries and have not been convicted of any offences (other than traffic offence) within the past five (5) years or subject to public sanctions or penalties by relevant regulatory authorities during the FYE 31 December 2025 save for the following:*
   (i) Shazurawati Abd Karim's spouse is an employee of EPF, TM's major shareholder.
3. *The full profile of the senior leadership are available on TM Website at www.tm.com.my/corporate/management-team*

ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with the Main LR of Bursa Securities:

1.0 UTILISATION OF PROCEEDS FROM CORPORATE PROPOSALS

There were no corporate proposals carried out during the financial year.

Disclosed in accordance with Appendix 9C, Part A, item 13 of the Main LR

2.0 MATERIAL CONTRACTS INVOLVING INTERESTS OF DIRECTORS AND MAJOR SHAREHOLDERS

There were no material contracts or any contracts in relation to loans entered into by the Company and/or its subsidiaries involving the interests of the Directors or major shareholders, either still subsisting as at 31 December 2025 or entered into since the end of the previous financial year ended 31 December 2024, except for the following:

Transacting Party		General Nature	Consideration passing to or from the listed issuer or any other corporation in the group	Date of the Agreement/ Effective Date	Mode of Satisfaction of Consideration	Relationship
TM and/or its subsidiaries	Digital Nasional Berhad (DNB)	1. Provision of 5G RAN to-Edge Fronthaul and Backhaul Service 2. Subscription to DNB's regulated 5G services	DNB to TM TM to DNB	Agreement date: 14 April 2022 Effective date: 28 August 2021 Agreement date: 7 October 2022	Cash Cash	a) MoF Inc., a body corporate established under the Minister of Finance (Incorporation) Act, 1957, is a Major Shareholder of DNB and a Person Connected to Khazanah Nasional Berhad (Khazanah). b) Khazanah is a Major Shareholder of TM. c) Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Syaiful Hafiz Moamat Mastam are nominee directors of MoF Inc. on TM Board. d) Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.
TM and/or its subsidiaries	Maxis Broadband Sdn Bhd (MBSB), a subsidiary of Maxis Berhad (Maxis)	1. HSBB Premium Service Agreement 2. Domestic Roaming and 4G Multi-Operator Core Network (MOCN) services	TM to MBSB MBSB to TM	Agreement date: 20 December 2023 Agreement date: 13 August 2024	Cash Cash	a) EPF is a Major Shareholder of TM and Maxis. b) Muhammad Afhzal Abdul Rahman is a nominee director of EPF on TM Board.

Disclosed in accordance with Appendix 9C, Part A, items 21 and 22 of the Main LR

3.0 EMPLOYEE SHARE SCHEME - LONG TERM INCENTIVE PLAN (LTIP)

TM has in place an LTIP for all eligible employees and Executive Director (ED) as approved by the shareholders at the Extraordinary General Meeting of the Company held on 28 April 2016. The LTIP was established for a duration of ten (10) years and shall expire in 2026. The main objective of the LTIP is to encourage performance culture and as a retention tool. The LTIP comprises Restricted Share (RS) and Performance Share (PS) grants with the main difference being the eligibility of the employees in terms of their job grades in the Group, the performance metrics to be met which will be determined prior to the grant being made and the vesting periods of the grant to the eligible employees.

There was no grants of new RS or PS pursuant to the LTIP during the financial year ended 31 December 2025 and no PS grants accorded to the MD/GCEO to-date. Further details on the grants status to-date are disclosed in the Financial Statements 2025.

Disclosed in accordance with Appendix 9C, Part A, item 27 of the Main LR

4.0 RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (RRPT)

At the 40th Annual General Meeting (AGM) held on 27 May 2025, the Company had obtained a general mandate from its shareholders on the RRPT entered into by the Company and/or its subsidiaries as set out in the Circular to Shareholders dated 25 April 2025 (RRPT Mandate). This RRPT Mandate is valid until the conclusion of the forthcoming 41st AGM of the Company to be held on 19 May 2026.

Pursuant to Paragraph 10.09(2)(b) and Paragraph 3.1.5 of Practice Note 12 of the Main LR, details of the RRPT entered into during the financial year ended 31 December 2025 pursuant to the said RRPT Mandate are as follows:

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	Value of Transaction (RM '000)
Our Company and/or our subsidiaries	Axiata Group Berhad (Axiata) and/or its subsidiaries (Axiata Group)	**Interested Major Shareholder** • Khazanah	Khazanah is a Major Shareholder of TM and Axiata.	**Revenue** • Interconnect revenue from Axiata Group.	30
		Interested Directors • Dato' Zainal Abidin Putih • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad • Syaiful Hafiz Moamat Mastam • Dato' Mohamed Nasri Sallehuddin	Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Syaiful Hafiz Moamat Mastam are nominee directors of MoF Inc. on TM Board. Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.	• Provision of data and bandwidth related services to Axiata Group. • Provision of contact centre and business process outsourcing services by VADS Berhad (VADS) to Axiata Group. • Provision of fibre optic core, data and bandwidth services by Fiberail Sdn Bhd (Fiberail) to Axiata Group. • Provision of fibre optic, bandwidth, space and facility by Fibrecomm Network (M) Sdn Bhd (Fibrecomm) to Axiata Group.	1,723 22,441 60 145
		Interested Person Connected • MoF Inc.	MoF Inc. is a Person Connected to Khazanah.	**Cost** • Leased-line charges by Axiata Group. • Site rental for telecommunication infrastructure, equipment and related charges by Axiata Group to TM Group.	921 62,587
				TOTAL	**87,907**

ADDITIONAL COMPLIANCE INFORMATION

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	Value of Transaction (RM '000)
Our Company and/or our subsidiaries	Tenaga Nasional Berhad (TNB) and/or its subsidiaries (TNB Group)	**Interested Major Shareholder** • Khazanah **Interested Directors** • Dato' Zainal Abidin Putih • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad • Syaiful Hafiz Moamat Mastam • Dato' Mohamed Nasri Sallehuddin **Interested Person Connected** • MoF Inc.	Khazanah is a Major Shareholder of TM and TNB Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Syaiful Hafiz Moamat Mastam are nominee directors of MoF Inc. on TM Board. Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board. MoF Inc. is a Person Connected to Khazanah.	**Revenue** • Provision of connectivity services, ICT equipment and security surveillance devices to TNB Group. • Provision of fibre optic and bandwidth for telecommunication services to TNB Group. • Provision of digital services solution and software to TNB Group. **Cost** • Leasing of fibre optic from TNB Group. • Leasing of infrastructure for telecommunication services from TNB Group. • Supply of chilled water from TNB Group.	16,166 5,396 5,142 10,030 8,231 2,977
				TOTAL	**47,942**
Our Company and/or our subsidiaries	Petroliam Nasional Berhad (Petronas) and/or its subsidiaries (Petronas Group)	**Interested Directors** • Dato' Zainal Abidin Putih • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad • Syaiful Hafiz Moamat Mastam • Dato' Mohamed Nasri Sallehuddin **Interested Person Connected** • MoF Inc.	Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Syaiful Hafiz Moamat Mastam are nominee directors of MoF Inc. on TM Board. Datuk Dr. Shahrazat Haji Ahmad is a director on TM and Petronas Board. Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board. Khazanah is a Major Shareholder of TM MoF Inc. is a Major Shareholder of Petronas and a Person Connected to Khazanah.	**Revenue** • Provision of connectivity, customer and smart services to Petronas Group. • Provision of fibre optic cables, bandwidth and ethernet services to Petronas Group. • Provision of digital services solution and software to Petronas Group. **Cost** • Payment on usage of energy generated from the solar power system to Petronas Group. • Right of way, cabin and reimbursement fees of Fiberail's facilities charges by Petronas Group. • Purchase of fuel from Petronas Group.	67,941 7,903 128 8 3,877 10,273
				TOTAL	**90,130**

Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	Value of Transaction (RM '000)
Our Company and/or our subsidiaries	Astro Malaysia Holdings Berhad (AMHB) and/or its subsidiaries (AMHB Group)	**Interested Major Shareholder** • Khazanah	Khazanah is a Major Shareholder of TM and AMHB	**Revenue** • Provision of data, transmission and content delivery services to AMHB Group.	171,305
		Interested Directors • Dato' Zainal Abidin Putih • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad • Syaiful Hafiz Moamat Mastam • Dato' Mohamed Nasri Sallehuddin	Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Syaiful Hafiz Moamat Mastam are nominee directors of MoF Inc. on TM Board. Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.	• Provision of connectivity, customer and smart services to AMHB Group.	30,238
		Interested Person Connected • MoF Inc.	MoF Inc. is a Person Connected to Khazanah.		
				TOTAL	**201,543**
Our Company and/or our subsidiaries	Digital National Berhad (DNB)	**Interested Directors** • Dato' Zainal Abidin Putih • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad • Syaiful Hafiz Moamat Mastam • Dato' Mohamed Nasri Sallehuddin	Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Syaiful Hafiz Moamat Mastam are nominee directors of MoF Inc. on TM Board. Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.	**Revenue** • Provision of connectivity, customer and smart services to DNB.	243
				• Provision of 5G connectivity and its core network comprising the leasing of fibre, site, data centre, edge data centres and other related transmission services to DNB.	291,976
		Interested Person Connected • MoF Inc.	MoF Inc. is a Major Shareholder of DNB and a Person Connected to Khazanah.	**Cost** • Subscription to DNB 5G Access Network.	147,748
				TOTAL	**439,967**

ADDITIONAL COMPLIANCE INFORMATION

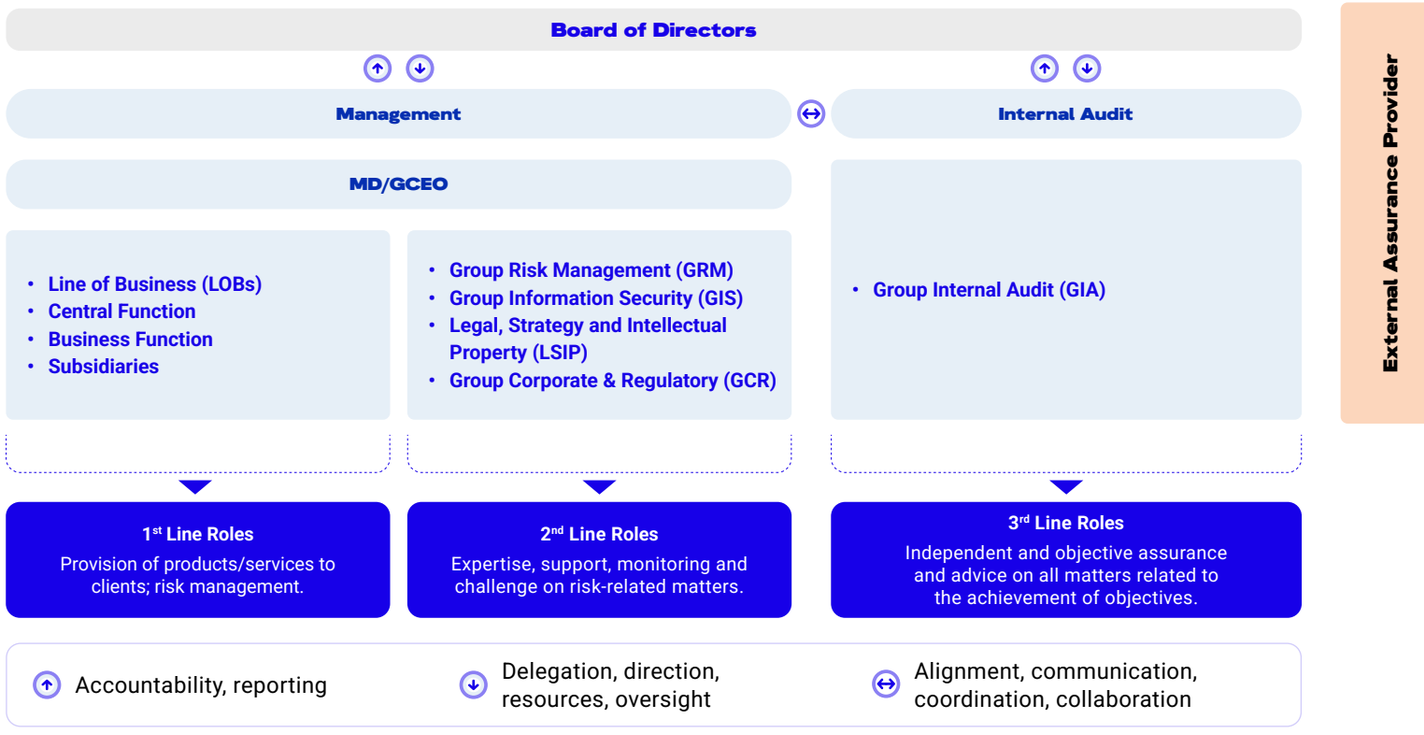
Transacting companies in our Group	Transacting Related Parties	Interested Major Shareholder/Director	Nature of relationship	Nature of RRPT	Value of Transaction (RM '000)
Our Company and/or our subsidiaries	CelcomDigi Berhad (CelcomDigi) and/or its subsidiaries (CelcomDigi Group)	**Interested Major Shareholder** • Khazanah	Axiata is a Major Shareholder of CelcomDigi. Khazanah is a Person Connected to Axiata and also an indirect Major Shareholder of CelcomDigi.	**Revenue**	
				• Interconnect revenue from CelcomDigi Group.	7,379
				• Core rental and mobile services charges to CelcomDigi Group.	151
				• Provision of fibre optic core, data and bandwidth services by Fiberail to CelcomDigi Group.	4,528
		Interested Directors • Dato' Zainal Abidin Putih • Amar Huzaimi Md Deris • Datuk Dr. Shahrazat Haji Ahmad • Syaiful Hafiz Moamat Mastam • Dato' Mohamed Nasri Sallehuddin	Dato' Zainal Abidin Putih, Amar Huzaimi Md Deris, Datuk Dr. Shahrazat Haji Ahmad and her alternate director, Syaiful Hafiz Moamat Mastam are nominee directors of MoF Inc. on TM Board. Dato' Mohamed Nasri Sallehuddin is a nominee director of Khazanah on TM Board.	• Provision of data and bandwidth related services to CelcomDigi Group.	234,552
				• Provision of internet access and broadband services to CelcomDigi Group.	161
				• Provision of leased-line services to CelcomDigi Group.	49,483
		Interested Person Connected • MoF Inc.	MoF Inc. is a Person Connected to Khazanah.	• Site rental for telecommunication infrastructure, equipment and related charges by TM Group to CelcomDigi Group.	46,106
				Cost	
				• Interconnect charges by CelcomDigi Group.	1,515
				• Core rental and mobile services from CelcomDigi Group to TM Group.	7,668
				• Domestic Roaming and Multi Operator Core Network technologies by CelcomDigi Group to TM Technology Services Sdn. Bhd.	50
				• Leased-line charges by CelcomDigi Group.	607
				• Site rental for telecommunication infrastructure, equipment and related charges by CelcomDigi Group to TM Group.	7,802
				• Fibre optic and leased-line charges by CelcomDigi Group to Fibrecomm.	685
				TOTAL	**360,687**

Note:

Effective 15 August 2025, transactions with Employees Provident Fund (EPF) investee companies are no longer exempted under paragraph 10.08(11)(m) of the Main LR. Accordingly, transactions with Axiata Group, TNB Group, Petronas Group, AMHB Group, CelcomDigi Group and Maxis Group where EPF is an interested Major Shareholder are deemed RRPT as disclosed in Appendix I and II of the Circular to Shareholders dated 17 April 2026.

DIRECTORS' STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROLS (DSORMIC)

Under Paragraph 15.26(b) of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad (Bursa Securities), the Board of Directors of a listed issuer is required to include in its annual report a statement on the state of risk management and internal control of the issuer as a group. In fulfilling this requirement, TM's Board of Directors ("Board") presents this Statement on Risk Management and Internal Control in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed Issuers endorsed by Bursa Securities. This statement outlines the nature and scope of risk management and internal control within TM Group for the financial year under review and is jointly endorsed by the Board Risk and Investment Committee (BRIC) and the Board Audit Committee (BAC).



The Group adopts the Three Lines Model issued by the Institute of Internal Auditors (IIA) to delineate clearly the roles and responsibilities for risk management and internal control across TM. This model establishes a structured basis for accountability, segregation of duties and independent assurance and supports a consistent approach to risk governance throughout the Group.

Under this model, responsibilities are allocated across three (3) distinct lines. The First Line, comprising Business and Operations, is accountable for owning and managing risks within their respective areas. This includes implementing and maintaining effective internal controls, complying with approved policies and delegated authorities and promptly escalating control weaknesses or incidents.

The Second Line, represented by the Risk and Compliance functions, provides oversight and challenge to the First Line. Its role includes establishing risk management frameworks, policies and risk appetite parameters, monitoring compliance with regulatory and internal requirements and consolidating enterprise-wide risk information for Management and the BAC.

The Third Line, comprising Internal Audit, provides independent assurance on the adequacy and effectiveness of governance, risk management and internal control systems. To preserve independence and objectivity, Internal Audit reports directly to the BAC.

Together, the three (3) lines promote management accountability while preserving independent oversight and assurance, in line with Bursa Malaysia's Statement on Risk Management and Internal Control expectations. To enable this structure to operate cohesively, TM maintains a structured Enterprise Risk Management (ERM) governance process to support coordination and information flow on risk matters. Risk information identified by the First Line is consolidated and reviewed by the Second Line (Risk Management), which provides challenge, oversight and escalation of key risks to Management and the BRIC. In parallel, the Third Line (Internal Audit) delivers independent assurance on governance, risk management and internal control processes.

DIRECTORS' STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROLS (DSORMIC)

Internal Audit aligns its audit planning with key Second Line functions and draws on risk assessments and monitoring outputs in determining audit priorities. Audit results and thematic issues are reported to Management and the Board Audit Committee, enabling appropriate deliberation and follow-up actions.

During the financial year, the Group continued to maintain and support the role of the Second Line (Risk) within the existing ERM framework through established governance, reporting and escalation arrangements. Ongoing efforts focused on promoting clarity of responsibilities and maintaining adequate capability to support effective risk oversight.

Enhancements to the Third Line (Internal Audit) were undertaken to further strengthen assurance capabilities. These included the adoption of the 2024 IIA Global Internal Audit Standards to improve independence, objectivity and audit methodology, as well as capability development in sustainability assurance, digital auditing, data analytics and cyber risk. In addition, ongoing Quality Assurance and Improvement Programme (QAIP) monitoring was carried out to support continued conformance with updated auditing standards. Greater use of data-driven and continuous auditing techniques were introduced to expand audit coverage and shorten audit cycles.

RESPONSIBILITY AND ACCOUNTABILITY

The Board

The Board is committed to establishing and overseeing the Group's risk management framework and internal control systems. Guided by the Group's risk appetite, the Board ensures that these systems operate within acceptable tolerance levels to support the achievement of the Group's goals and objectives in a dynamic and challenging business environment.

In fulfilling this role, the Board regularly reviews the effectiveness and adequacy of the framework by identifying, assessing and monitoring key risks to safeguard shareholder investments and protect the Group's assets. Oversight of risk management and internal control is carried out through the BRIC and the BAC, to which specific responsibilities have been delegated.

Board Risk and Investment Committee (BRIC)

The primary role of the BRIC is to support the Board in maintaining a robust Enterprise Risk Management (ERM) framework and ensuring its effective implementation, thereby strengthening the Group's corporate governance. Its focus is on the identification, assessment and monitoring of key business and investment risks.

The BRIC serves as the principal platform for deliberating on these risks and the related controls. During the financial year, it reviewed the outcomes of the Corporate Risk Assessment, assessed movements in key risks and evaluated the effectiveness of mitigation measures and controls. The BRIC also examined the quality and consistency of risk reporting and recommended enhancements where appropriate to ensure the ERM framework remains fit for purpose for TM Group.

BRIC undertake ongoing risk management training to support effective oversight of the Group's risk profile.

The Terms of Reference (ToR) and primary responsibilities of the BRIC in relation to risk management are incorporated in the Board Charter, which is available on the Company's official website at www.tm.com.my.

Board Audit Committee (BAC)

The BAC assists the Board in assessing the effectiveness of the Group's internal control structure and in reviewing financial reporting. In carrying out these responsibilities, the BAC reviews the adequacy and integrity of the Group's internal control systems and management information systems, including compliance with applicable laws, rules, directives and guidelines, through the Group Internal Audit (GIA) function.

In addition, the BAC provides oversight of the Group's management of investigations and prosecutions, fraud and disciplinary matters, ethics and integrity principles and whistleblowing processes through the Group Integrity & Governance (GIG) function. Both GIA and GIG report directly to the BAC, supporting its ability to exercise independent oversight.

The BAC's Terms of Reference are stipulated in the Board Charter and are accessible on the Company's website. Its primary duties in assessing the adequacy and effectiveness of internal control systems implemented within the Group are further elaborated on pages 273 to 276.

While specific functions are delegated to its committees, the Board acknowledges that it remains responsible for all actions taken by these committees in carrying out their respective roles, including the outcomes of reviews and the disclosure of key risks and internal control systems in this Integrated Annual Report.

To support this responsibility, the BAC assessed the integrity of TM's internal control environment through a multiple-assurance and advisory approach. This typically included reviews of Internal Audit results, with emphasis on high- and medium-risk findings, thematic issues, repeat observations and progress of action plans. The BAC also considered External Auditor reports, including audit opinions, management letters and assessments of financial reporting controls, together with Integrity and Governance updates on integrity-related cases and fraud incidences.

Further assurance was derived from Management control self-assessments, comprising annual certifications on entity-level and key process controls, as well as financial reporting assurance, which covered accounting policy updates, key judgements and estimates, any restatements and the quality of financial disclosures. This integrated view enabled the BAC to assess the internal control environment in a holistic manner and provided confidence that it was effective, reliable and aligned with governance expectations.

Management

Management is accountable to the Board and is responsible for adopting a proactive approach in implementing processes to identify, evaluate, monitor and report risks, as well as for assessing the effectiveness of internal control systems. Management ensures that timely and appropriate corrective actions are taken and provides assurance to the Board that the Group's risk management and internal control systems operate adequately and effectively in all material aspects, based on the ERM framework and internal control systems adopted by the Group.

In relation to risk management, Management has implemented processes to identify and analyse the risk appetite relevant to the Corporate Risk and to determine the level of risk tolerance. Management is also responsible for implementing and monitoring the ERM framework in line with TM Group's strategic direction and relevant risk appetite. To address changes in risk exposures or emerging risks, appropriate actions are taken and matters are brought to the attention of Management and the Board in a timely manner.

The ERM is aligned with the strategic planning process through the incorporation of risk assessments, risk appetite and key risk indicators. Performance is monitored through regular reporting to Management and the Board to support alignment with relevant risk appetite and strategic objectives, while continuous assessment of key areas are undertaken to identify emerging risks.

Improvements in risk ownership and accountability at divisional and subsidiary levels were driven through continuous engagement on ERM processes and governance. This included regular communication with risk owners and coordinators to reinforce their roles in identifying and assessing risks. Accountability was further enhanced through defined escalation and reporting lines, strengthened tracking of mitigation actions and timelines and periodic management reviews of residual risk movements, supporting more consistent and effective risk management across TM Berhad.

ENTERPRISE RISK MANAGEMENT

ERM Framework

ERM forms an integral part of the Group's governance framework and supports the systematic assessment, mitigation and monitoring of inherent and emerging risks to safeguard the Group's interests.

TM has adopted the ISO 31000:2018 Risk Management Standard as the basis of its ERM framework. This provides a structured approach to risk identification, assessment, treatment, monitoring and reporting and integrates risk management into governance, strategy, planning and operational activities across the Group. Clear risk ownership, escalation mechanisms and oversight arrangements support effective implementation at both business unit and subsidiary levels.

Throughout the year, ERM practices continued to be applied across the organisation and its subsidiaries to support business strategies and operations. During FY2025, enhancements focused on improving consistency and effectiveness through refined risk identification and assessment guidance, clearer articulation of risk causes, impacts and controls, closer monitoring of residual risk movements and trends and strengthened tracking and reporting of mitigation actions. These measures supported more consistent application of the ERM framework and improved oversight of key risks across TM Group.

Consistency in risk rating and prioritisation is achieved through a standardised ERM methodology, including common assessment criteria, uniform rating scales and aligned definitions of likelihood and impact across the Group.

In 2025, TM has expanded our governance to incorporate Third Party Risk Management Framework.

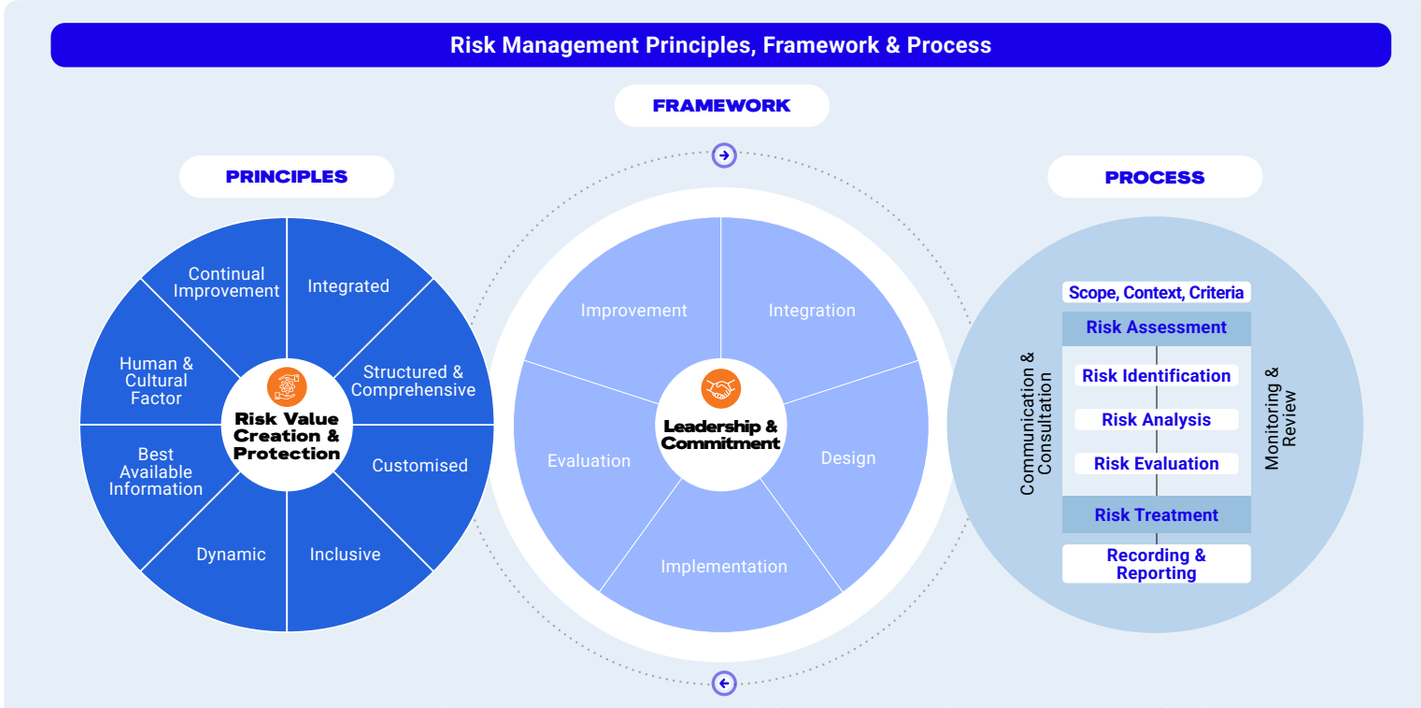


Figure 1: ISO 31000: 2018 Risk Management Standard – Risk Management Principles, Framework & Process

DIRECTORS' STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROLS (DSORMIC)

TM Group Risk Governance Structure

TM Group's risk governance structure extends across the organisation, from the Board to all operational levels, providing comprehensive oversight and supporting proactive risk management.

Corporate risks identified across divisions are consolidated at Management level and tabled to the Management Committee (MC) for reviewed prior to reporting to the BRIC and the Board. Through this structured Group-wide process, senior leadership evaluates, endorses and approves the Corporate Risks, ensuring consistent prioritisation, governance and accountability at Board level.

To ensure effective implementation across the organisation, Risk Coordinators are appointed within each Line of Business (LOB), Central Function, Business Function and subsidiary. They are responsible for coordinating risk management activities and controls within their respective areas, including regional and state operations, for ensuring consistent application of risk management practices. Through this structured network, risk information is consolidated, communicated and embedded into business processes, enabling informed, timely and risk-aware decision-making across the Group

Heads of Divisions play a pivotal role within this structure by embedding and enforcing ERM practices within their respective areas. They are accountable for driving risk ownership, ensuring disciplined risk management practices and integrating risk considerations into day-to-day operations and decision-making.

Throughout the year, structured risk management training programmes were conducted for Risk Coordinators and key risk management personnel across business units and subsidiaries to enhance accountability, reinforce risk ownership and promote the consistent implementation of the Group's Enterprise Risk Management (ERM) framework. TM is committed to integrate ERM into the organisation's performance management framework.

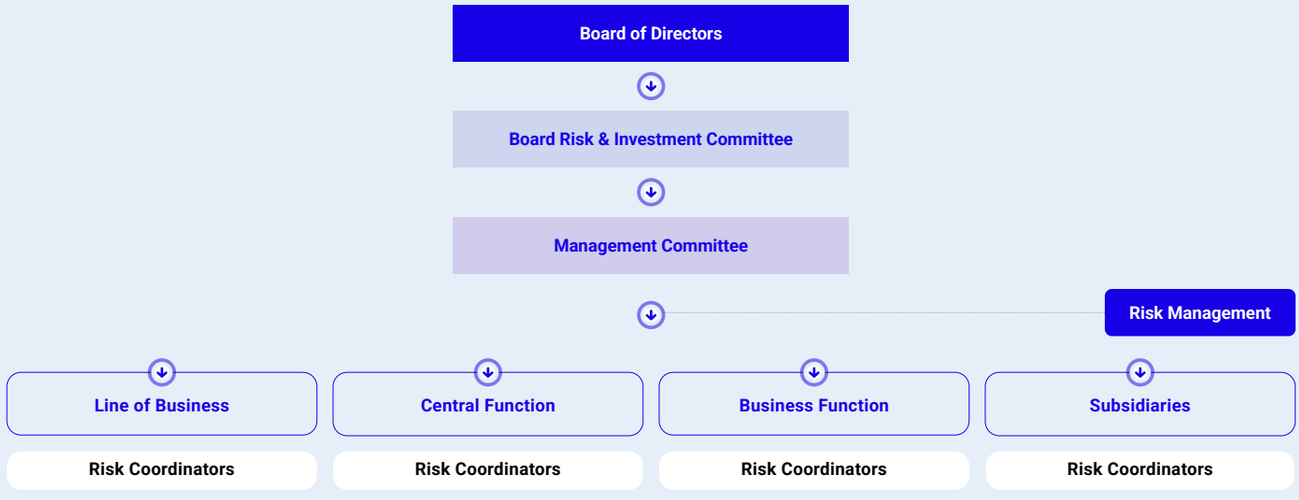


Figure 2: TM Group Governance Structure

TM Corporate Risk Management Policy and Risk Appetite Statement

TM Group applies a risk-based internal control system to provide reasonable assurance in achieving its strategic goals, including sustainable growth, resilience and alignment with the PWR 2030 vision of becoming a Digital Powerhouse.

Risk management operates within the Board-approved risk appetite through the incorporation of risk appetite thresholds into the ERM framework and decision-making processes, supported by regular monitoring of key risks and implementation of mitigation actions. Risk appetite considerations are reflected in policies, delegated authorities and approval workflows. Where risk exposures approach or exceed approved thresholds, matters are escalated through the relevant governance channels for review and direction, supporting disciplined risk management aligned with the Group's strategic objectives.

TM's Corporate Risk Appetite is communicated and applied at operational levels to guide risk assessment and management based on evaluations of likelihood and impact.

As part of its responsibility to establish and oversee the risk management framework and internal control systems, the Board reaffirmed TM Corporate risk appetite and tolerance levels. Guided by the approved Risk Appetite Statement, the Board ensured that risk-taking activities and the control environment operated within acceptable tolerance levels in support of the Group's objectives in a challenging business environment.

Through regular reviews, the Board assessed the adequacy and effectiveness of the framework by identifying, assessing and monitoring key risks, taking into account the Group's Corporate Risk Profile, key risk indicators and management's mitigation actions. Oversight of risk management and internal control matters was delegated to the BRIC and the BAC, which provided focused review and challenge before matters were escalated to the Board for consideration and reaffirmation.

During FY2025, the Board, through the BRIC, reviewed and reaffirmed the Corporate Risk's appetite and tolerance levels as part of its oversight of significant risk exposures. These reviews enabled the Board to assess whether residual risks were managed and monitored in line with management-defined thresholds and risk oversight practices. GIA presented high-risk audit findings arising from planned, ad hoc and follow-up audits, together with key control weaknesses and the status of management action plans, to the BAC on a quarterly basis. The closure of high-risk audit issues are closely monitored and closed based on validation of evidences ensuring risks are adequately mitigated.

Emerging Risks

The Board receives quarterly reports on Corporate Risks through the BRIC, with material incidents and significant changes in risk exposure escalated on timely basis.

Emerging risks are identified through continuous monitoring of relevant internal and external developments in key areas. These risks are assessed at a high level to determine their potential relevance and impact on the Group's overall risk profile and, where appropriate, are incorporated into BRIC reporting for oversight and ongoing monitoring at TM Group.

During FY2025, enhancements to risk reporting focused on strengthening risk analysis, improving visibility of residual risk movements and implementing forward-looking and structured tracking of mitigation actions.

Sustainability Integration into the ERM Framework

The Board ensures that sustainability-related risks, including climate, cybersecurity, supply chain and labour risks, are integrated into the Group's enterprise risk management framework. These risks are identified, assessed, prioritised and monitored as part of the Group's Corporate Risk Profile.

Oversight of sustainability-related risk considerations is exercised through the BRIC as part of the Board's broader enterprise risk oversight. This approach supports consistent monitoring of evolving sustainability-related risk exposures and aligns with relevant disclosure considerations under ISSB Standards.

Internal Control

The Board acknowledges that the Group's internal control systems are established to manage and reduce risks that may hinder the achievement of the Group's goals and objectives. These systems provide reasonable assurance against material misstatements and losses, including those relating to financial information, business operations, environmental matters, compliance obligations and fraud. Internal controls are embedded within the Group's operations and form part of core business processes.

These systems are designed to manage risks rather than eliminate the possibility of failure to achieve business objectives. Accordingly, they provide reasonable, but not absolute, assurance against material misstatement or losses.

The internal control framework is developed based on the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control–Integrated Framework. The Board conducts regular reviews of the adequacy and integrity of these controls, taking into account changes in laws, regulations and the business environment.

Governance

- **Group Organisation Structure**

  The Group maintains clearly defined lines of responsibility and authority to support timely decision-making in a dynamic business environment, effective supervision of daily operations, prompt resolution of audit issues and accountability for internal controls. This is supported by a formal organisational structure and an established Limit of Authority (LoA) matrix that sets out approval thresholds for the Board and Management across key processes. The LoA is approved by the Board and subject to periodic review and enhancement to reflect changes in accountability and the Group's risk appetite.

- **Annual Business Plan and Performance Monitoring**

  Annual business plans are prepared by TM's Lines of Business and major operating subsidiaries and are presented to the Board for approval. Performance is reviewed against approved targets on a monthly basis, enabling timely corrective actions to mitigate risks. The Board also receives regular reports from Management on key operating statistics, as well as legal and regulatory matters, supporting informed oversight of business performance and compliance.

- **Strategic Theme and Business Direction**

  TM has set its aspiration to become a Digital Powerhouse by 2030 under the PWR strategy. This direction focuses on defending and growing its core business while expanding beyond connectivity through the development of platform ecosystems for future growth. Leveraging next-generation infrastructure, AI-powered data centres, sovereign cloud capabilities and robust cybersecurity, TM is progressing towards building a platform ecosystem that enables customers to host applications and services, supporting Malaysia's ambition to develop as a regional digital hub.

- **Product Governance Framework**

  A Product Governance Framework has been established to govern and oversee value creation arising from product development and management. This framework supports alignment between product initiatives and TM's strategic direction and business objectives. Risk considerations are embedded throughout the product development lifecycle and integrated with the Group's Enterprise Risk Management (ERM) framework.

- **Procurement Policy**

  TM's procurement policies and processes govern the full procurement value chain and define authority limits and accountability for TM employees and business partners. Aligned with ISO 37001 (Anti-Bribery Management System), these policies promote ethical, transparent and sustainable practices

DIRECTORS' STATEMENT ON RISK MANAGEMENT & INTERNAL CONTROLS (DSORMIC)

while leveraging digital transformation to enhance efficiency. Procurement activities are guided by three (3) principles: value creation, sustainability and ESG integration and digital transformation.

- **Policies, Manuals and Procedures**

  TM's Business Policy & Governance (BPG) framework sets out key policies and governance requirements, with designated process owners responsible for policy development, periodic review and compliance. Detailed procedures and guidelines support effective implementation, operational consistency and alignment with regulatory requirements and recognised practices.

- **Insurance and Physical Safeguards**

  The Group maintains appropriate insurance coverage and physical safeguards to protect significant assets and to reduce the risk of material loss arising from unforeseen events.

- **Corporate Committees**

  Three Corporate Committees — the Management Committee (MC), Business Operations Council (BOC) and Technology Committee (TechCom) — provide guidance and decision-making within their respective mandates. Roles and authority levels are defined to support effective business execution with appropriate controls. MC focuses on strategic and policy matters, while BOC and TechCom oversee operational performance, execution and deployment in business and technology areas.

- **Best Practice Committee (BPC)**

  The BPC which reports to the Board Audit Committee, reviews updates on financial performance and completeness, listed issuer compliance, policies and governance practices, as well as developments in statutory and regulatory requirements.

- **Recording to Reporting (R2R) Framework**

  The R2R Framework supports financial reporting integrity and transparency through systematic monitoring and escalation of non-compliance matters. It promotes a culture of compliance and supports the reliability and completeness of financial reporting in line with applicable standards.

- **Procurement Compliance Committee (PCC)**

  The PCC oversees the implementation of procurement consequence management to support compliance with policies, procedures and authority limits. Procurement personnel are required to report non-compliance, while the PCC addresses such matters and determines appropriate actions.

- **TM Sponsorship Management Guidelines**

  These guidelines set out requirements for sponsorships, donations, gifts and hospitality to support the achievement of intended objectives while reducing associated risks. Sponsorship activities aim to contribute to business growth, technology advancement, people development and nation-building and, where relevant, support brand outcomes.

- **Management Information Systems**

  Key information systems support the Group's operations and communication with stakeholders. These systems are governed by the TM IT Policy and Enterprise Architecture Standard, which control access and monitor usage. Business processes guide IT services and align with recognised standards and practices. Continuous training ensures compliance and Legacy Mission Critical (MC) & Business Critical (BC) application risks are proactively managed and updated quarterly to the BRIC while monitoring the availability and performance of IT systems.

- **TM Cyber Security Management**

  Information Security Governance and Certifications

  Telekom Malaysia (TM) continues to strengthen its cybersecurity governance framework to safeguard Mission Critical (MC) and Business Critical (BC) services, particularly systems handling personally identifiable information (PII) and public-facing digital platforms, in alignment with regulatory requirements, including the MCMC Information Network Security Guidelines (INSG) and NACSA Cyber Security Act (CSA 2024).

  TM maintains internationally recognised certifications, including ISO/IEC 27001 (Information Security Management Systems), Business Continuity Management Systems (BCMS) and the Payment Card Industry Data Security Standard (PCI DSS) across cloud infrastructure, network operations and enterprise IT systems. A comprehensive cybersecurity risk assessments for new projects and major changes to existing systems and applications continue to be conducted to identify and mitigate potential threats to digital infrastructure.

  Technology Uplift

  TM continues to enhance its cybersecurity posture through risk-based and compliance-driven initiatives across critical systems and digital assets. Key initiatives include strengthening External Attack Surface Management (ASM), enhancing Identity and Access Control through role-based access enforcement and secure access mechanisms and implementing Data Protection controls across the information lifecycle to reduce attack surfaces and minimise exposure of PII data. A comprehensive cybersecurity risk assessment is conducted through Cybersecurity Control Assessments (CCAs), leveraging the NIST CSF 2.0 methodology to identify gaps and reinforce operational resilience across TM's digital infrastructure.

  Cybersecurity-Focused People Development

  TM fosters a cyber-aware culture through ongoing awareness and capability development programmes. These initiatives include enhanced cybersecurity e-learning programmes for TM's employees, quarterly phishing simulation exercises and cybersecurity awareness sessions for employees and business partners. Internal engagement initiatives such as TM Cyber Day, webinars and cyber talks further reinforce cybersecurity awareness across the Line of Business.

To strengthen crisis management, TM conducted a comprehensive Tabletop Simulation and Cyber Drill Exercise involving TM's C-Suite management and members of the Board of Directors (BOD) to validate executive decision-making, crisis coordination and incident response readiness.

Third Party Information Security Requirements for Suppliers

Security requirements are embedded across TM's third-party engagements to strengthen supply chain resilience. Supplier onboarding processes require fulfilment of defined cybersecurity criteria prior to engagement and vendors are required to meet the Vendor Security Index (VSI) in order to assess and measure their cybersecurity posture.

Vendors are classified using a risk-based tiering framework, with enhanced cybersecurity assurance, remediation tracking and periodic reviews applied to top-tier vendors supporting critical application services, ensuring continuous improvement and supply chain resilience.

INTERNAL AUDIT

TM Group's internal audit function is carried out by GIA, which delivers independent assurance and advisory services to strengthen governance, risk management and internal control practices. Through a structured and disciplined methodology, GIA evaluates business processes and control environments to support the achievement of organisational objectives and safeguard long-term value creation. The mandate, sufficient standing, authority and responsibilities of internal auditors, which enable them to discharge their functions effectively, are set out in the Internal Audit Charter approved by the BAC.

Leadership of GIA sits with the Chief Internal Auditor (CIA), who reports functionally to the BAC. This reporting arrangement protects independence and objectivity while preventing situations that could influence professional judgement. An administrative reporting line to the Group Chief Executive Officer (GCEO) provides the necessary standing for the CIA to carry out responsibilities effectively. Further details on the CIA's professional background are available in the "Profile of Senior Leadership" section of this Integrated Report.

Oversight of the internal audit function is exercised by the BAC, which reviews and approves the appointment of internal auditors and manpower requirements, annual audit plan including the scope of work, performance evaluation and budget for the internal audit function. This oversight confirms that GIA is supported by the appropriate skills and capacity to deliver its mandate. The CIA provides periodic updates to the BAC on audit progress, key observations and emerging control matters. The BAC also reviews the performance of both GIA and the CIA to assess progress and outcomes achieved during year.

PRACTICES AND FRAMEWORK

GIA conducts its work in line with established internal policies, procedures and frameworks, supported by the COSO and Control Objectives for Information and Related Technology (COBIT). These references guide the evaluation of the Group's internal control environment, governance practices and risk management processes.

Audit engagements adopt the 2024 Global Internal Audit Standard (GIAS), International Professional Practices Framework (IPPF®), including the Core Principles for the Professional Practice of Internal Auditing, International Standards, the Definition of Internal Auditing and the Code of Ethics. This ensures consistency, quality and professional conduct across all assignments.

SCOPE AND COVERAGE

The annual audit plan is developed using a risk-based methodology that considers TM's strategic priorities, enterprise risk profile and input from the BAC and Senior Management. This approach enables the Board to receive independent assurance that audit activities focus on areas of higher exposure and strategic importance.

During FY2025, audit coverage focused on several key risk areas:

- **Product Strategy and Management**
  Evaluating the strategy, planning, development and management of key products such as Unifi Mobile, cloud services and data centres monetisation.

- **Project and Service Delivery**
  Monitoring and managing TM's major projects, services and systems, encompassing processes, IT systems, network infrastructure and people capabilities.

- **Procurement and Operational Controls**
  Reviews identified opportunities to strengthen procurement oversight and controls, including process transparency and monitoring.

- **Cybersecurity and IT Readiness**
  Observations included the need to enhance cybersecurity awareness and capabilities across relevant functions, as well as to ensure IT solutions support business objectives effectively.

- **Data Governance and Privacy**
  GIA highlighted the criticality of centralized oversight for data-related functions to improve visibility, management and protection of personal and sensitive data.

- **Network and System Security**
  Reviews identified opportunities to reinforce access controls, authentication mechanisms and adherence to network security policies.

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- **Policy Adherence and Consequence Management**
  Findings emphasized the need to strengthen enforcement of policies, monitoring of compliance and timely implementation of fraud and risk management systems across the LOBs and Enablers.

Audit reports highlighting significant improvement areas were tabled to the BAC for deliberation, while other reports were presented through quarterly updates. Each observation was supported by practical recommendations, with Management responses obtained to facilitate timely resolution. Progress on agreed actions is tracked through monthly monitoring and validation exercises conducted by GIA.

INTERNAL AUDIT QUALITY

Quality oversight within GIA is driven through a structured Quality Assurance and Improvement Programme (QAIP) developed and overseen by the CIA. This programme covers all aspects of internal audit activities and serves as a benchmark for assessing audit practices against the standards issued by the Institute of Internal Auditors (IIA).

An internal quality assessment is conducted annually by an independent internal review team under the CIA's direct supervision. The outcomes of these assessments are presented to the BAC for review. In line with professional standards, an external quality assessment is carried out at least once every five (5) years by a suitably qualified and independent assessor.

To further strengthen assurance, GIA applies a three (3)-tier quality review mechanism that incorporates subject matter experts as peer reviewers. This process provides an additional layer of scrutiny to confirm that audit conclusions are supported by relevant, reliable and sufficient evidence. The review framework also confirms that all significant risk areas are adequately assessed before final engagement outcomes are communicated to Management and the BAC.

GIA has enhanced audit delivery through continuous optimisation of its Audit Management System. A dedicated Data Analytics Team supports auditors by expanding data coverage and strengthening validation procedures. Continuous auditing initiatives are being explored to complement the traditional audit approach and provide earlier insight into potential risk exposures. These initiatives enable GIA to maintain sound governance practices through risk-based audit planning, periodic plan reviews, robust policies and procedures, effective use of audit technology, structured supervision, timely reporting, systematic follow-ups on audit findings and regular updates to the BAC on implementation status. Adherence to the IIA Code of Ethics is applied and declared across all audit engagements.

RESOURCES

Audit activities during the year were carried out by a team of 45 internal auditors with diverse academic and professional backgrounds, including Engineering and Network disciplines, Accounting and Finance, Information Technology and Business Administration. This multidisciplinary composition enables GIA to deliver well-rounded audit coverage across the Group's operations.

PROFESSIONAL QUALIFICATION & CONTINUOUS COMPETENCY DEVELOPMENT

Capability building within GIA is shaped around developing a future-ready internal audit function while serving as a platform to nurture talents and potential business leaders. In line with the Internal Audit Charter, GIA commits to continuously strive to improve the proficiency and effectiveness of its service. Continuous learning remains a priority to keep pace with evolving business, digital and risk landscapes. To support this, a competency assessment survey was conducted in November 2025, benchmarking each auditor against the IIA Audit Competency Framework. The results identified individual capability gaps, which were addressed through targeted development programs.

Beyond technical audit skills, auditors are also exposed to broader business areas including entrepreneurship, strategic management, innovation and operational excellence. This broader exposure strengthens the business acumen, commercial awareness and supports more insightful audit engagements.

GIA comprises professionally accredited auditors and the pursuit of professional certification is actively encouraged across the function. The audit team holds a diverse range of core auditing and functional professional certifications, including the Certified Internal Auditor and Certified Information Systems Auditor, as well as other specialised qualifications. These credentials strengthen the technical expertise and enhance the professional credibility of the audit function.

GIA actively develops auditor capabilities through involvement in strategic initiatives and leadership programmes, complemented by exposure to emerging risks, evolving tools and technologies and professional developments within the audit community. In addressing future challenges, GIA has further strengthened and broadened its audit coverage to assess emerging risks associated with digitalisation and automation, data analytics, sustainability, IT and digital and cybersecurity

Overall, GIA continues to enhance its operating model through workforce realignment and continuous capability building. Its portfolio-based organisational structure supports talent rotation and skills diversification, enabling auditors to gain broad exposure across TM's value chain while strengthening audit coverage across business functions.

BUSINESS CONTINUITY AND RESILIENCY

Business Continuity Management (BCM)

TM Group's BCM framework supports operational resilience by promoting preparedness, continuity of critical services and coordinated crisis response across the Group. The framework is governed through defined roles and oversight responsibilities and is supported by structured processes across the BCM lifecycle to anticipate, respond to and recover from disruptions affecting customers, operations and essential network and services.

The BCM approach is reinforced through Group-wide governance and accountability, ensuring continuity requirements are embedded at business and operational levels. Business Impact Analysis (BIA) is conducted to identify critical processes, recovery priorities and required recovery capabilities. Documented response and recovery plans are maintained for key disruption scenarios and are supported by escalation procedures and crisis communication arrangements. Periodic reviews, drills and validation exercises are conducted to keep plans current and usable during actual incidents.

Internal Audit provides independent assurance over the BCM framework through reviews of lifecycle implementation and operational readiness, including the adequacy of continuity arrangements. Audit coverage also considers maturity and control effectiveness based on the Group's risk profile and Board priorities, including technology risks relating to Digital and IT, cybersecurity, ESG-related matters and third-party dependencies. Follow-up monitoring is performed to track the closure of identified gaps and improvement actions within agreed timelines.

Integration of Macro Trends and Corporate Risks into Resilience Planning

Forward-looking considerations of macro trends and emerging risks are incorporated into ERM and BCM processes to maintain the relevance of continuity strategies in a changing environment. Key focus areas include increasing dependence on digital connectivity, a rising cyber threat landscape, climate-related physical risks to network and mobile infrastructure, third-party concentration and supply chain constraints and regulatory and sustainability-driven requirements affecting preparedness and disclosure.

These considerations are integrated into BCM and resilience planning through refreshed risk inputs from Group-level risk assessments and operational BIAs. Continuity plans, crisis response strategies and escalation thresholds are updated accordingly and cross-functional readiness is enhanced for converging risk scenarios such as extreme weather events, prolonged power outages, network and service disruptions and cyber incidents. Insights from these activities are used to update BCM inputs, including BIAs, continuity strategies such as BCPs and DRPs, scenario testing and response plans.

Scenario Analysis and Stress Testing

Scenario analysis and stress testing are applied to assess the Group's ability to sustain operations under adverse and uncertain conditions. These exercises evaluate vulnerabilities across critical processes and enabling systems, network and service recovery capabilities and resource readiness and the effectiveness of responses under constrained recovery environments such as limited site access, vendor support challenges and concurrent incidents.

TM applies these approaches through Table-Top Exercises and Field Test Exercises to test its ability to sustain critical services under severe yet plausible disruption scenarios. Events examined include technology outages, cyber incidents, security threats, facility unavailability and workforce impacts. Recovery capabilities are validated against defined recovery time objectives and impact tolerances.

Findings from scenario analysis and stress testing are systematically applied to improve continuity plans, technology resilience measures and crisis management procedures. This supports stronger preparedness and the ability to sustain critical services during adverse and unexpected conditions, including climate-related disruptions where applicable.

Crisis Simulations and Resilience Exercise

During FY2025, crisis simulations and resilience exercises were conducted to enhance incident preparedness and organisational response. These simulations were designed to validate crisis management activation and decision-making processes, cross-functional coordination and escalation protocols, crisis communication workflows and operational recovery actions under disruption conditions.

Stress-testing themes addressed major network and service disruption scenarios, operational events affecting facilities, personnel and third-party dependencies and cyber incident simulations involving data breaches, ransomware-type disruptions and loss of system availability.

BCM Group Corporate, in collaboration with Group Information Security, conducted the "TM Comprehensive Table-Top Simulation and Cyber Drill Exercise 2025." The exercise involved the Board of Directors, Top Management and key functional leaders, with participation from Groups, Lines of Business, Divisions, Subsidiaries and States.

Outcomes from these exercises were applied to strengthen response playbooks, clarify roles and responsibilities and refine recovery strategies to reduce restoration time for critical services. The simulations also supported improvements in strategic crisis governance, escalation protocols, crisis communication processes and decision-making effectiveness under cyber and operational disruption scenarios.

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Collectively, these scenario-based evaluations provided Management and the Board with added assurance that resilience strategies adapt as risks evolve. In parallel, emerging risks are monitored to strengthen resilience through appropriate risk transfer measures and insurance coverage for loss recovery, supporting protection of assets, people, customers and key stakeholders while limiting financial and operational impacts.

TM continues to advance its BCM programmes while embedding business continuity into organisational culture. As a national connectivity provider supporting millions of Malaysians, continuity planning has become increasingly important in supporting TM's role as a Digital Orchestrator and in pursuing its aspiration to become a Digital Powerhouse by 2030. These efforts also support Malaysia's ambition to develop as an ASEAN digital hub by promoting resilient digital infrastructure and services.

ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS

The Board evaluates the effectiveness of the Group's risk management and internal control systems using a combination of quantitative and qualitative indicators.

Quantitative indicators include Corporate key indicators, movements in residual risk levels and the timeliness of mitigation and control actions. These measures provide insight into changes in the Group's risk profile and the responsiveness of management actions. In addition, the Board considers assurance indicators presented by GIA, including the number and severity of audit findings, the ageing and status of outstanding audit actions, the timeliness of remediation of high-risk issues and the level of completion of the risk-based internal audit plan covering key risk areas.

Qualitative considerations complement these measures and include Internal Audit's assessment of the adequacy and operating effectiveness of controls, management's commitment and accountability in addressing control weaknesses and thematic insights arising from audit reviews that may signal systemic or emerging risks. Together, these indicators enable the Board to form a view on whether risk management and internal controls operate effectively and whether residual risks are managed and monitored in line with management-defined thresholds and risk oversight practices.

Oversight of this evaluation process is exercised through the BRIC and the BAC, which provide focused review and challenge to support the Board's overall assessment of system adequacy and effectiveness.

The Statement does not include the risk management and internal control systems of TM Group's joint ventures and associates. Nonetheless, TM Group's interests are served through representation on the BOD and Senior Management posting(s) to the joint venture and associate and through the review of management accounts received. These provide the Board with performance-related information to enable informed and timely decision-making on the Group's investments in such companies.

Assurance to the Board

The Group Chief Executive Officer (GCEO) and Group Chief Financial Officer (GCFO) provided formal written assurances to the Board confirming that TM Group's Risk Management and Internal Control (RMIC) systems were adequate and effective in all material aspects. These assurances were supported by Management Assurance Declarations from Divisional Heads. Based on these representations and ongoing assurance activities, the GCEO and GCFO provided the Board with reasonable assurance in accordance with SORMIC requirements.

The annual assurance statement typically covers the effectiveness of internal controls across financial reporting, operations, compliance, cybersecurity and Sales, IT and Network areas. It also addresses the accuracy of financial statements and compliance with applicable accounting standards, adherence to laws, regulations and internal policies, reporting of material control weaknesses, fraud incidents and significant breaches and confirmation that risk management processes operate as designed and within the Board-approved corporate risk appetite.

REVIEW OF THE STATEMENT BY THE EXTERNAL AUDITORS

As required by Paragraph 15.23 of the Bursa Malaysia Securities Berhad Main Market Listing Requirements, the external auditors have reviewed this Statement on Risk Management and Internal Controls. Their limited assurance review was performed following the Malaysian Approved Standard on Assurance Engagements, ISAE 3000 (Revised), Assurance Engagements Other than Audits or Reviews of Historical Financial Information and Audit and Assurance Practice Guide 3, Guidance for Auditors on Engagements to Report on the Statement on Risk Management and Internal Control included in the Annual Report issued by the Malaysian Institute of Accountants. AAPG 3 does not require the external auditors to form an opinion on the adequacy and effectiveness of the risk management and internal control systems of the Group.

CORPORATE INFORMATION

BOARD OF DIRECTORS

Dato' Zainal Abidin Putih
Chairman
Non-Independent Non-Executive Chairman

Amar Huzaimi Md Deris
Managing Director/Group Chief Executive Officer
Non-Independent Executive Director

Datuk Dr. Shahrazat Haji Ahmad
Non-Independent Non-Executive Director

Dato' Mohamed Nasri Sallehuddin
Non-Independent Non-Executive Director

Muhammad Afhzal Abdul Rahman
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Hisham Zainal Mokhtar
Senior Independent Director

Datuk Siti Zauyah Md Desa
Independent Non-Executive Director

Ahmad Taufek Omar
Independent Non-Executive Director

Tan Sri Datuk Yong Poh Kon
Independent Non-Executive Director

Datuk Bazlan Osman
Independent Non-Executive Director

Shahnaz Al-Sadat Abdul Mohsein
Independent Non-Executive Director

Dr. Tunku Alina Raja Muhd Alias
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Listed on the Main Market of Bursa Malaysia Securities Berhad
Listing Date : 7 November 1990
Stock Name : TM
Stock Code : 4863
Stock Sector : Telecommunications & Media

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FINANCIAL YEAR END

31 December

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IFRS S1 & S2 CONTENT INDEX

IFRS Indicator	Requirements	Page Number
IFRS S1		
S1.E1	An entity shall apply this Standard for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. If an entity applies this Standard earlier, it shall disclose that fact and apply IFRS S2 Climate-related Disclosures at the same time.	Page 115
S1.E2	For the purposes of applying paragraphs E3–E6, the date of initial application is the beginning of the annual reporting period in which an entity first applies this Standard.	Page 115
S1.2	Information about sustainability-related risks and opportunities is useful to primary users because an entity's ability to generate cash flows over the short, medium and long term is inextricably linked to the interactions between the entity and its stakeholders, society, the economy and the natural environment throughout the entity's value chain. Together, the entity and the resources and relationships throughout its value chain form an interdependent system in which the entity operates. The entity's dependencies on those resources and relationships and its impacts on those resources and relationships give rise to sustainability-related risks and opportunities for the entity.	Page 118
S1.B5	An entity's dependencies and impacts are not limited to resources the entity engages with directly and to the entity's direct relationships. Those dependencies and impacts also relate to resources and relationships throughout the entity's value chain. For example, they can relate to the entity's supply and distribution channels; the effects of the consumption and disposal of the entity's products; and the entity's sources of finance and its investments, including investments in associates and joint ventures. If the entity's business partners throughout its value chain face sustainabilityrelated risks and opportunities, the entity could be exposed to related consequences of its own.	Page 118
S1.20	An entity's sustainability-related financial disclosures shall be for the same reporting entity as the related financial statements (see paragraph B38).	Pages 115 and 119
S1.21	An entity shall provide information in a manner that enables users of general purpose financial reports to understand the following types of connections: (a) the connections between the items to which the information relates —such as connections between various sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects; and (b) the connections between disclosures provided by the entity: (i) within its sustainability-related financial disclosures—such as connections between disclosures on governance, strategy, risk management and metrics and targets; and (ii) across its sustainability-related financial disclosures and other general purpose financial reports published by the entity —such as its related financial statements (see paragraphs B39–B44).	Page 146
S1.22	An entity shall identify the financial statements to which the sustainability related financial disclosures relate.	Page 115
S1.24	When currency is specified as the unit of measure in the sustainability related financial disclosures, the entity shall use the presentation currency of its related financial statements.	Page 115
S1.27(a)	The governance body(s) (which can include a board, committee or equivalent body charged with governance) or individual(s) responsible for oversight of sustainability-related risks and opportunities. Specifically, the entity shall identify that body(s) or individual(s) and disclose information about:	Pages 123 to 125
S1.27(a)(i)	How responsibilities for sustainability-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s):	Pages 123 to 124
S1.27(a)(ii)	How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to sustainability-related risks and opportunities;	Pages 123 to 124
S1.27(a)(iii)	How and how often the body(s) or individual(s) is informed about sustainability-related risks and opportunities;	Pages 123 to 124
S1.27(a)(iv)	How the body(s) or individual(s) takes into account sustainability-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	Pages 123 to 124
S1.27(a)(v)	How the body(s)s or individual(s) oversees the setting of targets related to sustainability-related risks and opportunities and monitors progress towards those targets (see paragraph 51), including whether and how related performance metrics are included in remuneration policies.	Page 125
S1.27(b)	Management's role in the governance processes, controls and procedures used to monitor, manage and oversee sustainability-related risks and opportunities, including information about: (i) whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) whether management uses controls and procedures to support the oversight of sustainability-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Pages 124 to 125
S1.29(a)	The sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects (see paragraphs 30-31);	Pages 126, 130, 133, 136 and 138
S1.29(b)	The current and anticipated effects of those sustainability-related risks and opportunities on the entity's business model and value chain (see paragraph 32);	Pages 126, 130, 133, 136, 137 and 138
S1.29(c)	The effects of those sustainability-related risks and opportunities on the entity's strategy and decision-making (paragraph 33);	Pages 127, 131, 134, 137 and 139
S1.29(d)	The effects of those sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period and their anticipated effects on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how those sustainability-related risks and opportunities have been factored into the entity's financial planning (paragraphs 34-40); and	Pages 127, 128, 131, 132, 134, 135, 137, 138 and 139
S1.29(e)	The resilience of the entity's strategy and its business model to those sustainability-related risks (see paragraphs 41-42).	Pages 141 to 146

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IFRS Indicator	Requirements	Page Number
IFRS S1		
S1.30(a)	Describe sustainability-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Pages 122 and 123
S1.30(b)	Specify the time horizons–short, medium or long term–over which the effects of each of those sustainability-related risks and opportunities could reasonably be expected to occur; and	Page 115
S1.30(c)	Explain how the entity defines 'short-term', 'medium-term' and 'long-term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Page 115
S1.31	Short-, medium-, long-term time horizons can vary between entities and depend on many factors, including industry-specific characteristics, such as cash flow, investment and business cycles, the planning horizons typically used in an entity's industry for strategic decision-making and capital allocation plans and the time horizons over which users of general purpose financial reports conduct their assessments of entities in that industry.	Page 115
S1.32	An entity shall disclose information that enables users of general purpose financial reports to understand the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain. Specifically, the entity shall disclose:	Pages 116, 117 and 121 to 123
S1.32(a)	A description of the current and anticipated effects of sustainability-related risks and opportunities on the entity's business model and value chain; and	Pages 126, 130, 133, 136, 137 and 138
S1.32(b)	A description of where in the entity's business model and value chain sustainability-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Pages 126, 130, 133, 136, 137 and 138
S1.33(a)	An entity shall disclose information that enables users of general purpose financial reports to understand the effects of sustainability-related risks and opportunities on its strategy and decision-making. Specifically, the entity shall disclose information about: How the entity has responded to, and plans to respond to, sustainability-related risks and opportunities in its strategy and decision-making;	Pages 127, 131, 134, 137 and 139
S1.34(a)	The effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and	Pages 127, 128, 131, 134, 135, 137 and 139
S1.34(b)	The anticipated effects of sustainability-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how sustainability-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	Pages 127, 128, 132, 134, 135, 138 and 139
S1.35(a)	How sustainability-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Pages 127, 131, 134, 137 and 139
S1.35(b)	The sustainability-related risks and opportunities identified in paragraph 35(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	Pages 127, 128, 134, 135 and 139
S1.35(c)	How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities, taking into consideration:	Pages 127, 128, 132, 134, 135, 138 and 139
S1.35(c)(i)	Its investments and disposal plans (for example, plans for capital expenditure, major acquisition and divestments, joint ventures, business transformation, innovation, new business areas and asset retirements), including plans the entity is not contractually committed to; and	Pages 127, 128, 132, 134, 135, 138 and 139
S1.35(c)(ii)	Its planned sources of funding to implement its strategy; and	Pages 127, 128, 132, 134, 135, 138 and 139
S1.35(d)	How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage sustainability-related risks and opportunities.	Pages 127, 128, 132, 134, 135, 138 and 139
S1.40	If an entity determines that it need not provide quantitative information about the current or anticipated financial effects of a sustainability-related risk or opportunity applying the criteria set out in paragraphs 38-39, the entity shall:	Pages 131, 132, 137, 138 and 139
S1.40(a)	Explain why it has not provided quantitative information:	Pages 131, 132, 137, 138 and 139
S1.40(b)	Provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected or have been affected, by that sustainability-related risk or opportunity ; and	Pages 131, 132, 137, 138 and 139
S1.41	An entity shall disclose information that enables users of general purpose financial reports to understand its capacity to adjust to the uncertainties arising from sustainability-related risks. An entity shall disclose a qualitative and, if applicable, quantitative assessment of the resilience of its strategy and business model in relation to its sustainability-related risks, including information about how the assessment was carried out and its time horizon. When providing quantitative information, an entity may disclose a single amount or a range.	Pages 141 to 146
S1.42	Other IFRS Sustainability Disclosure Standards may specify the type of information an entity is required to disclose about its resilience to specific sustainability-related risks and how to prepare those disclosures including whether a scenario analysis is required	Pages 141 to 146
S1.44(a)	The processes and related policies the entity uses to identify, assess, prioritise and monitor sustainability-related risks, including information about:	Pages 121, 125, 129, 132, 135, 138 and 139

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IFRS S1		
S1.44(a)(i)	The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	Pages 129, 132, 135, 138 and 139
S1.44(a)(ii)	Whether and how the entity uses scenario analysis to inform its identification of sustainability-related risks;	Pages 129, 132, 135 and 138
S1.44(a)(iii)	How the entity assess the nature, likelihood and magnitude of the effects of the those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	Page 121
S1.44(a)(iv)	Whether and how the entity prioritises sustainability-related risks relative to other types of risk;	Pages 121 and 125
S1.44(a)(v)	How the entity monitors sustainability-related risks; and	Pages 121, 125, 129, 132, 135, 138 and 139
S1.44(b)	The processes the entity uses to identify, assess, prioritise and monitor sustainability-related opportunities; and	Pages 121 and 125
S1.44(c)	The extent to which and how, the processes for identifying, assessing, prioritising and monitoring sustainability-related risks and opportunities are integrated into and inform the entity's overall risk management process	Pages 121 and 125
S1.46	An entity shall disclose, for each sustainability-related risk and opportunity that could reasonably be expected to affect the entity's prospects: (a) metrics required by an applicable IFRS Sustainability Disclosure Standard; and (b) metrics the entity uses to measure and monitor: (i) that sustainability-related risk or opportunity; and (ii) its performance in relation to that sustainability-related risk or opportunity, including progress towards any targets the entity has set, and any targets it is required to meet by law or regulation.	Pages 129, 132, 135, 136, 138, 139 and 141
S1.48	Metrics disclosed by an entity applying paragraphs 45-46 shall include metrics associated with particular business models, activities or other common features that characterise participation in an industry.	Pages 129, 132, 135, 136, 138, 139 and 141
S1.49	If an entity discloses a metric taken from a source other than IFRS Sustainability Disclosure Standards, the entity shall identify the source and the metric taken.	Pages 129, 132, 135, 136, 138, 139 and 141
S1.50	If a metric has been developed by an entity, the entity shall disclose information about: (a) how the metric is defined, including whether it is derived by adjusting a metric taken from a source other than IFRS Sustainability Disclosure Standards and, if so, which source and how the metric disclosed by the entity differs from the metric specified in that source; (b) whether the metric is an absolute measure, a measure expressed in relation to another metric or a qualitative measure (such as a red, amber, green—or RAG—status); (c) whether the metric is validated by a third party and, if so, which party; and (d) the method used to calculate the metric and the inputs to the calculation, including the limitations of the method used and the significant assumptions made.	Pages 129, 132, 135, 136, 138, 139 and 141
S1.51	An entity shall disclose information about the targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation. For each target, the entity shall disclose: (a) the metric used to set the target and to monitor progress towards reaching the target; (b) the specific quantitative or qualitative target the entity has set or is required to meet; (c) the period over which the target applies;	Pages 129, 132, 135, 136, 138, 139 and 141
S1.68	An entity shall disclose information about transactions, other events and conditions that occur after the end of the reporting period, but before the date on which the sustainability-related financial disclosures are authorised for issue, if non-disclosure of that information could reasonably be expected to influence decisions that primary users of general purpose financial reports make on the basis of those reports.	Page 146
S1.72	An entity whose sustainability-related financial disclosures comply with all the requirements of IFRS Sustainability Disclosure Standards shall make an explicit and unreserved statement of compliance. An entity shall not describe sustainability-related financial disclosures as complying with IFRS Sustainability Disclosure Standards unless they comply with all the requirements of IFRS Sustainability Disclosure Standards.	Page 114
S1.74	An entity shall disclose information to enable users of general purpose financial reports to understand the judgements, apart from those involving estimations of amounts (see paragraph 77), that the entity has made in the process of preparing its sustainability-related financial disclosures and that have the most significant effect on the information included in those disclosures.	Page 120
S1.78	An entity shall: (a) identify the amounts that it has disclosed that are subject to a high level of measurement uncertainty; and (b) in relation to each amount identified in paragraph 78(a), disclose information about: (i) the sources of measurement uncertainty—for example, the dependence of the amount on the outcome of a future event, on a measurement technique or on the availability and quality of data from the entity's value chain; and (ii) the assumptions, approximations and judgements the entity has made in measuring the amount.	Page 120
S1.B38	Paragraph 20 requires that sustainability-related financial disclosures shall be for the same reporting entity as the related financial statements. For example, consolidated financial statements prepared in accordance with IFRS Accounting Standards provide information about the parent and its subsidiaries as a single reporting entity. Consequently, that entity's sustainability-related financial disclosures shall enable users of general purpose financial reports to understand the effects of the sustainability-related risks and opportunities on the cash flows, access to finance and cost of capital over the short, medium and long term for the parent and its subsidiaries	Pages 115 and 119

IFRS S1 & S2 CONTENT INDEX

IFRS Indicator	Requirements	Page Number
IFRS S2		
S2.6(a)(i)	(i) How responsibilities for climate-related risks and opportunities are reflected in the terms of reference, mandates, role descriptions and other related policies applicable to that body(s) or individual(s);	Pages 123 and 124
S2.6(a)(ii)	(ii) How the body(s) or individual(s) determines whether appropriate skills and competencies are available or will be developed to oversee strategies designed to respond to climate-related risks and opportunities;	Pages 123 and 124
S2.6(a)(iii)	(iii) How and how often the body(s) or individual(s) is informed about climate-related risks and opportunities;	Pages 123 and 124
S2.6(a)(iv)	(iv) How the body(s) or individual(s) takes into account climate-related risks and opportunities when overseeing the entity's strategy, its decisions on major transactions and its risk management processes and related policies, including whether the body(s) or individual(s) has considered trade-offs associated with those risks and opportunities; and	Pages 123 and 124
S2.6(a)(v)	(v) How the body(s) or individual(s) oversees the setting of targets related to climate-related risks and opportunities and monitors progress towards those targets (see paragraphs 33–36), including whether and how related performance metrics are included in remuneration policies (see paragraph 29(g)).	Page 125
S2.6(b)	(b) Management's role in the governance processes, controls and procedures used to monitor, manage and oversee climate-related risks and opportunities, including information about: (i) Whether the role is delegated to a specific management-level position or management-level committee and how oversight is exercised over that position or committee; and (ii) Whether management uses controls and procedures to support the oversight of climate-related risks and opportunities and, if so, how these controls and procedures are integrated with other internal functions.	Pages 124 and 125
S2.10(a)	(a) Describe climate-related risks and opportunities that could reasonably be expected to affect the entity's prospects;	Pages 122, 123, 126, 130, 133, 136 and 138
S2.10(b)	(b) Explain, for each climate-related risk the entity has identified, whether the entity considers the risk to be a climate-related physical risk or climate-related transition risk;	Pages 126, 130, 133, 136 and 138
S2.10(c)	(c) Specify, for each climate-related risk and opportunity the entity has identified, over which time horizons—short, medium or long term—the effects of each climate-related risk and opportunity could reasonably be expected to occur; and	Pages 126, 130, 133, 136 and 138
S2.10(d)	(d) Explain how the entity defines 'short term', 'medium term' and 'long term' and how these definitions are linked to the planning horizons used by the entity for strategic decision-making.	Page 115 and 142
S2.13(a)	(a) A description of the current and anticipated effects of climate-related risks and opportunities on the entity's business model and value chain; and	Page 126, 130, 133, 136, 137 and 138
S2.13(b)	(b) A description of where in the entity's business model and value chain climate-related risks and opportunities are concentrated (for example, geographical areas, facilities and types of assets).	Pages 116, 117, 126, 130, 133, 136, 137 and 138
S2.14(a)	(a) Information about how the entity has responded to and plans to respond to, climate-related risks and opportunities in its strategy and decision-making, including how the entity plans to achieve any climate-related targets it has set and any targets it is required to meet by law or regulation. Specifically, the entity shall disclose information about:	Pages 127, 131, 134, 137 and 139
S2.14(a)(i)	(i) Current and anticipated changes to the entity's business model, including its resource allocation, to address climate-related risks and opportunities (for example, these changes could include plans to manage or decommission carbon-, energy- or water-intensive operations; resource allocations resulting from demand or supply-chain changes; resource allocations arising from business development through capital expenditure or additional expenditure on research and development; and acquisitions or divestments);	Pages 127, 131, 134, 137 and 139
S2.14(a)(ii)	(ii) Current and anticipated direct mitigation and adaptation efforts (for example, through changes in production processes or equipment, relocation of facilities, workforce adjustments and changes in product specifications);	Pages 127, 131, 134, 137 and 139
S2.14(a)(iii)	(iii) Current and anticipated indirect mitigation and adaptation efforts (for example, through working with customers and supply chains);	Pages 127, 131, 134, 137 and 139
S2.14(a)(iv)	(iv) Any climate-related transition plan the entity has, including information about key assumptions used in developing its transition plan and dependencies on which the entity's transition plan relies; and	Page 140
S2.14(a)(v)	(v) How the entity plans to achieve any climate-related targets, including any greenhouse gas emissions targets, described in accordance with paragraphs 33–36.	Pages 127, 131, 134, 137, 139, 140 and 141
S2.14(b)	(b) Information about how the entity is resourcing and plans to resource, the activities disclosed in accordance with paragraph 14(a).	Pages 127, 131, 134, 137 and 139
S2.15(a)	(a) The effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows for the reporting period (current financial effects); and	Pages 127, 128, 131, 134, 135, 137 and 139
S2.15(b)	(b) The anticipated effects of climate-related risks and opportunities on the entity's financial position, financial performance and cash flows over the short, medium and long term, taking into consideration how climate-related risks and opportunities are included in the entity's financial planning (anticipated financial effects).	Pages 127, 128, 131, 132, 134, 135, 137, 138 and 139

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IFRS S2		
S2.16(a)	(a) How climate-related risks and opportunities have affected its financial position, financial performance and cash flows for the reporting period;	Pages 127, 128, 131, 134, 135, 137 and 139
S2.16(b)	(b) The climate-related risks and opportunities identified in paragraph 16(a) for which there is a significant risk of a material adjustment within the next annual reporting period to the carrying amounts of assets and liabilities reported in the related financial statements;	Pages 127, 128, 134, 135 and 139
S2.16(c)	(c) How the entity expects its financial position to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities, taking into consideration:	Pages 127, 128, 132, 134, 135, 138 and 139
S2.16(c)(i)	(i) Its investment and disposal plans (for example, plans for capital expenditure, major acquisitions and divestments, joint ventures, business transformation, innovation, new business areas and asset retirements), including plans the entity is not contractually committed to; and	Pages 127, 128, 132, 134, 135, 138 and 139
S2.16(c)(ii)	(ii) Its planned sources of funding to implement its strategy; and	Pages 127, 128, 132, 134, 135, 138 and 139
S2.16(d)	(d) How the entity expects its financial performance and cash flows to change over the short, medium and long term, given its strategy to manage climate-related risks and opportunities (for example, increased revenue from products and services aligned with a lower-carbon economy; costs arising from physical damage to assets from climate events; and expenses associated with climate adaptation or mitigation).	Pages 127, 128, 134, 135 and 139
S2.21(a)	(a) Explain why it has not provided quantitative information;	Pages 131, 132, 138 and 139
S2.21(b)	(b) Provide qualitative information about those financial effects, including identifying line items, totals and subtotals within the related financial statements that are likely to be affected, or have been affected, by that climate-related risk or opportunity; and	Pages 131, 132, 138 and 139
S2.22(a)	(a) The entity's assessment of its climate resilience as at the reporting date, which shall enable users of general purpose financial reports to understand:	Pages 141 to 146
S2.22(a)(i)	(i) The implications, if any, of the entity's assessment for its strategy and business model, including how the entity would need to respond to the effects identified in the climate-related scenario analysis;	Pages 141 to 146
S2.22(a)(ii)	(ii) The significant areas of uncertainty considered in the entity's assessment of its climate resilience;	Pages 141 to 146
S2.22(a)(iii)	(iii) The entity's capacity to adjust or adapt its strategy and business model to climate change over the short, medium and long term, including;	Pages 141 to 146
	(1) The availability of and flexibility in, the entity's existing financial resources to respond to the effects identified in the climate-related scenario analysis, including to address climate-related risks and to take advantage of climate-related opportunities;	
	(2) The entity's ability to redeploy, repurpose, upgrade or decommission existing assets; and	
	(3) The effect of the entity's current and planned investments in climate-related mitigation, adaptation and opportunities for climate resilience; and	
S2.22(b)(i)	(i) Information about the inputs the entity used, including:	Pages 141 to 146
	(1) Which climate-related scenarios the entity used for the analysis and the sources of those scenarios;	
	(2) Whether the analysis included a diverse range of climate-related scenarios;	
	(3) Whether the climate-related scenarios used for the analysis are associated with climate-related transition risks or climate-related physical risks;	
	(4) Whether the entity used, among its scenarios, a climate-related scenario aligned with the latest international agreement on climate change;	
	(5) Why the entity decided that its chosen climate-related scenarios are relevant to assessing its resilience to climate-related changes, developments or uncertainties;	
	(6) The time horizons the entity used in the analysis; and	
	(7) What scope of operations the entity used in the analysis (for example, the operating locations and business units used in the analysis);	
S2.22(b)(ii)	(ii) The key assumptions the entity made in the analysis, including assumptions about:	Pages 120 and 141 to 146
	(1) Climate-related policies in the jurisdictions in which the entity operates;	
	(2) Macroeconomic trends;	
	(3) National- or regional-level variables (for example, local weather patterns, demographics, land use, infrastructure and availability of natural resources);	
	(4) Energy usage and mix; and	
	(5) Developments in technology; and	
S2.22(b)(iii)	(iii) The reporting period in which the climate-related scenario analysis was carried out (see paragraph B18).	Pages 141 to 146

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IFRS S2		
S2.25(a)	(a) The processes and related policies the entity uses to identify, assess, prioritise and monitor climate-related risks, including information about:	Page 121
S2.25(a)(i)	(i) The inputs and parameters the entity uses (for example, information about data sources and the scope of operations covered in the processes);	Pages 121, 129, 132, 135, 138 and 139
S2.25(a)(ii)	(ii) Whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related risks;	Pages 129, 132, 135 and 138
S2.25(a)(iii)	(iii) How the entity assesses the nature, likelihood and magnitude of the effects of those risks (for example, whether the entity considers qualitative factors, quantitative thresholds or other criteria);	Page 121
S2.25(a)(iv)	(iv) Whether and how the entity prioritises climate-related risks relative to other types of risk;	Pages 121 and 125
S2.25(a)(v)	(v) How the entity monitors climate-related risks;	Pages 125, 129, 132, 135, 138 and 139
S2.25(b)	The processes the entity uses to identify, assess, prioritise and monitor climate-related opportunities, including information about whether and how the entity uses climate-related scenario analysis to inform its identification of climate-related opportunities; and	Pages 125, 129, 132, 135, 138 and 139
S2.25(c)	The extent to which and how, the processes for identifying, assessing, prioritising and monitoring climate-related risks and opportunities are integrated into and inform the entity's overall risk management process.	Pages 121 and 125
S2.29(a)(i)	(i) Disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO_2 equivalent [see paragraphs B19 - B22], classified as:	Page 140
	1. Scope 1 greenhouse gas emissions;	
	2. Scope 2 greenhouse gas emissions; and	
S2.29(a)(ii)	(ii) Measure its greenhouse gas emissions in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) unless the entity is required, in whole or in part, by a jurisdictional authority or an exchange on which it is listed to use a different method for measuring its greenhouse gas emissions (see paragraphs B23–B25);	Page 119
S2.29(a)(iii)	(iii) Disclose the approach it uses to measure its greenhouse gas emissions [see paragraphs B26–B29] including:	Pages 119 and 141
	(1) The measurement approach, inputs and assumptions the entity uses to measure its greenhouse gas emissions;	
	(2) The reason why the entity has chosen the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions; and	
S2.29(a)(iv)	(iv) For Scope 1 and Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(1)–(2), disaggregate emissions between:	Page 140
	(1) The consolidated accounting group (for example, for an entity applying IFRS Accounting Standards, this group would comprise the parent and its consolidated subsidiaries); and	
	(2) Other investees excluded from paragraph 29(a)(iv)(1) (for example, for an entity applying IFRS Accounting Standards, these investees would include associates, joint ventures and unconsolidated subsidiaries);	
S2.29(a)(v)	(v) For Scope 2 greenhouse gas emissions disclosed in accordance with paragraph 29(a)(i)(2), disclose its location-based Scope 2 greenhouse gas emissions and provide information about any contractual instruments that is necessary to inform users' understanding of the entity's Scope 2 greenhouse gas emissions (see paragraphs B30–B31); and	Pages 140 and 141
S2.29(c)	(c) Climate-related physical risks—the amount and percentage of assets or business activities vulnerable to climate-related physical risks;	Page 144
S2.29(e)	(e) Capital deployment—the amount of capital expenditure, financing or investment deployed towards climate-related risks and opportunities;	Pages 127, 128, 131, 134, 135, 138 and 139
S2.29(f)	(f) Internal carbon prices—the entity shall disclose:	Page 140
S2.29(g)	(g) Remuneration—the entity shall disclose:	Page 125
S2.29(g)(i)	(i) A description of whether and how climate-related considerations are factored into executive remuneration (see Governance paragraph 6(a)(v)); and	Page 125
S2.29(g)(ii)	(ii) The percentage of executive management remuneration recognised in the current period that is linked to climate-related considerations.	Page 125
S2.33	An entity shall disclose the quantitative and qualitative climate-related targets it has set to monitor progress towards achieving its strategic goals, and any targets it is required to meet by law or regulation, including any greenhouse gas emissions targets. For each target, the entity shall disclose:	Pages 129, 132, 135, 136, 138, 139 and 141
S2.33(a)	(a) The metric used to set the target (see paragraphs B66–B67);	Pages 129, 132, 135, 136, 138, 139 and 141
S2.33(d)	(d) The period over which the target applies;	Pages 129, 132, 135, 136, 138, 139 and 141

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IFRS S2		
S2.33(f)	(f) Any milestones and interim targets;	Pages 129, 132, 135, 136, 138, 139 and 141
S2.33(g)	(g) If the target is quantitative, whether it is an absolute target or an intensity target; and	Pages 129, 132, 135, 136, 138, 139 and 141
S2.34	An entity shall disclose information about its approach to setting and reviewing each target and how it monitors progress against each target, including:	Pages 129, 132, 135, 136, 138, 139 and 141
S2.34(c)	(c) The metrics used to monitor progress towards reaching the target; and	Pages 129, 132, 135, 136, 138, 139 and 141
S2.36(b)	(b) Whether Scope 1, Scope 2 or Scope 3 greenhouse gas emissions are covered by the target.	Page 140
S2.B20	Paragraph 29(a) requires an entity to disclose its absolute gross greenhouse gas emissions generated during the reporting period, expressed as metric tonnes of CO2 equivalent. To meet this requirement, the entity shall aggregate the seven constituent greenhouse gases into CO2 equivalent values.	Page 141
S2.B21	If an entity uses direct measurement to measure its greenhouse gas emissions, the entity is required to convert the seven constituent greenhouse gases into a CO2 equivalent value using global warming potential values based on a 100- year time horizon, from the latest Intergovernmental Panel on Climate Change assessment available at the reporting date.	Page 141
S2.B22	If an entity uses emission factors to estimate its greenhouse gas emissions, the entity shall use—as its basis for measuring its greenhouse gas emissions—the emission factors that best represent the entity's activity (see paragraph B29). If these emission factors have already converted the constituent gases into CO2 equivalent values, the entity is not required to recalculate the emission factors using global warming potential values based on a 100-year time horizon from the latest Intergovernmental Panel on Climate Change assessment available at the reporting date. However, if an entity uses emission factors that are not converted into CO2 equivalent values, then the entity shall use the global warming potential values based on a 100-year time horizon from the latest Intergovernmental Panel on Climate Change assessment available at the reporting date.	Page 141
S2.B26(a)	Paragraph 29(a)(iii) requires an entity to disclose the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions. As part of this requirement, the entity shall include information about: (a) the measurement approach the entity uses in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) (see paragraph B27)	Page 119
S2.B26(c)	Paragraph 29(a)(iii) requires an entity to disclose the measurement approach, inputs and assumptions it uses to measure its greenhouse gas emissions. As part of this requirement, the entity shall include information about: (c) the emission factors the entity uses (see paragraph B29).	Page 141
S2.B27	The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004) includes different measurement approaches that an entity might use when measuring its greenhouse gas emissions. In disclosing information in accordance with paragraph 29(a)(iii), the entity is required to disclose information about the measurement approach it uses. For example, when the entity discloses its greenhouse gas emissions measured in accordance with the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004), the entity is required to use the equity share or control approach. Specifically, the entity shall disclose: (a) the approach it uses to determine its greenhouse gas emissions (for example, the equity share or control approach in the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (2004)); and (b) the reason, or reasons, for the entity's choice of measurement approach and how that approach relates to the disclosure objective in paragraph 27.	Page 119
S2.B29	As part of an entity's disclosure of the measurement approach, inputs and assumptions, the entity shall disclose information to enable users of general purpose financial reports to understand which emission factors the entity uses in its measurement of its greenhouse gas emissions. This Standard does not specify emission factors an entity is required to use in its measurement of its greenhouse gas emissions. Instead, this Standard requires an entity to use emission factors that best represent the entity's activity as its basis for measuring its greenhouse gas emissions.	Page 141
S2.C1	An entity shall apply this Standard for annual reporting periods beginning on or after 1 January 2024. Earlier application is permitted. If an entity applies this Standard earlier, it shall disclose that fact and apply IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information at the same time.	Page 115

SUSTAINABILITY ACCOUNTING STANDARDS BOARD (SASB) INDEX

Topic	Code	Accounting Metric	Category	Unit of Measure	Page Number
Managing Systemic Risks from Technology Disruptions	TC-S1-550a.1 (adapted)	Number of performance issues (e.g., technology disruptions) as a result of extreme weather events	Quantitative	Amount (Number of issues)	Page 129
		Average time for customer service restoration as a result of extreme weather events		Units of time (Minutes/ Hours)	
		Number of service disruptions as a result of extreme weather events		Amount (Number of subscribers impacted)	
				In percentage (%)	
Environmental Footprint of Operations	TC-IM-130a.2 (adapted)	Total water withdrawn	Quantitative	m^3	Page 132
		Percentage of total water withdrawn in regions with High or Extremely High baseline water stress		In percentage (%)	
	TC-TL-130a.1 (adapted)	Total network energy consumption (purchased electricity) • Renewable • Non-renewable	Quantitative	GWh	Page 135 to 136
		Percentage of network energy consumption (purchased electricity) • Renewable • Non-renewable		In percentage (%)	

GRI CONTENT INDEX

Statement of use	TM has reported the information cited in this GRI content index for the period 1 January 2025 to 31 December 2025 with reference to the GRI Standards.
GRI 1 used	GRI 1: Foundation 2021

GRI Standard	Disclosure	Reference Page
GRI 2: General Disclosures	2-1 Organisational details	TM at a Glance – Who We Are and Where We Are Heading, pages 8 to 9 TM at a Glance – Where We Operate, pages 16 to 19
	2-2 Entities included in the organisation's sustainability reporting	About This Report, pages 4 Sustainability-related Financial Information Report 2025 - page 119
	2-3 Reporting period, frequency and contact point	About This Report, pages 3 to 5
	2-4 Restatements of information	Sustainability Performance Data, pages 248 to 251
	2-5 External assurance	About This Report, pages 4 GHG Verification Statement pages 333 to 335 SIRIM Independent Assurance Statement, pages 336 to 339
	2-6 Activities, value chain and other business relationships	Value Creation Model, pages 38 to 39 Delivering Business Value: – Business-to-Consumer (B2C), pages 74 to 79 – Business-to-Business (B2B), pages 80 to 85 – Carrier-to-Carrier (C2C), pages 90 to 94 Article: Enabling Smart Cities in Malaysia, pages 86 to 87 Article: Cloud Alpha Edge (CAE): The National Platform Advancing Digital Resilience, pages 88 to 89 MMU, pages 95 to 99 Sustainability-related Financial Information Report 2025 - pages 116 to 118
	2-7 Employees	Value Creation Model, pages 38 to 39 Labour practices and Human Rights, pages 210 to 220 Sustainability Performance Data, pages 248 to 251
	2-8 Workers who are not employees	Sustainability Performance Data, pages 248 to 251
	2-9 Governance structure and compensation	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280 Sustainability-related Financial Information Report 2025 - pages 123 to 125
	2-10 Nomination and selection of the highest governance body	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280 Sustainability-related Financial Information Report 2025 - pages 123 to 124
	2-11 Chair of the highest governance body	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280 Sustainability-related Financial Information Report 2025 -pages 123 to 124
	2-12 Role of the highest governance body in overseeing the management of impacts	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280 Sustainability-related Financial Information Report 2025 - pages 123 to 124
	2-13 Delegation of responsibility for managing impacts	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280 Sustainability-related Financial Information Report 2025 - pages 123 to 125
	2-14 Role of the highest governance body in sustainability reporting	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280 Sustainability-related Financial Information Report 2025 - pages 123 to 124
	2-15 Conflicts of interest	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280
	2-16 Communication of critical concerns	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280

GRI CONTENT INDEX

GRI Standard	Disclosure	Reference Page
GRI 2: General Disclosures	2-17 Collective knowledge of the highest governance body	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280
	2-18 Evaluation of the performance of the highest governance body	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280
	2-19 Remuneration policies	Our Commitment To Strong Governance – Corporate Governance Overview Statement, pages 252 to 280 Sustainability-related Financial Information Report 2025 - page 125
	2-20 Process to determine remuneration	Our Commitment To Strong Governance – Corporate Governance Overview Statement, page 252 to 280 Sustainability-related Financial Information Report 2025 - page 125
	2-22 Statement on sustainable development strategy	Reflections from the top, pages 22 to 37 Sustainability at TM, pages 100 to 101
	2-23 Policy commitments	Sustainability at TM, pages 106
	2-24 Embedding policy commitments	Sustainability at TM, pages 106
	2-25 Processes to remediate negative impacts	Sustainable Value Chain, pages 170 to 171 Our Governance – Corporate Governance Overview Statement, pages 252 to 280
	2-27 Compliance with laws and regulations	Sustainable Value Chain, pages 170 to 171 Our Governance – Corporate Governance Overview Statement, pages 252 to 280
	2-28 Membership associations	N/A
	2-29 Approach to stakeholder engagement	Setting the Context – Understanding Stakeholder Needs, pages 40 to 44
	2-30 Collective bargaining agreements	Labour Practices and Human Rights, page 213 Material Matters, page 51
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Material Matters, page 46 Sustainability-related Financial Information Report 2025 - pages 121 to 123
	3-2 List of material topics	Material Matters, pages 46 to 53 Sustainability-related Financial Information Report 2025 - pages 122
Innovation & Technology		
GRI 3: Material Topics 2021	3-3 Management of material topics	Innovation and Technology, pages 150 to 157
Customer Experience		
GRI 3: Material Topics 2021	3-3 Management of material topics	Customer Experience, pages 160 to 163
Network Stability & Quality		
GRI 3: Material Topics 2021	3-3 Management of material topics	Network Stability & Quality, pages 164 to 167

GRI Standard	Disclosure	Reference Page
Affordability & Inclusion		
GRI 3: Material Topics 2021	3-3 Management of material topics	Digital Inclusion, pages 232 to 235
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Digital Inclusion, pages 232 to 235
	203-2 Significant indirect economic impacts	Digital Inclusion, pages 232 to 235
Community Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Digital Inclusion, pages 232 to 235
GRI 3: Material Topics 2021	203-1 Infrastructure investments and services supported	Digital Inclusion, pages 232 to 235
	203-2 Significant indirect economic impacts	Digital Inclusion, pages 232 to 235
GRI 3: Material Topics 2021	413-1 Operations with local community engagement, impact assessments and development programmes	Digital Inclusion, pages 232 to 235
Environmental Quality		
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Management, pages 196 to 202
GRI 303: Water and Effluents 2018	303-2 Management of water discharge-related impacts	Environmental Management, pages 198 to 199
	303-3 Water withdrawal	Environmental Management, pages 198 to 199 Sustainability-related Financial Information Report 2025 - page 130 to 132
	303-5 Water consumption	Sustainability Performance Data, page 248
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Environmental Management, pages 197 to 198
	306-2 Management of significant waste-related impacts	Environmental Management, pages 197 to 198
	306-3 Waste generated	Environmental Management, pages 197 to 198 Sustainability Performance Data, pages 248 to 251
Climate Change		
GRI 3: Material Topics 2021	3-3 Management of material topics	Environmental Management, pages 203 to 209
GRI 302: Energy 2016	302-1 Energy consumption within the organisation	Environmental Management, pages 203 to 209 Sustainability Performance Data, pages 248 to 251 Sustainability-related Financial Information Report 2025 - pages 135, 136 and 138
	302-4 Reduction of energy consumption	Climate Change - page 207 Sustainability-related Financial Information Report 2025 - page 140

GRI CONTENT INDEX

GRI Standard	Disclosure	Reference Page
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Climate Change, pages 205 Sustainability-related Financial Information Report 2025 - pages 140
	305-2 Energy indirect (Scope 2) GHG emissions	Climate Change, pages 206 Sustainability-related Financial Information Report 2025 - pages 140
	305-3 Other indirect (Scope 3) GHG emissions	Climate Change, pages 208
	305-5 Reduction of GHG emissions	Climate Change, pages 205 to 208 Sustainability-related Financial Information Report 2025 - pages 140
Fair Employment		
GRI 3: Material Topics 2021	3-3 Management of material topics	Labour Practices and Human Rights, pages 210 to 220
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Labour Practices and Human Rights, pages 210 to 220 Sustainability Performance Data, pages 248 to 251
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Labour Practices and Human Rights, pages 210 to 220
	401-3 Parental leave	Labour Practices and Human Rights, pages 210 to 220
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Sustainability Performance Data, pages 248 to 251
	405-2 Ratio of basic salary and remuneration of women to men	Labour Practices and Human Rights, pages 210 to 220
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Labour Practices and Human Rights, pages 210 to 220
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Labour Practices and Human Rights, pages 210 to 220
Health & Safety		
GRI 3: Material Topics 2021	3-3 Management of material topics	Health and Safety, pages 226 to 231

GRI Standard	Disclosure	Reference Page
Health & Safety		
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health and Safety, pages 226 to 231
	403-2 Hazard identification, risk assessment and incident investigation	Health and Safety, pages 226 to 231
	403-3 Occupational health services	Health and Safety, pages 226 to 231
	403-4 Worker participation, consultation and communication on occupational health and safety	Health and Safety, pages 226 to 231 Policies: tm.com.my/sustainability/policies-guidelines
	403-5 Worker training on occupational health and safety	Health and Safety, pages 226 to 231
	403-6 Promotion of worker health	Health and Safety, pages 226 to 231
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health and Safety, pages 226 to 231
	403-8 Workers covered by an occupational health and safety management system	Health and Safety, pages 226 to 231
	403-9 Work-related injuries	Health and Safety, pages 226 to 231
	403-10 Work-related ill health	Sustainability Performance Data, pages 248 to 251
Learning & Development		
GRI 3: Material Topics 2021	3-3 Management of material topics	Learning and Development, pages 221 to 225
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Learning and Development, pages 221 to 225 Sustainability Performance Data, pages 248 to 251
	404-2 Programmes for upgrading employee skills and transition assistance programmes	Learning and Development, pages 221 to 225
	404-3 Percentage of employees receiving regular performance and career development reviews	Learning and Development, pages 221 to 225
Sustainable Supply Chain		
GRI 3: Material Topics 2021	3-3 Management of material topics	Sustainable Value Chain, pages 168 to 178
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Sustainable Value Chain, pages 168 to 178

GRI CONTENT INDEX

GRI Standard	Disclosure	Reference Page
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Sustainable Value Chain, pages 168 to 178
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	Sustainable Value Chain, pages 168 to 178
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Sustainable Value Chain, pages 168 to 178
Responsible Communication		
GRI 3: Material Topics 2021	3-3 Management of material topics	Responsible Communications, pages 179 to 183
Cyber Resilience		
GRI 3: Material Topics 2021	3-3 Management of material topics	Cyber resilience, pages 184 to 187
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer	Sustainability Performance Data, pages 248 to 251
Good Governance		
GRI 3: Material Topics 2021	3-3 Management of material topics	Good Governance, pages 188 to 195
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Good Governance, pages 188 to 195
	205-2 Communication and training about anticorruption policies and procedures	Good Governance, pages 188 to 195 Sustainability Performance Data, pages 248 to 251
	205-3 Confirmed incidents of corruption and actions taken	Sustainability Performance Data, pages 248 to 251

GHG VERIFICATION STATEMENT

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GHG VERIFICATION STATEMENT

The inventory of Greenhouse Gas Emissions of

TM TECHNOLOGY SERVICES SDN. BHD.

Level 51, North Wing, Menara TM, Jalan Pantai Baharu,
50672 Kuala Lumpur, Malaysia

has been verified in accordance with ISO 14064-3:2019 as meeting the requirements of:

ISO 14064-1:2018

For the following GHG assertion during
1 January - 31 December 2025

Category 1:	Total Direct GHG emissions	**12,708**	tCO_2e
Category 2:	Total Indirect GHG emissions from imported electricity		
	• Location-Based	**341,993**	tCO_2e
	• Market-Based	**267,235**	tCO_2e
Category 3:	Total Indirect GHG emissions from transportation	**34,433**	tCO_2e
	only for the subcategories below		
	• Upstream transport and distribution for goods	434	
	• Employee commuting	26,317	
	• Business travels	7,682	
Category 4:	Total Indirect GHG emissions from products used by an organisation	**2,039**	tCO_2e
	only for the subcategories below		
	• Disposal of solid and liquid waste	1,476	
	• Use of assets (Upstream leased assets)	563	
Category 5:	Total Indirect GHG emissions associated with the use of products from the organisation	**43,049**	tCO_2e
	only for the subcategory below		
	• Downstream leased assets		

Remark: The exclusion of GHG emissions from the organisational boundary under the operational control approach, and the exclusion of significant indirect GHG emissions, have been justified and disclosed as limitations.

Statement Number:
GHG2601002
This statement could not be used separately from the GHG Verification Report. (same number of this statement)

Verification Completed Date:
13 March 2026

Issued Date:
26 March 2026

INTERTEK TCAS 17029 GHG 027

Authorised Signature:
Chayasan Jirachanchai
General Manager, Business Assurance

Intertek Industry and Certification Services (Thailand) Limited
1285/5 Prachachuen Road, Wong Sawang, Bangsue, Bangkok 10800 Thailand.

In the issuance of this verification statement, Intertek assumes no liability to any party other than to the Client, and then only in accordance with the agreed upon Certification Agreement and Verification Agreement Addendum. All pages of this statement could not be used separately, and it is not valid without the full Greenhouse Gas Assertion. Validity may be confirmed via email at certificate.validation@intertek.com or by scanning the code to the right with a smartphone. The verification statement remains the property of Intertek, to whom it must be returned upon request.

GHG VERIFICATION STATEMENT

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APPENDIX TO GHG VERIFICATION STATEMENT

This appendix is linked to the Main Statement # GHG2601002 and cannot be shown nor reproduced without it.

LEVEL OF ASSURANCE: Limited

MATERIALITY THRESHOLD: 5%

ORGANIZATION BOUNDARY: Operational Control Approach

CONCLUSIONS AND OPINION:

Intertek Industry and Certification Services (Thailand) Limited ("Intertek") was engaged by Intertek Certification International Sdn. Bhd. ("Responsible Party") to perform GHG verification services for TM Technology Services Sdn. Bhd. ("Client") and to verify the Client's Greenhouse Gas Emissions Inventory/Information ("GHG Report"). The GHG report was prepared by Client, reporting period of Y2025 for emissions in accordance with ISO 14064-1:2018.

Based on the limited assurance verification conducted in accordance with ISO 14064-3:2019, Intertek concludes there is no evidence that the GHG emissions assertion is not materially correct and is a fair representation of the GHG emissions data.

LIMITATIONS

- Telekom Malaysia Berhad (TM) is the listed holding company, while TM Technology Services Sdn. Bhd. (TM Tech) is its wholly-owned primary operating company, where the Group's core business operations are principally housed. TM Tech manages the Group's telecommunications operations and provides operational oversight across its supporting entities. The GHG reporting boundary of this assurance engagement includes facilities under TM Technology Services Sdn. Bhd. and Universiti Telekom Sdn. Bhd.
- TM Facilities Sdn. Bhd., TMF Autolease Sdn. Bhd., Telekom Research & Development Sdn. Bhd., Unitele Multimedia Sdn. Bhd., Tulip Maple Berhad, are under the operational control of TM Technology Services Sdn. Bhd. In addition, partial operational control exists over joint ventures, namely Fiberail Sdn. Bhd. and Fibrecomm Network (M) Sdn. Bhd. However, these entities have not been included in the GHG reporting boundary.

In the issuance of this verification statement, Intertek assumes no liability to any party other than to the Client, and then only in accordance with the agreed upon Certification Agreement and Verification Agreement Addendum. All pages of this statement could not be used separately, and it is not valid without the full Greenhouse Gas Assertion. Validity may be confirmed via email at certificate.validation@intertek.com or by scanning the code to the right with a smartphone. The verification statement remains the property of Intertek, to whom it must be returned upon request.

APPENDIX TO GHG VERIFICATION STATEMENT

This appendix is linked to the Main Statement # GHG2601002 and cannot be shown nor reproduced without it.

LIMITATIONS (cont'd)

- TM Technology Services Sdn. Bhd. is recommended to consider including these entities in the GHG inventory to enhance completeness in future reporting.
- Significant indirect GHG emissions excluded from the inventory relate to subcategories under Category 4 (Indirect GHG emissions from products used by the organisation), consisting of Purchased Goods and Services and Fuel-and Energy-related Activities. GHG emissions from Purchased Goods and Services are excluded due to insufficient activity data and limitations in validating the accuracy and reliability of purchased goods and services data. GHG emissions from Fuel-and Energy-related Activities are excluded due to the absence of region-specific emission factors.
- TM Technology Services Sdn. Bhd. has not identified and quantified direct GHG emissions from methane (CH_4) from septic tanks, fugitive refrigerants, and other related fugitive emissions due to the inability to access the relevant activity data. It is recommended that TM establish a process to consolidate activity data related to CH_4 emissions from septic tank systems or sanitary wastewater systems, GHG emissions from fugitive refrigerants, and other related GHG emissions, as these are expected to be material to the organisation.

OBSERVATIONS

- The Grid Emission Factor in Malaysia was updated in February 2026 based on 2024 data. However, TM applied the Malaysia Grid Emission Factor published in November 2024, which was the applicable reference at the time of calculation. It is recommended that the organisation consider adopting the latest emission factor in future reporting periods.
- Biogenic CO_2 emissions are currently included under Scope 1; however, as the impact is not material, this does not affect the overall conclusion. It is recommended that these emissions be separately disclosed. and excluded from Scope 1 in future reporting periods.

In the issuance of this verification statement, Intertek assumes no liability to any party other than to the Client, and then only in accordance with the agreed upon Certification Agreement and Verification Agreement Addendum. All pages of this statement could not be used separately, and it is not valid without the full Greenhouse Gas Assertion. Validity may be confirmed via email at certificate.validation@intertek.com or by scanning the code to the right with a smartphone. The verification statement remains the property of Intertek, to whom it must be returned upon request.

SIRIM INDEPENDENT ASSURANCE STATEMENT

To Board of Directors, Stakeholders, and Interested Parties,

SIRIM QAS International Sdn. Bhd. was engaged by Telekom Malaysia Berhad (hereafter referred to as Telekom Malaysia) to perform an independent verification and provide assurance of Telekom Malaysia Sustainability Statement 2025. The main objective of the verification process is to provide assurance to Telekom Malaysia and its stakeholders on the accuracy and reliability of the information as presented in this statement. The verification by SIRIM QAS International pertains to sustainable performance information (subject matter) within the assurance scope which is included in Telekom Malaysia Sustainability Statement 2025.

The management of Telekom Malaysia was responsible for the preparation of the Sustainability Statement. The objective and impartiality of this statement is assured as no member of the verification team and no other employee of SIRIM QAS International was involved in the preparation of any part of the Telekom Malaysia's Sustainability Statement, and Integrated Annual Report 2025.

The assurance engagement was designed to provide limited assurance in accordance with the International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information, and BURSA Sustainability Reporting Guide, irrespective of the organization's ability to achieve its objectives, targets or expectations on their subject matter and sustainability-related issues. The assurance activity evaluates the alignment of Telekom Malaysia Sustainability Statement and its overall presentation against respective frameworks such as UNSDGs, GRI Standards requirement, IFRS S1 and S2 requirement, and other relevant frameworks. The assurance process involves verification of 14 material matters as presented in the Sustainability Statement as follows i.e., Innovation and Technology, Customer Experience, Network Quality and Stability, Sustainable Value Chain, Responsible Communication, Cyber Resilience, Good Governance, Environmental Management, Climate Change, Labour Practices and Human Rights, Learning and Development, Health and Safety, Digital Inclusion and Community Empowerment. In addition to this, we also review and verify the sustainability indicators outlined by Bursa Malaysia to ensure the accuracy, completeness, and reliability of the reported information. The results of this verification process have been systematically tabulated in Appendix 1, Appendix 2 and Report to Management, with further details provided therein.

The verification was carried out by SIRIM QAS International between February 2026 and March 2026, with the following methodologies:

- Reviewing and verifying the traceability, consistency and accuracy of information collected from various sources, including internal and external documentation made available during the assessment.
- Verifying the data presented in the Sustainability Statement, which includes a detailed review of the sampled data.
- Interviewing key personnel responsible for collating information and developing various sections of the report to substantiate the veracity of the claims.

The verification process was subjected to the following limitations:

- The scope of work did not involve verification of other information reported in Telekom Malaysia's Integrated Report 2025.
- The review excluded all financial-related data, as these are subjected to the company's financial audit.
- The scope of this review excludes GHG emissions and all associated data, including energy and waste management data contributing to Scope 1, Scope 2 and Scope 3 emissions, and any information relating to Telekom Malaysia's GHG accounting and reporting.
- As part of this assurance engagement, the verification team visited Telekom Malaysia's corporate office at Cyberjaya. However, the verification process did not include physical inspections of any of Telekom Malaysia's buildings and offices.
- The verification team did not assess or verify any data related to contractors or third parties.

Conclusion

SIRIM QAS International, the Conformity Assessment Body (CAB) in Malaysia, is accredited to ISO/IEC 17021-1:2015 and ISO/IEC 17065:2012 for the provision of management system certification, product certification, and testing services across its full scope of operational activities. Building on this foundation, SIRIM QAS International is accredited as a Validation and Verification Body (VVB) under ISO/IEC 17029:2019 and ISO 14065:2020, enabling it to provide independent, impartial, and technically robust validation and verification services in accordance with internationally recognized standards. The appointed assessors performing the assurance engagement were selected appropriately based on our internal qualifications, training and experience. The verification process is reviewed by management to ensure that the approach and assurance are strictly followed and operated transparently. During the verification process, issues were raised, and clarifications were sought from the management of Telekom Malaysia relating to the accuracy of some of the information contained in the statement. In response to the findings, the Sustainability Statement was subsequently reviewed and revised by Telekom Malaysia. It is confirmed that changes that have been incorporated into the final version of the statement have addressed all issues. Based on the scope of the assessment process and evidence obtained, nothing has come to our attention that causes us to believe that Telekom Malaysia has not complied, in all material respects, with the referred assurance standard and guide. The following represents SIRIM QAS International's opinion:

- The level of data accuracy included in Telekom Malaysia Sustainability Statement 2025 is fairly stated.
- The level of disclosure of the specific sustainability performance information presented in the statement was found to be properly prepared.
- The personnel responsible were able to demonstrate the origin(s) and interpretation of data contained in the report.
- The Sustainability Statement presents a reasonable and balanced view of Telekom Malaysia's sustainability performance.

List of Assessors.

1)	Ms. Aernida Abdul Kadir	:	Team Leader
2)	Ms. Suzalina Kamaralarifin	:	Team Member
3)	Ms. Farhanah Ahmad Shah	:	Team Member
4)	Ms. Khairuza Wawiyah Khairuddin	:	Team Member
5)	Ms. Evelyn Liew	:	Team Member

Statement Prepared by:

AERNIDA BINTI ABDUL KADIR

Team Leader
Management System Certification Department
SIRIM QAS International Sdn. Bhd.

Date: 9 March 2026

Statement Approved by:

WAN SHAHIMA BINTI MIOR AHMED SHAHIMI

General Manager
Management System Certification Department
SIRIM QAS International Sdn. Bhd

Date: 25 March 2026

Note: This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd does not express an opinion on, nor guarantee the integrity and/or accuracy of the information provided with the view that the conclusion was conducted post verification assessment, hence not verified. SIRIM QAS International shall not be responsible for any changes or additions made after the referred date (9 March 2026).

SIRIM INDEPENDENT ASSURANCE STATEMENT

Appendix 1
Sustainability Performance from Bursa Malaysia ESG Reporting Platform

Indicator	Measurement Unit	2025
Bursa (Waste management)		
Bursa C10(a) Total waste generated	Metric tonnes	12,097
Bursa C10(a)(i) Total waste diverted from disposal	Metric tonnes	9,372
Bursa C10(a)(ii) Total waste directed to disposal	Metric tonnes	2,725
Bursa (Water)		
Bursa C9(a) Total volume of water used	Megalitres	1,681
Bursa (Community/Society)		
Bursa C2(a) Total amount invested in the community where the target beneficiaries are external to the listed issuer	MYR	57,402,542.01
Bursa C2(b) Total number of beneficiaries of the investment in communities	Number	225,830
Bursa (Labour practices and standards)		
Bursa C6(a) Total hours of training by employee category		
Management	Hours	6,044
Executive	Hours	785,495
Non-executive	Hours	327,222
Bursa C6(b) Percentage of employees that are contractors or temporary staff	Percentage	4.38
Bursa C6(c) Total number of employee turnover by employee category		
Management	Number	22
Executive	Number	568
Non-executive	Number	510
Bursa C6(d) Number of substantiated complaints concerning human rights violations	Number	0
Bursa (Diversity)		
Bursa C3(a) Percentage of employees by gender and age group, for each employee category		
Age Group by Employee Category		
Management Under 30	Percentage	0.00
Management Between 30-39	Percentage	0.00
Management Between 40-50	Percentage	0.60
Management Above 50	Percentage	0.60
Executive Under 30	Percentage	3.70
Executive Between 30-39	Percentage	14.20
Executive Between 40-50	Percentage	28.30
Executive Above 50	Percentage	7.10
Non-executive Under 30	Percentage	1.10
Non-executive Between 30-39	Percentage	17.10
Non-executive Between 40-50	Percentage	20.00
Non-executive Above 50	Percentage	7.40
Gender Group by Employee Category		
Management Male	Percentage	0.79
Management Female	Percentage	0.45
Executive Male	Percentage	26.87
Executive Female	Percentage	26.43
Non-executive Male	Percentage	31.40
Non-executive Female	Percentage	14.05
Bursa (Health and safety)		
Bursa C5(a) Number of work-related fatalities	Number	0
Bursa C5(b) Lost time incident rate ("LTIR")	Rate	0.14
Bursa C5(c) Number of employees trained on health and safety standards	Number	18,821
Good governance		
Bursa C3(b) Percentage of directors by gender and age group		
Male	Percentage	67.00
Female	Percentage	33.00
Under 30	Percentage	0.00
Between 30-39	Percentage	0.00
Between 40-50	Percentage	17.00
Above 50	Percentage	83.00
Bursa (Anti-corruption)		
Bursa C1(a) Percentage of employees who have received training on anti-corruption by employee category		
Management	Percentage	60.00
Executive	Percentage	22.00
Non-executive	Percentage	24.00
Bursa C1(b) Percentage of operations assessed for corruption-related risks	Percentage	50.00
Bursa C1(c) Confirmed incidents of corruption and action taken	Number	13
Bursa (Supply chain management)		
Bursa C7(a) Proportion of spending on local suppliers	Percentage	79.00
Bursa (Data privacy and security)		
Bursa C8(a) Number of substantiated complaints concerning breaches of customer privacy and losses of customer data	Number	0

Appendix 2 The material matters reviewed in this assessment are tabulated below:	**CLASSIFICATION OF DATA**			
	HIGH	**MEDIUM**	**LOW**	**UN SUBSTANTIATED**
Sustainability at TM	■			
Innovation and Technology	■			
└ Increased Operational Automation & STARS			■	
Customer Experience	■			
Network Quality & Stability		■		
└ Network Migration				■
└ Preventive Network Assurance				■
└ ISO certifications and Spectrum Assignment				■
Sustainable Value Chain	■			
Responsible Communication	■			
Cyber Resilience	■			
└ Breakdown numbers of participant in employee's categories				■
Good Governance	■			
Environmental Management	■			
└ Preserving Coral Ecosystems				■
└ Carbon avoidance that links to the copper disposal	Excluded from the assessment scope			
Climate Change – Energy Initiatives & Carbon Management Offset	■			
Labour Practices and Human Rights	■			
Learning and Development	■			
Health and Safety	■			
Digital Inclusion	■			
Community Empowerment		■		

Note 1:
This Independent Assurance Statement has been issued based on the content verified prior to the approval date. SIRIM QAS International Sdn Bhd shall not be responsible for any changes or additions made after the referred date (9 March 2026).
Note 2:
The assurance involves activity aims to obtain sufficient appropriate evidence to express a conclusion designed to enhance the degree of confidence of the intended users other than the responsible party, about the subject matter information. It comprises of activities carried out to assess the quality and credibility of the qualitative and quantitative information reported by the organization. This assurance is different from activities used to assess or validate the organization's performance, such as compliance assessments or the issuing of certifications against specific standards.
Note 3:
Definition of HIGH, MEDIUM, LOW and UNSUBSTANTIATED Classification of Data in Appendix 2 and the Management Report.
HIGH: The data and information reviewed has been confirmed with the direct owners. The source of the data origin was provided during the conduct of the assessment.
MEDIUM: Data and information have been confirmed with the direct owners. However, the source of the data has been based on secondary data, where the data origin is not accessible by the verifiers during the conduct of the assessment.
LOW: Data and information reviewed has been based on information endorsed by the data owners. Verifiers did not have access to the source of the data origin. It has been identified as one of the limitations during the conduct of the assessment.
UNSUBSTANTIATED: Certain sources of data and information disclosed were not made available during the assessment review period due to reasons such as confidentiality constraints, unattainable data sources, and the unavailability of the respective data owners. This has been identified as a limitation encountered during the assessment. The same scoring approach will also apply to any new information incorporated after the completion of the review.

GLOSSARY

A

ABMS	Anti-Bribery Management System
ACCA	Association of Chartered Certified Accountants
ACG	Anti-Corruption Guide
AGM	Annual General Meeting
AHT	Average Handling Time
AI	Artificial Intelligence
AI COE	AI Centre of Excellence
AIGE	AI Governance & Ethics
API	Application Programming Interface

B

B2B	Business-to-Business
B2C	Business-to-Consumer
BAC	Board Audit Committee
BC	Business Critical
BCI	Business Continuity Institute
BCM	Business Continuity Management
BCMS	Business Continuity Management System
BCP	Business Continuity Plan
BFDC	Brickfields Data Centre
BIA	Business Impact Analysis
BOC	Business Operations Council
BOD/Board	Board of Directors
BPO	Business Process Outsourcing
BPOC	Building Premise OSHE Committee
BPC	Best Practice Committee
BPG	Business Policy and Governance
BRC	Board Risk Committee
BRIC	Board Risk and Investment Committee
BSS	Business Support System
BTC	Board Tender Committee
Bursa Securities	Bursa Malaysia Securities Berhad
BVDP	Bumiputera Vendor Development Programme

C

C2C	Carrier-to-Carrier
CA 2016	Companies Act 2016
CAE	Cloud Alpha Edge
CAGR	Compound Annual Growth Rate
CAPEX	Capital Expenditure
CBE	Code of Conduct & Business Ethics
CCO	Chief Corporate Officer
CDN	Content Delivery Network
CEO	Chief Executive Officer
CFE	Certified Fraud Examiner
CHCO	Chief Human Capital Officer
CHE	Sistem Kabel Dasar Laut (SKDL) Cherating
CiA	Certified Internal Auditor
CIA	Chief Internal Auditor
CIGO	Chief Integrity and Governance Officer
CIO	Chief Information Officer
CISO	Chief Information Security Officer
CMA	Communications and Multimedia Act
CMM	Capital Markets Malaysia
CNI	Critical National Infrastructures
CNO	Chief Network Officer
CoE	Centre of Excellence
CSAT	Customer Satisfaction

C

COBIT	Control Objectives for Information and Related Technology
COSO	Committee of Sponsoring Organisations of the Treadway Commission
CPE	Customer Premise Equipment
CPO	Chief Procurement Officer
CR	Corporate Responsibility
CUU	Cooling Unit Upgrading
CX	Customer Experience

D

DC	Data Centre
DEFRA	Department for Environment, Food and Rural Affairs
DGC	Data Governance Council
DMS	Digital Marketing Solutions
DNB	Digital Nasional Berhad
DOA	Declaration of Assets & Interests
DOE	Department of Environment
DRE	Disaster Recovery Equipment
D-RAN	Distributed Radio Access Network
DRP	Disaster Recovery Plan
DSORMIC	Director's Statement on Risk Management & Internal Control

E

EBIT	Earnings Before Interest and Tax
ED	Executive Director
EDC	Entrepreneurship Development Centre
EDMs	Electronic Direct Mailers
EE	Energy Efficiency
EEO	Energy Efficiency Optimisation
EESG	Economic, Environmental, Social and Governance
EEV	Energy Efficient Vehicle
EGM	Extraordinary General Meeting
EIA	Environment Impact Assessment
EMS	Environmental Management System
EnMS	Energy Management System
EPC	Energy Performance Contracting
EQAR	External Quality Assessment Review
ERM	Enterprise Risk Management
ESG	Environmental, Social and Governance
EUC	End-User Computing
EV	Electric Vehicles
EVP	Executive Vice President
EVPL	Ethernet Virtual Private Line
EY	Ernst & Young PLT

F

FAIE	Faculty of Applied Artificial Intelligence & Engineering
FFR	First Fix Right
FLS	Future Leaders' Scholarship
FMC	Fixed-Mobile Convergence
FMROC	Facility Management Regional OSHE Committee
FWA	Flexible Working Arrangement

G

GBI	Green Building Index
GCEO	Group Chief Executive Officer
GCFO	Group Chief Financial Officer
GCX	Group Customer Experience
GEF	Grid Emission Factor

G	
GET	Green Energy Tariff
GeSI	Global Enabling Sustainability Initiative
GIS	Group Information Security
GITD	Group Information Technology & Digital
GLC	Government-Linked Company
GHG	Greenhouse gas
GP	Group Procurement
GPA	Group Personal Accident
GPUaaS	GPU-as-a-Service
GPM	Group Project Management
GreenRE	Green Real Estate
GRI	Global Reporting Initiative
GTL	Group Term Life
H	
HODs	Heads of Department
HSBB	High-Speed broadband
HSBA	High-Speed Broadband Access
HTVET	Higher Technical and Vocational Education and Training
I	
IAR	Integrated Annual Report
IaaS	Infrastructure-as-a-Service
ICE	Internal Combustion Engine
ICP	Internal Carbon Pricing
ICT	Information and Communications Technology
IEA	International Energy Agency
IFRS	International Financial Reporting Standards (IFRS)
IIA	Institute of Internal Auditors
IIUM	International Islamic University Malaysia
ILO	International Labour Organisation
IoT	Internet of Things
IPCC	Intergovernmental Panel on Climate Change
IPDC	Iskandar Puteri Data Centre
IR	Investor Relations
ISSB	International Sustainability Standards Board
ISMS	Information Security Management System
J	
JENDELA	Jalinan Digital Negara
JPP	Jawatankuasa Penilaian Perolehan
K	
KPI	Key Performance Indicator
KVDC	Klang Valley Data Centre
L	
LO	Logistics Operations
LoA	Limit of Authority
LOBs	Lines of Business
LiDAR	Light Detection and Ranging
LSIP	Legal Strategy & Intellectual Property
LSR	Life Saving Rules
LTIR	Lost Time Incident Rate
M	
MACA	Malaysian Anti-Corruption Academy
Main LR	Main Market Listing Requirements
MC	Management Committee
M	
MCMC	Malaysian Communications and Multimedia Commission
MD	Managing Director
MERCIS	Management of Enterprise Risk, Compliance, Insurance, Incident and Information Security System
MERS999	Malaysian Emergency Responses 999
Metro-E	Metro-Ethernet
MFRS	Malaysian Financial Reporting Standards
MIA	Malaysian Institute of Accountant
MICPA	Malaysian Institute of Certified Public Accountants
MITC	Melaka International Trade Centre
MMU	Multimedia University
MMLR	Main Market Listing Requirement
MoF	Ministry of Finance
MoU	Memorandum of Understanding
MSCI	Morgan Stanley Capital International
MSMEs	Micro Small Medium Enterprises
MSQoS	Mandatory Standard of Quality of Service
MTT	Muzium Telegraf Taiping
MTN	Muzium Telekomunikasi Negara
MyDigital	Malaysia Digital Economy Blueprint
N	
NACGSA	National Corporate Governance Sustainability Award
NACRA	National Annual Corporate Report Awards
NACSA	National Cyber Security Agency
NADI	National Information Dissemination Centre
NADMA	National Disaster Management Agency
NAIO	National AI Office
NEC	Non-Executive Chairman
NED	Non-Executive Director
NFP	Network Facilities Provider
NGOs	Non-Government Organisations
NPS	Net Promoter Score
NRC	Nomination and Remuneration Committee
NSOC	Network State OSHE Committee
NSRF	National Sustainability Reporting Framework
NUTE	Kesatuan Kebangsaan Pekerja-Pekerja Telekomunikasi Semenanjung Malaysia
O	
OACP	Organisational Anti-Corruption Plan
OHI	Organisational Health Index
OLT	Optical Line Terminal
OSHE	Occupational Safety, Health and Environment
OSHEIN	OSHE Intelligence System
OSHMS	Occupational Safety and Health Management System
OTT	Over-The-Top
P	
PaaS	P-as-a-Service
PATAMI	Profit After Tax and Minority Interests
PBT	Pihak Berkuasa Tempatan
PCC	Procurement Compliance Committee
PCI DSS	Payment Card Industry Data Security Standard
PDPA	Personal Data Protection Act
PDPTF	Personal Data Protection Task Force
PG	Payment Gateway
PII	Personal Identifiable Information
PIR	Post Implementation Review
PLC	Public Listed Company
PMI	Procurement Maturity Index
PN	Privacy Notice
POC	Proof of Concept
PoPs	Points of Presence
POS	point-of-sale
PS	Performance Share
PSM	Persekutuan Sepak Takraw Malaysia
PUE	Power Usage Effectiveness
PwD	Persons with Disabilities
PWR 2030	Digital Powerhouse by 2030

GLOSSARY

Q	
QAIP	Quality Assurance and Improvement Programme
R	
RANDEX	Rakan NADMA Disaster Simulation Exercise
R&D	Research & Development
R2R	Recording to Reporting
RCPs	Representative Concentration Pathways
EE	Energy Efficiency
RG	Residential Gateway
RGTSU	Petronas' Regasification Terminal Sungai Udang
RMIT	Royal Melbourne Institute of Technology
ROD	Record of Depositors
RPA	Robotic Process Automation
RPEV	Remote Participation and Electronic Voting
RPT	Related Party Transactions
RRPTs	Recurrent Related Party Transactions
RTO	Recovery Time Objective
S	
SaaS	Software-as-a-Service
SAMB	Syarikat Air Melaka Berhad
SAQs	Self-Assessment Questionnaires
SBS	Strategic Business Services
SBTi	Science Based Target Initiative
SC	Securities Commission Malaysia
SCARLET	Scalable Renewable Energy System
SDEC	Sarawak Digital Economy Corporation
SDGs	Sustainable Development Goals
SDLC	Software Development Life Cycle
SDN	Software-Defined Networking
SD-WAN	Software-defined wide-area networking
SEDG	Simplified ESG Reporting Guide
SIA	Statement of Internal Audit
SICDA	Securities Industry (Central Depositories) Act 1991
SID	Senior Independent Director
SIRIM	Standards and Industrial Research Institute of Malaysia
SISCOORD	Sarawak Intergovernmental and NGOs Disaster Response and Coordination Workshop
SLA	Service Level Agreement
SME	Small Medium Enterprise
SMOSHE	Security Management & OSHE
SOC	Security Operations Centre
SOPs	Standard Operating Procedures
SORMIC	Statement on Risk Management and Internal Control
SPC	Supplier Performance Committee
SPE	Supplier Performance Evaluation
SPPA	Sustainable Power Purchase Agreement
SSI	Supplier Satisfaction Index
STARS	Smart Traffic Analytics and Recognition System
STEM	Science, Technology, Engineering and Mathematics
STMU	Kesatuan Pekerja Telekomunikasi dan Multimedia Sarawak
SUS	Supplier Self-Service
SUTEN	Kesatuan Pekerja-Pekerja Telekomunikasi Sabah
SW	Scheduled Waste
SWGs	Sustainability Working Groups
T	
TaaS	Telco-as-a-Service
TANYA	Total Assistance for Your Network and Administration
TASC	TM Analytics Steering Committee
TBL	Triple Bottom Line
TCFD	Task Force on Climate-Related Financial Disclosures
TCV	Total Contract Value
TechCom	Technology Committee
TM IAR	Telekom Malaysia Integrated Annual Report
TMD3P	TM Data Privacy and Protection Policy
TM DoME	TM Direct over Metro-E
TMDGPF	TM Data Governance Policy & Framework
TMFS	TM Future Skills
TMGP	TM Graduate Programme
TMiX	TM Internet Exchange
TM L&D	TM's Learning & Development
TM R&D	TM Research & Development
TMRMA 2023	TM Risk Maturity Assessment 2023
TM ROVers	TM Reaching Out Volunteers
TM SMG	TM Sponsorship Management
TMID	TM Integrity Day
TVET	Technical and Vocational Education and Training
U	
UBC	Unifi Business Club
UKM	Universiti Kebangsaan Malaysia
UNCDF	United Nations Capital Development Fund
UNGC	United Nations Global Compact
UM	Universiti Malaya
UMC	Unifi Management Committee
UniKL	Universiti Kuala Lumpur
UN SDGs	United Nations Sustainable Development Goals
USA	United States of America
USIM	University Sains Islam Malaysia
USM	Universiti Sains Malaysia
UST	Universal Service Targets
UTES	Union of Telecoms Employees Sarawak
UTM	Univerisiti Teknologi Malaysia
V	
VoNR	Voice over New Radio
VP	Vice President
VPC	Virtual Private Cloud
VP SC	Vice President Strategic Communications
VR	Virtual Reality
VSAT	Very Small Aperture Terminal
VSI	Vendor Security Index
VSP	Voluntary Separation Plan
VSS	Voluntarily Separation Scheme
W	
WAH	Working at Height
WAN	Wide Area Network
WCS	Working in Confined Space
WHV	Working near High Voltage
WOP	Working in Office/Premise
WOR	Working on/by Road
WUE	Water Usage Effectiveness
Y	
YTM	Yayasan TM
YUM	Yayasan Universiti Multmedia

NOTICE OF THE 41ST AGM

NOTICE IS HEREBY GIVEN THAT the Forty-First Annual General Meeting (41st AGM) of Telekom Malaysia Berhad ("TM" or "the Company") will be held on Tuesday, 19 May 2026, at 10:00 a.m. at the Multi Purpose Hall, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia **(Main Venue)** and virtually by way of electronic means via Boardroom Smart Investor Portal **(BSIP)** at https://investor.boardroomlimited.com **(Online Platform)** to transact the following businesses, with or without modifications:

1.0 To receive the Audited Financial Statements for the financial year ended 31 December 2025 together with the Reports of the Directors and Auditors thereon.

2.0 To re-elect the following Directors, who retire pursuant to Clause 106(2) of the Company's Constitution and being eligible, have offered themselves for re-election:

(i) Dr. Tunku Alina Raja Muhd Alias; and **(Ordinary Resolution 1)**
(ii) Shahnaz Al-Sadat Abdul Mohsein. **(Ordinary Resolution 2)**

3.0 To re-elect the following Directors, who retire by rotation pursuant to Clause 112 of the Company's Constitution and being eligible, have offered themselves for re-election:

(i) Hisham Zainal Mokhtar; and **(Ordinary Resolution 3)**
(ii) Amar Huzaimi Md Deris. **(Ordinary Resolution 4)**

Datuk Siti Zauyah Md Desa who is also to retire by rotation according to Clause 112 of the Company's Constitution, has expressed her intention not to seek re-election at this 41st AGM. Hence, she will retain office until the conclusion of this 41st AGM.

4.0 To approve the payment of the following Directors' fees for the period from the 41st AGM until the next Annual General Meeting (AGM) of the Company:

(i) RM30,000 per month for the Non-Executive Chairman (NEC); and
(ii) RM20,000 per month for each Non-Executive Director (NED) and an additional RM2,250 per month for the Senior Independent Director (SID). **(Ordinary Resolution 5)**

5.0 To approve the payment of benefits payable to NEC and NEDs (including SID) of an amount up to RM2,350,000 for the period from the 41st AGM until the next AGM of the Company. **(Ordinary Resolution 6)**

6.0 To re-appoint Ernst & Young PLT, having consented to act as Auditors of the Company, for the financial year ending 31 December 2026 and to authorise the Board of Directors to determine their remuneration. **(Ordinary Resolution 7)**

7.0 To consider and if thought fit, to pass the following resolutions:

7.1 Proposed Renewal of the Authority for Directors to Allot and Issue New Ordinary Shares in the Company (TM Shares) in relation to the Dividend Reinvestment Scheme (DRS)

THAT pursuant to the DRS approved at the Extraordinary General Meeting (EGM) held on 8 May 2014, approval be and is hereby given to the Company to allot and issue such number of new TM Shares for the DRS until the conclusion of the next AGM, upon such terms and conditions and to such persons as the Directors may, in their absolute discretion, deem fit and in the interest of the Company **PROVIDED THAT** the issue price of the said new TM Shares shall be fixed by the Directors at not more than ten percent (10%) discount to the adjusted five (5)-day volume weighted average market price (VWAMP) of the TM Shares immediately prior to the price-fixing date, of which the VWAMP shall be adjusted ex-dividend before applying the aforementioned discount in fixing the issue price of TM Shares at the material time;

AND THAT the Board of Directors of the Company be and is hereby authorised to do all such acts and enter into all such transactions, arrangements and documents as may be deemed necessary or expedient in order to give full effect to the DRS with full power to assent to any conditions, modifications, variations and/or amendments (if any) as may be imposed or agreed to by any relevant authorities or consequent upon the implementation of the said conditions, modifications, variations and/or amendments, as they, in their absolute discretion, deem fit and in the best interest of the Company. **(Ordinary Resolution 8)**

NOTICE OF THE 41ST AGM

7.2 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Proposed Renewal of Shareholders' Mandate) with the following Related Parties:

(i)	Axiata Group Berhad and/or its subsidiaries (Axiata Group);	**(Ordinary Resolution 9)**
(ii)	Tenaga Nasional Berhad and/or its subsidiaries (TNB Group);	**(Ordinary Resolution 10)**
(iii)	Petroliam Nasional Berhad and/or its subsidiaries (Petronas Group);	**(Ordinary Resolution 11)**
(iv)	Astro Malaysia Holdings Berhad and/or its subsidiaries (AMHB Group);	**(Ordinary Resolution 12)**
(v)	CelcomDigi Berhad and/or its subsidiaries (CelcomDigi Group); and	**(Ordinary Resolution 13)**
(vi)	Digital Nasional Berhad (DNB).	**(Ordinary Resolution 14)**

THAT in accordance with Paragraph 10.09 of the Main Market Listing Requirements (Main LR) of Bursa Malaysia Securities Berhad (Bursa Securities), approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with each of the abovementioned parties, respectively, pursuant to Ordinary Resolutions 9 to 14, as set out in **Appendix I** of the Company's Circular to Shareholders dated 17 April 2026;

PROVIDED THAT such transactions are necessary for the day-to-day operations and are entered into in the ordinary course of business of the Company and/or its subsidiaries, are carried out on terms not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders of the Company;

THAT such approval shall continue to be in full force and effect until:

(i) the conclusion of the next AGM of the Company at which time the authority will lapse, unless the authority is renewed by a resolutions passed at such general meeting;

(ii) the expiration of the period within which the Company's next AGM is required to be held under Section 340(2) of the Companies Act, 2016 (CA 2016) (but shall not extend to such extension as may be allowed under Section 340(4) of the CA 2016); or

(iii) revoked or varied by resolutions passed by the shareholders of the Company at a general meeting,

whichever is the earlier;

AND THAT the Board of Directors of the Company be and is hereby empowered and authorised to do or procure to be done all acts, deeds and things (including executing such documents under the common seal in accordance with the provisions of the Constitution of the Company, as may be required) to give effect to the Proposed Renewal of Shareholders' Mandate.

7.3 Proposed Additional Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Proposed Additional Shareholders' Mandate) with Maxis Berhad and/or its subsidiaries (Maxis Group).

THAT in accordance with Paragraph 10.09 of the Main LR of Bursa Securities, approval be and is hereby given for the Company and/or its subsidiaries to enter into recurrent related party transactions of a revenue or trading nature with Maxis Group, as set out in **Appendix II** of the Company's Circular to Shareholders dated 17 April 2026; **(Ordinary Resolution 15)**

PROVIDED THAT such transactions are necessary for the day-to-day operations and are entered into in the ordinary course of business of the Company and/or its subsidiaries, are carried out on terms not more favourable to the related party than those generally available to the public and are not detrimental to the minority shareholders of the Company;

THAT such approval shall continue to be in full force and effect until:

(i) the conclusion of the next AGM of the Company at which time the authority will lapse, unless the authority is renewed by a resolution passed at such general meeting;

(ii) the expiration of the period within which the Company's next AGM is required to be held under Section 340(2) of the CA 2016 (but shall not exceed beyond the extension as may be allowed under Section 340(4) of the CA 2016); or

(iii) revoked or varied by a resolution passed by the shareholders of the Company at a general meeting,

whichever is the earlier;

AND THAT the Board of Directors of the Company be and is hereby empowered and authorised to do or procure to be done all acts, deeds and things (including executing such documents under the common seal in accordance with the provisions of the Constitution of the Company, as may be required) to give effect to the Proposed Additional Shareholders' Mandate.

8.0 To transact any other business for which due notice has been given in accordance with Section 340(1) of the CA 2016 and the Company's Constitution.

FURTHER NOTICE IS HEREBY GIVEN THAT for the purpose of determining a member who shall be entitled to attend, speak and vote at this 41st AGM, the Company shall be requesting from Bursa Malaysia Depository Sdn Bhd (Bursa Depository) in accordance with Clause 80(3)(a) of the Company's Constitution and Section 34(1) of the Securities Industry (Central Depositories) Act 1991 (SICDA) to issue a General Meeting Record of Depositors (ROD) as at 12 May 2026. Only a depositor whose name appears in the ROD as at 12 May 2026 shall be entitled to attend and vote at the said meeting or appoint proxies to attend, speak and vote on his/her behalf.

By Order of the Board

Hamizah Abidin (LS0007096) (SSM PC No. 201908001071)
Mohammad Yazmi Mat Raschid (MAICSA 7028878) (SSM PC No. 202308000182)
Company Secretaries

Kuala Lumpur, Malaysia
17 April 2026

NOTICE OF THE 41ST AGM

NOTES:

1.0 Hybrid 41st AGM

1.1 The 41st AGM will be held on a hybrid mode. Members, proxies or corporate representatives will have an option, either:

(a) To attend **physically** in person at the Main Venue (Physical Attendance); OR

(b) To attend **virtually** through Remote Participation and Electronic Voting (RPEV) facilities provided by Boardroom Share Registrars Sdn Bhd at https://investor.boardroomlimited.com (Virtual Attendance).

Please refer to the Administrative Guide for attendance instructions for Physical Attendance and Virtual Attendance.

1.2 All Members, proxies or corporate representatives who wish to attend the 41st AGM virtually must register as user of the RPEV to verify eligibility to attend the 41st AGM based on the ROD as at 12 May 2026.

Pre-registration is not required for physical attendance.

1.3 The pre-registration for RPEV is open from the date of the Notice of the 41st AGM on **Friday, 17 April 2026** until the closing date on **Tuesday, 19 May 2026** at such time before the voting session ends at the 41st AGM for Virtual Attendance using RPEV facilities.

2.0 Submission of questions before and during the 41st AGM

2.1 Members may submit questions electronically in relation to the agenda items for the 41st AGM prior to the Meeting via BSIP, not later than 10:00 a.m. on **Monday, 18 May 2026**. Responses to these questions will be shared at the 41st AGM.

2.2 During the 41st AGM, Members who are physically present at the Main Venue will be able to ask questions in person. Members who attend virtually may use the RPEV facility to ask questions in real time (in the form of typed text) during the meeting. The Board and Senior Management will be in attendance at the Main Venue to provide the responses accordingly.

3.0 Proxy and/or Authorised Representative

3.1 A Member entitled to attend, speak and vote at the Meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy or representative may, but need not be a Member of the Company. A member may appoint any person to be his/her proxy without restriction to the proxy's qualification.

3.2 A Member shall not be entitled to appoint more than two (2) proxies to attend, speak and vote at the Meeting provided that, where the Member of the Company is an authorised nominee as defined in accordance with the provisions of SICDA, it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares in the Company standing to the credit of the said securities account. Where the Member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (omnibus account), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

3.3 Where a Member appoints two (2) proxies, the appointments shall be invalid unless the proportions of the holdings to be represented by each proxy are specified.

3.4 A corporation which is a Member, may by resolution of its directors or other governing body authorises such person as it thinks fit to act as its representative at the Meeting, in accordance with Clause 100 of the Company's Constitution.

3.5 The instrument appointing the proxy must be deposited or submitted in the following manner not less than 24 hours before the time appointed for taking the poll or not later than 10:00 am on Monday, 18 May 2026:

(a) in hard copy, by hand or post to the office of the Share Registrar of the Company, Boardroom Share Registrars Sdn Bhd, 11th Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.
or
(b) by electronic submission at https://investor.boardroomlimited.com. Please refer to the Administrative Details for further information on the electronic submission.

Any alteration to the instrument appointing the proxy must be initialled.

3.6 By submitting the duly executed Proxy Form, the Member and his/her proxy(ies) are deemed to have consented for the Company (and/or its agents/service providers) to collect, use and disclose the personal data therein in accordance with the Personal Data Protection Act 2010 for purpose of the 41st AGM and/or any adjournment thereof.

4.0 Voting by Poll

Pursuant to Paragraph 8.29A of the Main LR, all resolutions set out in the Notice of 41st AGM will be put to vote on poll.

5.0 Audited Financial Statements for financial year ended 31 December 2025

The Audited Financial Statements, under Agenda 1.0, laid before the shareholders, pursuant to the provisions of Sections 266(1)(a) and 340(1)(a) of the CA 2016, are for discussion only. It does not require the approval of the shareholders and hence, will not be put to vote.

6.0 Ordinary Resolutions 1 to 4: Re-election of Directors who retire pursuant to Clause 106(2) and Clause 112 of the Company's Constitution

6.1 Clause 106(2) of the Company's Constitution provides that any Director appointed during the year shall hold office only until the next AGM and shall then be eligible for re-election. Dr. Tunku Alina Raja Muhd Alias and Shahnaz Al-Sadat Abdul Mohsein who were appointed since the last AGM, on 3 June 2025, are standing for re-election and they have consented to be re-elected as Directors of the Company.

6.2 Clause 112 of the Company's Constitution further provides that all Directors shall retire from office at least once in every three (3) years but shall be eligible for re-election. At every AGM of the Company, one third (1/3) of the Directors of the Company for the time being or if not a multiple of three (3), nearest to one third (1/3), shall retire by rotation. Clause 113 also stipulates that the Directors to retire shall be the ones that have been longest in office since his/her last re-election.

6.3 At this AGM, three (3) out of the remaining ten (10) Directors are to retire under Clause 112. Hisham Zainal Mokhtar, Amar Huzaimi Md Deris and Datuk Siti Zauyah Md Desa being longest in office since their last re-election, are to stand for re-election as Directors of the Company.

Datuk Siti Zauyah Md Desa who has served the Company since 2020 has notified the Board of her intention not to seek re-election. She will retain office until the conclusion of the 41st AGM.

6.4 For the purpose of determining the eligibility of a Director to stand for re-election at the 41st AGM, the Board through its Board Nomination and Remuneration Committee (NRC) had assessed and considered the following:

(a) The Director's performance and contribution based on the Self and Peer Assessment (SPA) results of the Board Effectiveness Evaluation (BEE) 2025;
(b) The Director's level of contribution to the Board deliberations through his/her skills, experience and commitment;
(c) The level of independence demonstrated by the Independent Director and his/her ability to act in the best interests of the Company in decision-making; and
(d) The Director's fitness and propriety with reference to the Directors' Fit and Proper Policy.

6.5 In line with Practice 6.1 of the Malaysian Code on Corporate Governance (MCCG), the Board has conducted the BEE assessment on the Directors' performance. Based on the results of the BEE 2025, the Directors satisfied the performance criteria required for an effective and high-performing Board. All directors, including the retiring Directors, have undergone the fit and proper test assessment. In addition, all NEDs have provided their annual declaration on independence assessment and confirmation of independence via the BEE.

6.6 Based on the above, the Board, save for the abovenamed Directors who abstain on their respective re-election proposals at the relevant NRC and/or Board meetings, approved the NRC's recommendation for the aforesaid four (4) Directors who retire in accordance with Clauses 106(2) and 112 of the Company's Constitution, are eligible to stand for re-election.

6.7 Being eligible, all four (4) Directors have consented and offered themselves to be re-elected as Directors of the Company. Their profiles are set out in the Board of Directors' section on pages 281, 283 and 286 inclusive of the Integrated Annual Report (IAR) 2025.

6.8 Any Director referred to in Resolutions 1 to 4, who is a shareholder of the Company will abstain from voting on the resolution in respect of their respective re-election at the 41st AGM.

7.0 Ordinary Resolutions 5 and 6: Directors' Fees and Benefits Payable

7.1 Section 230(1) of CA 2016 provides amongst others, that "the fees" of the directors and "any benefits" payable to the directors of a listed company and its subsidiaries shall be approved at a general meeting. Pursuant thereto, Shareholders' approval is sought at this 41st AGM on the Directors' remuneration in the following two (2) resolutions:

(a) Ordinary Resolution 5 on the payment of Directors' fees for the Company as determined by the Board from the 41st AGM until the next AGM; and

(b) Ordinary Resolution 6 on the payment of benefits payable to the NEC and NEDs (including SID) from the 41st AGM until the next AGM.

7.2 As part of its remuneration function, the NRC is responsible to conduct an annual review of the Board remuneration policy to ensure that the prevailing remuneration for the Board and Committees remain competitive and appropriate to attract, retain and motivate individuals with strong credentials and high calibre to serve on the Board of the Company.

Based on the benchmark analysis and review of TM Board's Remuneration and Benefit Policy (BRBP) conducted by an external consultant, in January 2025, the NRC is of the opinion that directors' fees for NEC, NEDs and SID coupled with the meeting allowances, benefits in kind (BIK) and the Subsidiary Board Remuneration Framework (SRF) are competitive and to maintain status quo.

NOTICE OF THE 41ST AGM

The Board accepted NRC's recommendation for the BRBP to remain unchanged, as they are fair, still reasonably attractive and competitive, taking into consideration the interest of the Company and stakeholders, it commensurate with Directors' responsibilities, time commitment and contributions vis-à-vis TM's performance and sustainability.

7.3 Ordinary Resolution 5 on the payment of Directors' fees

The amount of Directors' fees remain unchanged since 2018 and no changes are currently proposed.

7.4 Ordinary Resolution 6 on the payment of benefits payable to the NEC and NEDs

The benefits payable applicable to NEC and NEDs comprise meeting fees, emoluments and claimable benefits as stipulated below:

(a) Meeting fee structure for Board and its Committees:

	TM Board (RM)	Board Audit Committee (RM)	Nomination and Remuneration Committee (RM)	Board Tender Committee (RM)	Board Risk and Investment Committee (RM)
Chairman	5,000	4,750	2,500	3,250	2,500
NED	3,000	2,500	2,000	2,500	2,000

(b) Pursuant to the prevailing SRF, NEC and NEDs appointed on the Boards of TM subsidiaries are entitled to the following meeting fees:

	NEC	NED	Committee Fee	
Category of TM Subsidiaries	Meeting Fee (RM)	Meeting Fee (RM)	Chairman Meeting Fee (RM)	Chairman Meeting Fee (RM)
Tier 1 & UTSB*	3,000	2,000	500	300
Other Subsidiaries	1,500	1,000	Nil	Nil

** UTSB - Universiti Telekom Sdn Bhd.*

(c) Benefits such as training programme, leave passage, business equipment, telecommunication bills, insurance and medical coverage.

In determining the estimated amount of benefits payable for the NEC and NEDs, various factors, including the number of scheduled meetings for the Board, its Committees and Boards of subsidiaries as well as the number of NEDs involved in these meetings were considered. Upon taking into consideration the SRF, the Board endorsed the NRC's recommendation to maintain the approved quantum of RM2,350,000 per previous AGMs. The expected total utilised amount would be approximately 80% of the approved amount.

7.5 The amount of remuneration received by each Director is provided in the Directors' and Senior Management's Remuneration section of the Corporate Governance Overview Statement and Note 6(b) of the Audited Financial Statements for the financial year ended 31 December 2025.

7.6 Subject to the Shareholders' approval of Ordinary Resolutions 5 and 6, the payments for fees and benefits for the period commencing from the 41st AGM until the next AGM will be made by the Company and its subsidiaries on monthly basis and/or as and when incurred. The Board opined that payments to the NEC and NEDs are just and equitable taking into consideration their roles and responsibilities towards the Group and the services rendered to the Company and its subsidiaries.

7.7 Any NEDs who are shareholders of the Company will abstain from voting on the aforesaid resolutions at the 41st AGM.

8.0 Ordinary Resolution 7: Re-appointment of Auditors and Audit Fees

8.1 The Board Audit Committee (BAC) undertook the annual assessment of the suitability and independence of the external auditors, Ernst & Young PLT (EY), based on the following key areas:

(i) Quality of service and sufficiency of resources;
(ii) Communication and interaction with external auditor; and
(iii) Independence, objectivity and professionalism.

BAC as well as the TM Group's personnel who had substantial contact with EY throughout the year participated in the annual questionnaire coordinated by the Group Internal Audit.

8.2 Based on the evaluation result, BAC and Management were satisfied with EY's performance in 2025 as shown from the evaluation results, compared to 2024. BAC considered the candid communications and interactions with the lead audit engagement partner and his team through discussions at private meetings. BAC was also satisfied with the findings that the provision of non-audit services by EY to the Group for the financial year 2025 did not in any way impair their objectivity and independence as external auditors for TM. Based on the assessment, BAC recommended EY to be re-appointed as the external auditors of the Company for the financial year 2026.

8.3 The Board at its Meeting held on 25 February 2026 approved BAC's recommendation to seek Shareholders' approval at the 41st AGM on the re-appointment of EY as the external auditors of the Company for the financial year 2026 in accordance with Section 340(1)(c) and Section 274(1)(a) of the CA 2016. BAC and the Board were satisfied with EY's performance based on the assessment criteria and having met the requirements prescribed under Paragraph 15.21 of the Main LR.

9.0 Ordinary Resolution 8: Renewal of Authority for Allotment of Shares in relation to DRS

The proposed Ordinary Resolution 8 if passed, will empower the Directors to allot and issue new TM Shares pursuant to the DRS based on the dividend to be declared after this AGM, if any. This authority shall expire upon the conclusion of the next AGM.

10.0 Ordinary Resolutions 9 to 15: Proposed Renewal of Shareholders' Mandate and Proposed Additional Shareholders' Mandate

10.1 Ordinary Resolutions 9 to 15 if passed, will authorise the Company and/or its subsidiaries to continue to enter into recurrent related party transactions with related parties in the ordinary course of business which are necessary for the Group's day-to-day operations and are based on normal commercial terms which are not more favourable to the related parties than those generally available to the public and shall lapse at the conclusion of the next AGM unless authority for its renewal is obtained from shareholders of the Company at a general meeting.

10.2 The Interested Directors as indicated in Section 6 of the Circular to Shareholders dated 17 April 2026 and their Persons Connected, will abstain from voting on the Ordinary Resolutions 9 to 15. Detailed information on the proposals is set out in the Circular.

STATEMENT ACCOMPANYING NOTICE OF THE 41ST AGM

pursuant to Paragraph 8.27(2) and Appendix 8A of the Main LR of Bursa Securities

Re-election of Directors at the 41st AGM

1. The Directors who are retiring pursuant to Clause 106(2) of the Company's Constitution and standing for re-election are as follows:

   a) Dr. Tunku Alina Raja Muhd Alias
   Dr. Tunku Alina, a lawyer, holds a PhD in Islamic Finance and has had extensive experience in client negotiations and dispute resolution, providing advisory for compliance and regulatory aspects for investments and property development. She has also had exposure and experience in both business and academia. She is now known for her work and advocacy in corporate governance and sustainability, including climate change, fulfilling the gap for sustainability competency on the Board. She is vocal, meticulous, and strict on attention to details.

   With her extensive experience, she brought the legal and sustainability perspectives to BAC and BRIC, enhancing the committees' overall effectiveness. She was rated highly in the BEE 2025 for her 6 months contribution for the year under review.

   The NRC and the rest of the Board has recommended Dr. Tunku Alina to be re-elected as a Director of the Company.

   b) Shahnaz Al-Sadat Abdul Mohsein
   Shahnaz, is a Certified Public Accountant, Certified Internal Auditor and holds a LL.B and MBA. She has over 30 years of diverse careers in different capacities in several corporations, gaining extensive experience in audit, corporate leadership, consultancy and education. Being a social entrepreneur , she also brought her entrepreneurial perspectives to the Board.

   She is a member of BAC and BTC. With her extensive career background, her membership at BAC is a good fit for financial and internal control discussions. Whilst at BTC, she contributed toward the financial aspect of the discussions. In the nine (9) months since her appointment, she has developed well into the role as Board member. She was also rated favourably by her peers in the BEE 2025.

   The NRC and the Board recommended Shahnaz to be re-elected as Director of the Company.

2. The Directors who are retiring pursuant to Clause 112 of the Company's Constitution and standing for re-election are as follows:

   a) Hisham Zainal Mokhtar
   Hisham, a SID, has a Bachelor and a Master of Science in Mathematics, a MBA and is a CFA charter holder from CFA Institute, USA. He is objective, precise and inquisitive in his assessment of any subject matter put forth for discussion. He also demonstrated strong principles in upholding governance and integrity. He provides valuable inputs for the Board's deliberation and demonstrated independence of judgement for the Board's deliberation. Based on the BEE 2025 assessment, he was highly rated by his peers.

   The NRC (save for himself) and the rest of the Board recommended Hisham to be re-elected as Director of the Company.

   b) Amar Huzaimi Md Deris
   Amar, MD/GCEO, has over 27 years of experience in the telecommunication industry. He has a strong understanding of TM's business and culture and recognises the fundamental issues affecting TM. He is confident and has demonstrated strong technical and industry knowledge, leadership qualities and astute business acumen. Under his guidance and vision, together with the Management team, the Group's long-term strategy to become a Digital Powerhouse by 2030 is being materialised.

   He is well equipped to carry the weighty task of balancing TM's dual role of PLC and GLC, as well as nation-building in support of Digital Malaysia's aspirations. Based on the BEE assessment, he was highly rated and the Board viewed that he has performed well helming the Group with exemplary leadership and dedication.

   The NRC and the rest of the Board recommended Amar Huzaimi to be re-elected as Director of the Company.

3. **Datuk Siti Zauyah Md Desa** who will also retire by rotation according to Clause 112, has expressed her intention not to seek re-election at this 41st AGM. Therefore, she shall retire as Director upon the conclusion of this 41st AGM.

4. None of the above Directors has any interest in the securities of the Company, save for Dr. Tunku Alina Raja Muhd Alias and Amar Huzaimi Md Deris, whose interests in shares are disclosed on page 21 of the Financial Statements.

5. Save as disclosed in the Additional Information of the Board of Directors section on page 287 of the IAR 2025, none of the above named Directors has:

   (i) Any family relationship with any Directors/major shareholders of the Company;
   (ii) Any conflict of interest (COI) or potential COI, including in any competing business with the Group;
   (iii) Any conviction for offences (other than traffic offences) within the past five (5) years; and
   (iv) Any public sanction or penalty imposed by the relevant regulatory bodies during the FY2025.

6. Based on the independence assessment taken via the BEE 2025, Dr. Tunku Alina Raja Muhd Alias, Shahnaz Al-Sadat Abdul Mohsein and Hisham Zainal Mokhtar, who are standing for re-election, satisfied the criteria of independent directors as defined under Paragraph 1.01 of the Main LR of Bursa Securities, which include being independent of Management, free from any business or other relationship which could interfere with the exercise of independent judgement, objectivity or the ability to act in the best interests of the Company and also being independent of the major shareholders.

ADMINISTRATIVE GUIDE FOR THE 41ST AGM

ADMINISTRATIVE GUIDE FOR HYBRID 41ST ANNUAL GENERAL MEETING (AGM)

The **41st AGM** of the Company will be conducted through a **hybrid mode** in line with Paragraph 8.27A of the Bursa Malaysia Securities Berhad's Main Market Listing Requirements (Main LR) and Principle C of the Malaysian Code on Corporate Governance (MCCG) whereby listed companies are encouraged to leverage on technology in conducting general meetings to facilitate participation by shareholders in attendance and voting. The details of TM's 41st AGM are as below:

Date	:	Tuesday, 19 May 2026
Time	:	10:00 a.m. (Malaysia time)
Meeting Mode	:	Hybrid
Main Venue	:	Multi Purpose Hall, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia
Online Platform	:	Boardroom Smart Investor Portal (BSIP) at https://investor.boardroomlimited.com with Remote Participation and Electronic Voting (RPEV) facilities

Shareholders have the **option** to attend the hybrid 41st AGM either **physically** in person at the Main Venue (Physical Attendance) or **virtually** through the RPEV facilities managed by BSIP (Virtual Attendance).

The Main Venue is located in Malaysia where the Chairman of the meeting will be physically present in accordance with Section 327(2) of the Companies Act 2016 (CA 2016).

GENERAL MEETING RECORD OF DEPOSITORS

Only a member or depositor whose name appears in the Register of Members/Record of Depositors (General Meeting ROD) as at 12 May 2026 shall be entitled to attend the 41st AGM or appoint proxy(ies) to attend on his/her behalf.

REGISTRATION PROCEDURES FOR AGM

Key information for shareholders who are attending, participating and voting at the 41st AGM:

Key Steps		
1. Registration for Physical Attendance	Pre-registration is not required for Physical Attendance. All member(s), proxy(ies), corporate representative(s) or attorney(s) attending physically must register their attendance at the Main Venue. See **Section A (3)** for steps to register for Physical Attendance.	
2. Registration for Remote Participation **(Section A)**	All member(s), proxy(ies), corporate representative(s) or attorney(s) attending **virtually**, must register their attendance via the BSIP at https://investor.boardroomlimited.com from Friday, 17 April 2026 until such time before the poll voting session ends at the 41st AGM on Tuesday, 19 May 2026. See **Section A(2)** for steps to register for Remote Participation.	
3. Appointment of Proxy **(Section B)**	• If you are unable to participate at the AGM, you may: - appoint proxy(ies) to participate and vote on your behalf; or - appoint the Chairman as your proxy to vote on your behalf; and - indicate your voting instructions in the Form of Proxy. • For more details on the appointment of proxy(ies), please refer to the steps in **Section B (APPOINTMENT OF PROXY)**. • Please ensure that proxy(ies) appointed are registered BSIP users.	
4. Poll Voting **(Section C)**	**Physical Attendance** Via smartphone/tablet with the QR code provided upon registration on the day of the meeting.	**Virtual Attendance** Via the same BSIP. Please refer to the details in **Section C (POLL VOTING FOR AGM)**.

ADMINISTRATIVE GUIDE FOR THE 41ST AGM

SECTION A: REGISTRATION FOR REMOTE PARTICIPATION

1. The RPEV facilities will open from Friday, 17 April 2026 until such time before the poll voting session ends at the 41st AGM on Tuesday, 19 May 2026.

2. If you wish to change your mode of participation, please login to BSIP and perform the change before the cut off time at 10:30 a.m. on Monday, 18 May 2026.

Virtual Attendance

- Login your BSIP account with your registered email address and password.
- Click **"Meeting Event(s)"**, then select **"TELEKOM MALAYSIA BERHAD 41ST ANNUAL GENERAL MEETING"** from the list and click **"Enter"**.
- Go to **"Virtual"**, click **"Register for RPEV"** and enter the 9-digit CDS account number.
- Read and check the box to accept the Terms & Conditions, then click **"Register"**.
- You will receive a notification that your RPEV registration has been received.
- Upon system verification against the General Meeting ROD as of 12 May 2026, you will receive an email from Boardroom notifying you whether your registration has been approved or rejected.

Note: You must be a registered BSIP user. Otherwise, please refer to the below URL to register an account with BSIP:

(a) How to Register as Individual Shareholder
https://investor.boardroomlimited.com/document/tutorial/BSIP_Registration_edit%20profile.pdf

(b) How to Register as Corporate Holder
https://investor.boardroomlimited.com/document/tutorial/BSIP_Corporate%20Account%20Registration.pdf

3. Attending the AGM on Tuesday, 19 May 2026 (Meeting Day)

Physical Attendance

- Registration will start at 8:30 a.m. at the Main Venue.
- Please present your original **MYKAD or passport (for non-Malaysians)** for verification purposes at the registration counters. Registration on behalf is strictly NOT ALLOWED.
- Kindly note that only shareholders or proxies with a wristband are allowed to enter the Main Venue upon successful registration.

Virtual Attendance

- The online meeting platform will be available from 8:30 a.m.
- Go to the BSIP website at https://investor.boardroomlimited.com
- Login to your BSIP account with your registered email address and password.
- Click **"Meeting Event(s)"** then select **"TELEKOM MALAYSIA BERHAD ANNUAL GENERAL MEETING"**.
- Click **"Join Live Meeting"** to join the proceedings of the AGM remotely.

Important Notes for Virtual Attendees:

i. The quality of the connection of the virtual meeting platform for the live webcast and remote online voting depends on the bandwidth and the stability of the internet connection available at your location.

ii. Recommended requirements for live webcast:
   a) Browser: Latest versions of Chrome, Firefox, Microsoft Edge, Safari or Opera
   b) Bandwidth: Minimum 9 Mbps stable speed for high-definition (HD) High-Quality video quality
   c) Keep your video resolution at 240P.

iii. You may not be able to gain access to the AGM via the RPEV facilities if your connecting device is on a network with a firewall and other security filtration.

iv. With the RPEV facilities, you may exercise your right as a shareholder of the Company to participate and pose questions to the Board/ Management of the Company and vote during the 41st AGM from any place at your convenience, safely and securely.

SECTION B: APPOINTMENT OF PROXY

1. Cut-off date and time for lodgement of the Form of Proxy

All Forms of Proxy and documents relating to the appointment of proxy(ies) or corporate representative(s) or attorney(s) for the AGM, whether in hardcopy or by electronic means, must be deposited with or submitted to the Boardroom no later than **Monday, 18 May 2026**, 10:00 a.m. Please refer to the steps below for the lodgement of Form of Proxy.

2. Lodgement of Form of Proxy

The appointment of proxy(ies) may be submitted in hardcopy or electronically.

a. In hardcopy:

- Please ensure that the original proxy form is deposited at the Share Registrar's office not less than 24 hours before the time appointed for holding taking the poll or no later than 18 May 2026, 10:00 a.m. at the following address:

  Boardroom Share Registrars Sdn Bhd
  11th Floor, Menara Symphony
  No. 5, Jalan Prof. Khoo Kay Kim
  Seksyen 13, 46200 Petaling Jaya
  Selangor Darul Ehsan, Malaysia
  Office: +60 3 7890 4700

- You may download the Form of Proxy from our website at www.tm.com.my/iar2025.

b. Via electronic means:

- Alternatively, you may deposit your Form of Proxy electronically via BSIP. Kindly follow the link at https://investor.boardroomlimited.com to log in and submit the form, not later than 24 hours before the time appointed for taking the poll or no later than **10:00 a.m. on 18 May 2026**. Login to your BSIP account with your registered email address and password.

[Note: If you do not have an account with BSIP, please sign up/register for free, in accordance with Section A(I).]

- Click **"Meeting Event(s)"** and select **"TELEKOM MALAYSIA BERHAD ANNUAL GENERAL MEETING"** and click **"Enter"**.

If you wish to participate in the AGM yourself, please do not submit any proxy form for the AGM. You will not be allowed to participate in the AGM together with the proxy appointed by you.

Please take note that you must complete the proxy form for the AGM should you wish to appoint a proxy.

ADMINISTRATIVE GUIDE FOR THE 41ST AGM

By Shareholder and Corporate Holder

- For Corporate Account User only, select the Company that you are representing.
- Go to **"PROXY"** and click **"Submit eProxy Form"**.
- Enter your 9-digit CDS account number and the number of securities held.
- Select your proxy(ies) appointment – either the Chairman of the meeting or individually named proxy(ies).
- Read and accept the Terms & Conditions and click **"Next"**.
- Enter the required particulars of your proxy(ies).
- Indicate your voting instructions for each Resolution – FOR, AGAINST, or ABSTAIN. If no specific direction as to voting is given, your proxy(ies) will vote or abstain from voting at their discretion.
- Review and confirm your proxy(ies) appointment. Click **"Submit"**.
- Download or print the eProxy Form as an acknowledgement.

By Nominees Company

- Select the Nominees Company that you are representing.
- Go to **"PROXY"** and click **"Submit eProxy Form"**.
- Click **"Download Excel Template"** to download.
- Insert the appointment of proxy(ies) for each CDS account with the necessary data and voting instructions into the downloaded Excel file template. Ensure inserted data is correct and organised.
- Upload the completed Excel file.
- Review and confirm your proxy(ies) appointment and click **"Submit"**.
- Download or print the eProxy Form as an acknowledgement.

c. Revocation of Proxy

If you have submitted your Form of Proxy prior to the AGM and later decide to appoint another person, or if you wish to participate in the AGM yourself, please revoke the appointment of the proxy(ies) at least 48 hours before the AGM. Please find below the steps for the revocation of the eProxy Form or the hardcopy Form of Proxy:

eProxy Form

- Go to **"Submitted eProxy Form list"** and click **"View"**.
- Click **"Cancel/Revoke"** at the bottom of the eProxy form.
- Click **"Proceed"** to confirm.

Physical Form of Proxy

- Please write in to bsr.proxy@boardroomlimited.com to revoke the appointment of proxy(ies).

Upon revocation, the proxy(ies) appointed earlier will not be permitted to participate in the AGM. As such, please advise your proxy(ies) accordingly.

SECTION C: POLL VOTING FOR AGM

The voting at the AGM will be conducted by way of poll in accordance with Paragraph 8.29A(1) of the Main LR:

- All shareholders and proxies attending the AGM physically at the Main Venue or virtually using the RPEV facilities shall exercise their rights to vote using the RPEV facilities through the BSIP accessible at https://investor.boardroomlimited.com. As such, all shareholders and proxies attending the AGM physically at the Main Venue are advised to bring their own personal devices to vote via the BSIP.

- The Company has appointed Boardroom Share Registrars Sdn Bhd as the Poll Administrator to conduct the poll by way of online voting. During the meeting, the Chairman will invite the Poll Administrator to brief you on the online voting process using RPEV facilities. This is in line with the Securities Commission Malaysia's Guidance which provides that members shall be allowed to cast their votes remotely and contemporaneously (live) during the proceeding of the general meeting.

- The Company has appointed Deloitte Malaysia Assurance Sdn Bhd (formerly known as Deloitte Corporate Solutions Sdn Bhd) as the Scrutineer. The Scrutineer will verify the poll result reports upon closing of the poll session by the Chairman. The Scrutineer will announce the results and the Chairman will declare whether the resolutions put to vote are successfully carried or otherwise.

- Shareholders/proxies/corporate representatives/attorneys may proceed to vote on the resolutions from the commencement of the AGM at 10:00 a.m. on Tuesday, 19 May 2026 (for both physical and virtual attendees) until the end of the voting session which will be announced by the Chairman.

Steps to Vote:

- The voting will be conducted by poll in accordance with Paragraph 8.29A of the Main LR.

Physical Attendance

- Please vote using your smartphone/tablet with the QR code which will be provided upon registration on the day of the meeting.
- All physical attendees are advised to bring their own personal devices to vote.

Virtual Attendance

- Once the voting is open, click on the voting icon. The resolution and voting choices will be displayed.
- To vote, please select your voting options as shown on screen. A confirmation message will appear indicating that your votes have been received.
- To change your vote, re-select another voting option. If you wish to cancel your vote, please click **"Cancel"**.
- After casting your vote, you may click the video button to continue viewing the live webcast for the announcement of the poll results by the Chairman.

ADMINISTRATIVE GUIDE FOR THE 41ST AGM

SECTION D: SUBMISSION OF QUESTIONS

1. Prior to the meeting

Shareholders may submit questions in relation to the agenda item for the AGM via https://investor.boardroomlimited.com. Login to your BSIP account and click **"Meeting Event(s)"** and go to **"TELEKOM MALAYSIA BERHAD 41ST ANNUAL GENERAL MEETING"** and click "Enter". Thereafter, select **"SUBMIT QUESTION"** to pose your questions. Please submit your questions no later than **Monday, 18 May 2026, 10:00 a.m**. Responses to these questions will be tended to during the AGM.

2. During the meeting

- TM welcomes participation and questions from shareholders on the AGM Resolutions at the 41st AGM. The Chairman and the Board will endeavour their best to respond to the questions submitted by shareholders which are related to the resolutions tabled at the AGM, as well as the financial performance/prospect of the Company. In the event some of the replies cannot be provided during the meeting, the relevant responses will be provided in the Investor Relations' section on TM website.

- Shareholders may submit their questions on the AGM resolutions in advance prior to commencement of the 41st AGM via the following modes:

Physical Attendance

- You may submit your questions via the QR Code which will be provided upon registration on the day of the meeting.
- Click on the Messaging window facility to submit your questions. The Messaging window facility will open one (1) hour before the AGM which is from **9:00 a.m. on Tuesday, 19 May 2026**.
- You may also speak or raise questions during the meeting.

Virtual Attendance

- You may use the Messaging window facility to submit your questions. The Messaging window facility will open 1 hour before the AGM at **9:00 a.m. on Tuesday, 19 May 2026**.

SECTION E: OTHER INFORMATION FOR PHYSICAL ATTENDANCE AT THE AGM

1. Parking

- Parking is free at Lower Ground 3 (LG3) of Menara TM ONLY.
- Shareholders are encouraged to use the KELANA JAYA LINE (Light Rail Transit) and disembark at the Kerinchi Station, which is about 5 minutes walking distance to the venue of the meeting.
- Directional signage to the parking area will be provided.

2. Registration

- Registration will commence at 8:30 a.m. and will end at a time as directed by the Chairman.
- Please produce your original Identity Card (IC) at the registration counter for verification.
- Upon completion of the registration process, you will be given an identification wristband which you must wear before entering the meeting hall.
- If you are attending the meeting as shareholder as well as proxy, you will only be registered once and will be given only one (1) identification wristband to enter the meeting hall.
- You are not allowed to enter the meeting hall without wearing the identification wristband. There will be no replacement in the event you lose or misplace your identification wristband.
- You will not be allowed to register on behalf of another member even with the original IC of that other member.
- The registration counters will only handle verification of identities and registrations. If you have other queries or need clarification, please proceed to the Help Desk.

SECTION F: OTHER INFORMATION

1. Help Desk

A Help Desk will be available for enquiries or clarification in relation to registration matters and handle revocation of proxy appointments.

2. The Integrated Annual Report 2025 (IAR 2025) and Related AGM Documents

- As part of our continuous commitment to sustainability, we have produced a limited number of printed copies of the IAR 2025. We strongly encourage our shareholders to refer to the softcopy of the IAR 2025 which can be downloaded from our website at www.tm.com.my/iar2025 and also at Bursa Malaysia's website.
- Shareholders may request for a printed copy of IAR 2025, through BSIP at https://investor.boardroomlimited.com. Select "Request for Annual Report" under the "Investor Services" menu.
- Alternatively, you may also make your request to our Share Registrar via e-mail: bsr.helpdesk@boardroomlimited.com or contact at +603-7890 4700.

3. Enquiry

- For enquiries on registration, voting procedures and e-polling, please refer to Boardroom Share Registrars Sdn Bhd's Help Desk:

Contact	:	+603-7890 4700
Fax Number	:	+603-7890 4670
Email	:	bsr.helpdesk@boardroomlimited.com

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Proxy Form

TELEKOM MALAYSIA BERHAD
198401016183 (128740-P)
(Incorporated in Malaysia)

"**A**"

I/We _____
(Full Name as per NRIC/Passport/Certificate of Incorporation in capital letters)

Registration No. /NRIC No. /Passport No. _____

of _____
(Full Address)

being a member of **TELEKOM MALAYSIA BERHAD** 198401016183 (128740-P) (the Company) hereby appoint _____

_____
(Full Name as per NRIC/Passport in capital letters)

with NRIC No. /Passport No. _____

of _____
(Full Address)

or failing him/her _____
(Full Name as per NRIC/Passport in capital letters)

with NRIC No. /Passport No. _____

of _____
(Full Address)

or failing him/her, the Chairman of the Meeting, as my/our **first** proxy to vote for me/us on my/our behalf at the 41st Annual General Meeting (AGM) of the Company to be held physically at the Multi Purpose Hall, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia **(Main Venue)** and virtually by way of electronic means via Boardroom Smart Investor Portal **(BSIP)** at https://investor.boardroomlimited.com **(Online Platform)** on Tuesday, 19 May 2026 at 10:00 a.m. and at any adjournment thereof.

"**B**" If you wish to appoint a second proxy, please complete this section.

I/We _____
(Full Name as per NRIC/Passport/Certificate of Incorporation in capital letters)

Registration No. /NRIC No. /Passport No. _____

of _____
(Full Address)

being a member of **TELEKOM MALAYSIA BERHAD** 198401016183 (128740-P) (the Company) hereby appoint _____

_____
(Full Name as per NRIC/Passport in capital letters)

with NRIC No. /Passport No. _____

of _____
(Full Address)

or failing him/her _____
(Full Name as per NRIC/Passport in capital letters)

with NRIC No. /Passport No. _____

of _____
(Full Address)

or failing him/her, the Chairman of the Meeting, as my/our **second** proxy to vote for me/us on my/our behalf at the 41st AGM of the Company to be held physically at the **Main Venue** and virtually via BSIP at Online Platform on Tuesday, 19 May 2026 at 10:00 a.m. and at any adjournment thereof.

For appointment of two (2) proxies, percentage of shareholdings to be represented by the respective proxies must be indicated below:			
	Percentage (%)	Email Address	Telephone No.
Proxy "A"			
Proxy "B"			
Total	100%		

I/We direct my/our proxy to vote on the following resolutions as I/we have indicated by marking the appropriate box with an 'X'. If no indication is given, my/our proxy will vote or abstain from voting at his or her discretion and I/we authorise my/our proxy to vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.

No.	Resolutions		Proxy "A" For	Proxy "A" Against	Proxy "B" For	Proxy "B" Against
	Ordinary Resolution					
1.	Re-election of Dr. Tunku Alina Raja Muhd Alias pursuant to Clause 106(2)	Resolution 1				
2.	Re-election of Shahnaz Al-Sadat Abdul Mohsein pursuant to Clause 106(2)	Resolution 2				
3.	Re-election of Hisham Zainal Mokhtar pursuant to Clause 112	Resolution 3				
4.	Re-election of Amar Huzaimi Md Deris pursuant to Clause 112	Resolution 4				
5.	Payment of Directors' fees	Resolution 5				
6.	Payment of Benefits Payable to Non-Executive Chairman and Non-Executive Directors	Resolution 6				
7.	Re-appointment of Ernst & Young PLT (EY) as Auditors of the Company for the financial year ending 31 December 2026 and to authorise the Board of Directors to determine their remuneration.	Resolution 7				
8.	Renewal of the Authority for Directors to Allot and Issue New Ordinary Shares in the Company (TM Shares) in relation to the Dividend Reinvestment Scheme (DRS)	Resolution 8				
9.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Proposed Renewal of Shareholders' Mandate) with Axiata Group Berhad and/or its subsidiaries (Axiata Group)	Resolution 9				
10.	Proposed Renewal of Shareholders' Mandate with Tenaga Nasional Berhad and/or its subsidiaries (TNB Group)	Resolution 10				
11.	Proposed Renewal of Shareholders' Mandate with Petroliam Nasional Berhad and/or its subsidiaries (Petronas Group)	Resolution 11				
12.	Proposed Renewal of Shareholders' Mandate with Astro Malaysia Holdings Berhad and/or its subsidiaries (AMHB Group)	Resolution 12				
13.	Proposed Renewal of Shareholders' Mandate with CelcomDigi Berhad and/or its subsidiaries (CelcomDigi Group)	Resolution 13				
14.	Proposed Renewal of Shareholders' Mandate with Digital Nasional Berhad (DNB)	Resolution 14				
15.	Proposed Additional Shareholders' Mandate with Maxis Berhad and/or its subsidiaries (Maxis Group)	Resolution 15				

Signed this _____ day of _____ 2026

No. of Ordinary Shares held	
CDS Account No. of the Authorised Nominee*	
Telephone No.	

* Applicable to shares held under nominee account only

Signature(s)/Common Seal of Member(s)

NOTES:

Proxy and/or Authorised Representatives

1. A Member entitled to attend, speak and vote at the meeting is entitled to appoint a proxy to attend, speak and vote in his/her stead. A proxy or representative may but need not be a Member of the Company. A Member may appoint any person to be his/her proxy without verification to the proxy's qualification.

2. A Member shall not be entitled to appoint more than two (2) proxies to attend speak and vote at the Meeting provided that where a Member of the Company is an authorised nominee as defined in accordance with the provisions of Securities Industry (Central Depositories) Act 1991 (SICDA), it may appoint at least one (1) proxy but not more than two (2) proxies in respect of each securities account it holds with ordinary shares in the Company standing to the credit of the said securities account. Where a Member is an exempt authorised nominee which holds ordinary shares in the Company for multiple beneficial owners in one (1) securities account (omnibus account), there shall be no limit to the number of proxies which the exempt authorised nominee may appoint in respect of each omnibus account it holds.

3. Where a Member appoints two (2) proxies, the appointments shall be invalid unless the proportions of the holdings to be represented by each proxy are specified.

4. The instrument appointing a proxy shall be in writing under the hand of the appointer or his attorney duly appointed under a Power of Attorney (POA) or if such appointer is a corporation, either under its common seal or under the hand of an officer or attorney duly appointed under a Power of Attorney.

5. A corporation which is a Member, may by resolution of its Directors or other governing body authorises such person as it thinks fit to act as its representative at the Meeting, in accordance with Clause 100 of the Company's Constitution.

6. The instrument appointing the proxy together with the duly registered POA referred to in Note 4 above, if any, must be deposited at the office of the Share Registrars, Boardroom Share Registrars Sdn Bhd Registration No. 199601006647 (378993-D) located at 11th Floor, Menara Symphony, No. 5 Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia not less than 24 hours before the time appointed for the taking of the poll or **no later than 10:00 a.m. on Monday, 18 May 2026**. The Share Registrars will also provide a box at the ground floor of its office building for drop-in of proxy forms. Proxy form can also be deposited electronically at https://investor. boardroomlimited.com. Please refer to the Administrative Guide for further information on the electronic submission.

Members entitled to Attend

7. For the purpose of determining a Member who shall be entitled to attend the 41st AGM, the Company shall be requesting Bursa Malaysia Depository Sdn Bhd in accordance with Clause 80(3)(a) of the Company's Constitution and Section 34(1) of the SICDA, to issue a General Meeting Record of Depositors (ROD) as at 12 May 2026. Only a depositor whose name appears on the Register of Members/ROD as at 12 May 2026 shall be entitled to attend, speak and vote at the said meeting or appoint proxy(ies) to attend, speak and/or vote on his/her behalf.

Personal Data Privacy

8. By submitting the duly executed proxy form, the Member and his/her proxy is deemed to have consented for the Company (and/or its agents/service providers) collecting, using and disclosing the personal data therein in accordance with the Personal Data Protection Act 2010, for the purpose of the AGM and any adjournment thereof.

Voting

9. Pursuant to Paragraph 8.29A of the Main Market Listing Requirements of Bursa Malaysia Securities Berhad, all resolutions set out in the Notice of the 41st AGM will be put to vote on a poll.

2. Fold this flap to seal

AFFIX STAMP

The Share Registrar

Boardroom Share Registrars Sdn Bhd
11th Floor, Menara Symphony
No. 5, Jalan Prof. Khoo Kay Kim
Seksyen 13, 46200 Petaling Jaya
Selangor Darul Ehsan
Malaysia

1. Fold here

EMPOWERING GENERATIONS

This cover design reflects TM's journey since inception, highlighting defining moments across generations that have shaped our role in advancing Malaysia's digital progress. Inspired by abstract art, it brings together symbolic elements — from the iconic telephonist of the early years to today's era of human–AI collaboration.

Across eight decades, TM has remained committed to empowering communities and businesses as Malaysia evolves in the digital age.

As new possibilities emerge through technologies such as cloud, artificial intelligence and digital infrastructure, we continue to expand access, enable innovation and help shape a more connected and progressive future for the nation.

YOUR NEXT IS NOW.

tm.com.my