

# > SUSTAINABILITY AT TM LEADERSHIP COMMITMENT

## Dear Stakeholders,

**We are pleased to present TM's sustainability performance in 2020. This Sustainability Statement demonstrates our progress and achievements during the year, as part of our ongoing commitment to creating an inclusive and brighter future for businesses, stakeholders, communities and the planet.**

This year has been a wake-up call for organisations to reflect on the ways of business and life. The unprecedented economic and social impacts of the global pandemic have only established how susceptible businesses are and can be to emerging risks of the future. As we navigate through various challenges of COVID-19, it is important to stay on course in committing to sustainability and sustainable development. TM will continue to work in the best interests of all stakeholders - employees, customers, suppliers, local communities and society at large. This means we remain dedicated in our efforts to make business and life easier for all Malaysians.

TM sees sustainability as both a responsibility as well as a business advantage. Integrating sustainability in our business's conduct is how we safeguard ourselves and stakeholders from future disruptions, creating new opportunities for growth and well-being. Our business case for sustainability is clear. Through a double-edged sword approach, we are addressing sustainability issues that impact our business, minimise negative EES impact while simultaneously creating value for the company, and our stakeholders.

The TM Sustainability Statement 2020 outlines various steps we have taken to create sustainable value: aligning sustainability considerations to our strategies and risk management principles; focusing on the most material matters affecting stakeholders and business value, and creating a positive impact in a challenging and uncertain world. Our EES impacts are governed by a robust system comprising of internal policies and guidelines, international benchmarking standards, and Enterprise Risk Management (ERM) framework. In 2020, we outperformed many of our industry peers in global sustainability indices. We are listed as one of the 75 constituents on the FTSE4Good Bursa Malaysia Index with a full rating of 4 out of 4, and achieving AA out of AAA on the MSCI ESG Ratings. These ratings are a testament to TM's resilience against EES and Governance risks, and demonstrate our overall sustainability progress.

As a nation-building organisation, our sustainability efforts are based on how we can best contribute to a better Malaysia, as demonstrated in our four (4) sustainability pillars:



### Building a Digital Malaysia

- The COVID-19 pandemic resulted in widened inequalities, with repercussions more severe for those without internet access.
- In 2020, two-thirds (2/3) of school children missed out on virtual learning<sup>1</sup> while 3.7 billion people offline<sup>2</sup> could not access equitable healthcare, banking or business solutions.
- Closing this digital divide means delivering affordable, reliable and inclusive internet connectivity, with the telecommunications sector playing a key role in socio-economic recovery and progress.
- Studies have consistently shown a high correlation between ICT development and sustainable development<sup>3</sup>.
- As a nation-building organisation, we are expanding our networks and tapping into innovative technologies to deliver reliable and affordable solutions.
- Through digital, we pledge 'to leave no one behind' in our aspiration for Digital Malaysia vision.



### Protecting the Planet

- Many of today's environmental challenges are responsible for adversely affecting the health and livelihoods of communities.
- For example, the COVID-19 pandemic has been attributed to the rising phenomenon of deforestation and other human activities<sup>4</sup>. Therefore, environmental health is critical to socio-economic resilience.
- Amid all the challenges of the pandemic, there has been a silver lining. As the world went into lockdown – lowering energy use and pollution – we witnessed the environment's ability to recover.
- This gives us hope that we can still protect the planet from climate change and strengthens our confidence that it is within the ability of our business and people to safeguard future generations.
- Within TM, we continue to accelerate our efforts in climate action and environmental protection. Through smart and efficient solutions, we make great strides in minimising the environmental footprint of our business as well as our stakeholders.



### Putting People First

- We believe that a business' purpose goes beyond generating wealth, as we are part of a broader social system. At TM, people are both the drivers and beneficiaries of our purpose - make business and life easier for Malaysians.
- Our commitment to people grew amid the COVID-19 outbreak. We swiftly took measures to protect our stakeholders, such as implementing Flexible Working Arrangements (FWA) and providing Personal Protective Equipment (PPE) to critical employees.
- With over 21,000 people working with us, we take pride in their development and well-being. This includes investing in our people so that they can thrive in a disruptive and competitive digital landscape.
- We also take care of our suppliers. In addition to supplier development programmes, we prioritise local SMEs and Bumiputera vendors so that our procurement funds get channelled back into the Malaysian economy.
- Our focus on people extends to the community at large. We have the responsibility to take care of the communities that have been a part of TM for so long. We strive to empower underdeveloped communities through digital programmes and social contributions.



### Strengthening Our Integrity

- Our strong stakeholder relationships are due to over 70 years of integrity. We see ethics and good governance as an essential tool in our sustainability agenda; ensuring we always do what's right for our stakeholders and business.
- We are committed to applying the highest standards of ethical conduct and integrity in everything we do, aligning our business activities with TM's Core Values (KRISTAL). This contributed to our success over the years, as there is a strong link between corporate governance and performance<sup>5</sup>.
- Honesty, transparency and ethical practices are institutionalised in TM by a strong governance system. There are measures in place to prevent corruption and malpractices, such as grievance mechanisms and stringent policies.
- We also conduct regular audits to actively monitor high-risk activities and areas.
- To strengthen our integrity culture, we provide training programmes that raise stakeholders' awareness of our high ethical standards.

<sup>1</sup> <https://www.unicef.org/press-releases/two-thirds-worlds-school-age-children-have-no-internet-access-home-new-unicef-itu>  
<sup>2</sup> <https://www.weforum.org/agenda/2020/04/coronavirus-covid-19-pandemic-digital-divide-internet-data-broadband-mobility/>  
<sup>3</sup> <https://www-file.huawei.com/-/media/corporate/pdf/sustainability/sdg/huawei-2019-sdg-report-en.pdf?la=en-my>  
<sup>4</sup> <https://www.weforum.org/agenda/2020/04/forest-loss-diseases-covid19-coronavirus-deforestation-health/>  
<sup>5</sup> <https://www.emerald.com/insight/content/doi/10.1108/AJAR-03-2020-0017/full/html>

# > SUSTAINABILITY DISCLOSURES

## SUSTAINABILITY PRINCIPLES

We strive to provide stakeholders with a complete picture of our sustainability progress each year. This means adhering to the following GRI Reporting Principles:



**Sustainability Context**

We elaborate on TM's activities and performance in the context of sustainability risks and opportunities.

**Completeness**

We cover material information that enables stakeholders to sufficiently assess our sustainability performance.

**Stakeholder Inclusiveness**

We describe how TM's sustainability efforts meet the ever-changing expectations of all stakeholders.

**Balance**

We report on both positive and negative data to enable a well-balanced assessment of our sustainability progress.

**Materiality**

We emphasise on TM's EES impact that significantly affects long-term stakeholder value creation.

**Comparability**

We include sustainability information from previous years, where possible, to demonstrate changes in our performance over time.

## SCOPE OF REPORTING

Since last year, TM's sustainability statement is incorporated into our IAR. This provides readers with one reference point; highlighting the interconnectedness between business and sustainability performance. The sustainability disclosures in this statement cover the full calendar year of 2020 unless stated otherwise. This statement covers all of TM's operations and activities across Malaysia. It addresses the top material matters that impact the business and influences stakeholder decisions.

## SUSTAINABLE IMPACT

Our sustainability statement considers the EES risks and opportunities to long-term stakeholder value creation; aligning with Bursa Malaysia's Sustainability Reporting Guide. We also look at the governance element of ESG as it is a crucial tool in sustainability, and it further informs stakeholders of our financial and business resilience. Throughout the report, the impacts of our sustainability initiatives are labelled with the following icons:



**Economic Impact**



**Environmental Impact**



**Social Impact**



**Governance**


## REPORTING FRAMEWORKS

This sustainability statement is in accordance with the GRI Standards: Core Option. It also adheres to the following standards and guidelines:

- Bursa Malaysia Sustainability Reporting Guide
- The ACCA Malaysia Sustainability Reporting Guidelines for Malaysian Companies
- ISO 26000:2010 Guidance on Social Responsibility
- The United Nations Sustainable Development Goals (UN SDGs)

## INDEPENDENT ASSURANCE

The authenticity of the sustainability disclosures was verified with an independent assurance by SIRIM QAS International Sdn Bhd.



Scan QR code for the third-party Assurance Statement and GRI Content Index

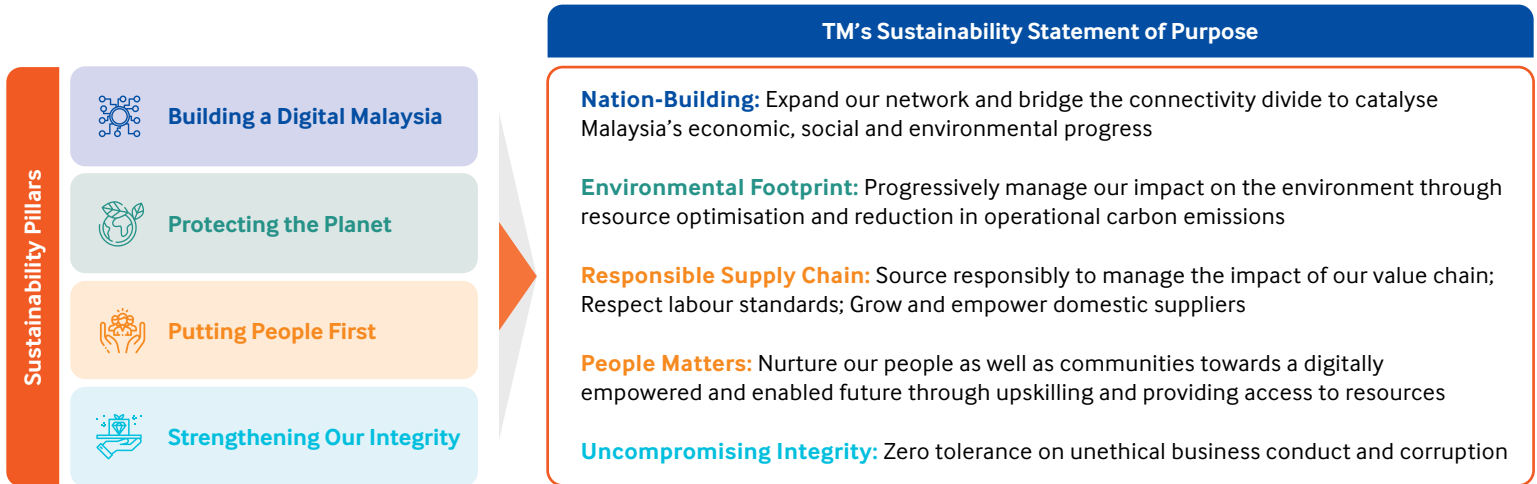
## POINT OF CONTACT

We welcome all questions or suggestions on our sustainability statement. Please address all feedback to [gsc@tm.com.my](mailto:gsc@tm.com.my).

# > SUSTAINABILITY PRIORITIES

## STATEMENT OF PURPOSE

At TM, we strive to make Life and Business Easier for a Better Malaysia. We aim to empower and connect people through our services; bringing economically viable, environmentally safe and socially responsible solutions to the country. This vision shapes TM's Sustainability Statement of Purpose, which is built on our four (4) sustainability pillars.



## SUSTAINABILITY ARCHITECTURE

In 2020, we established TM's Sustainability Architecture to effectively plan and execute our sustainability strategies and meet the objectives. This is aligned with the Group's business priorities to optimise EES impact in everything that we do. With a clear vision in mind, the Sustainability Architecture focuses on the following execution pillars and enablers that will catalyse our sustainability journey:



## UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGs)

TM's sustainability efforts are aligned with the UN SDGs to help address global challenges. We prioritise the SDGs according to the impact we create from addressing TM's material matters. Our eight (8) priority SDGs are supported by achievable impact indicators.

### Economic Impact



M1 M2 M3 M7

#### Impact Indicators

- E-commerce and digital businesses
- Small and medium-sized entrepreneurs
- Coverage and connectivity
- Internet and mobile penetration
- Network of ICT infrastructure

### Environmental Impact



M3 M4 M7

#### Impact Indicators

- Energy and material consumption
- Waste production
- Carbon footprint
- Sustainable infrastructure
- Supply chain footprint
- Air and water quality

### Social Impact



M1 M5 M6 M7

#### Impact Indicators

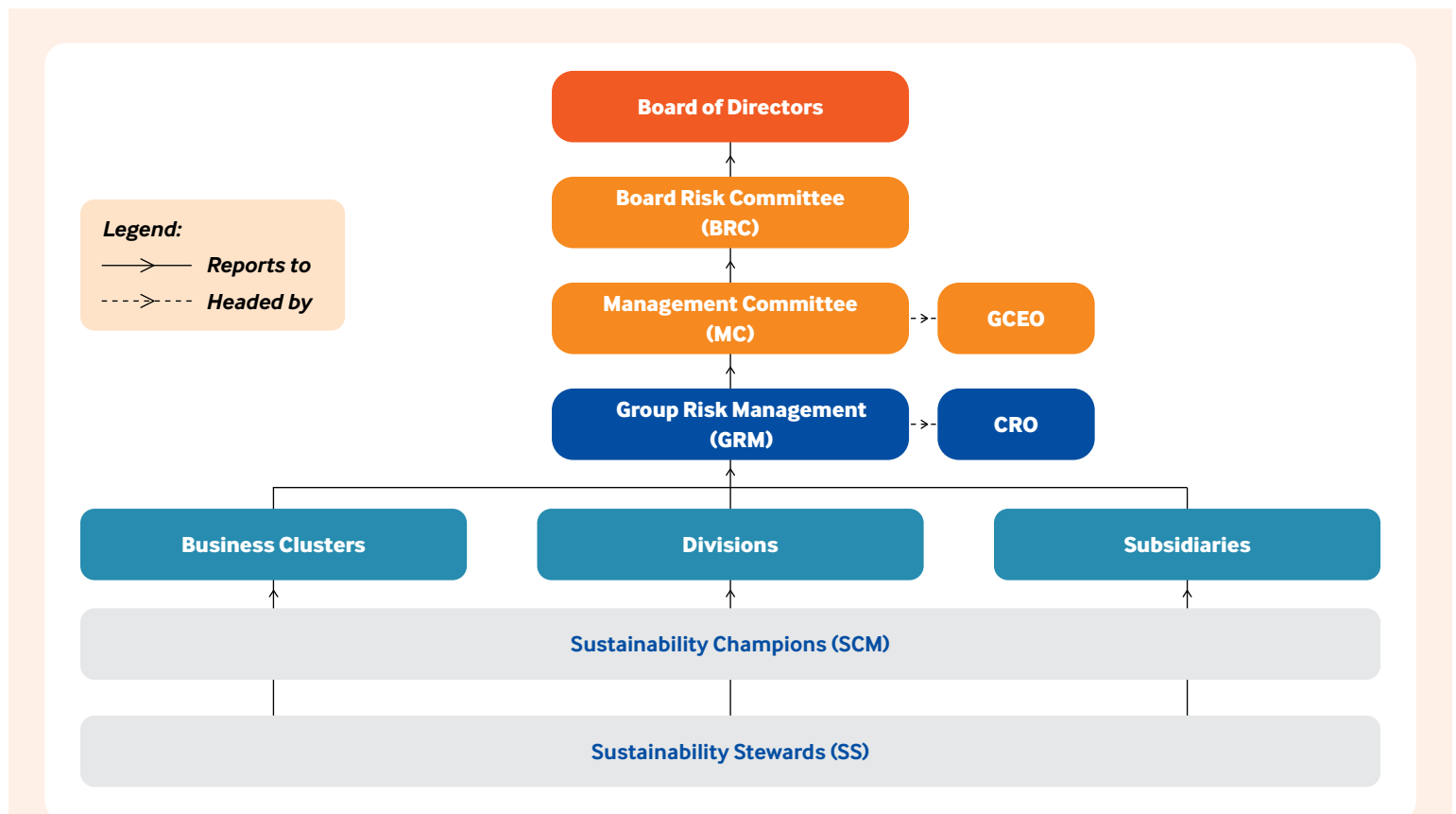
- Access to basic services
- Basic infrastructure
- Skilled B40 entrepreneurs
- ICT scholarships
- Diversity of workforce
- Fair and equal wages

# > SUSTAINABILITY GOVERNANCE

## SUSTAINABILITY OPERATING MODEL

**TM's sustainability governance structure allows us to integrate EES considerations into our business priorities.**

The clear delineation of roles and responsibilities allow for better accountability and efficiency. We adopt a top-down approach to sustainability, with the leadership team driving our sustainability strategies. This year, we enhanced the structure by introducing Sustainability Champions (SCM) and Sustainability Stewards (SS) across the Group as expanded scopes to our current ERM framework. SCM and SS act as the contact points for other functions within divisions, which reinforces sustainability into the company culture.



1. **Board of Directors:** Approves and validate all sustainability related decisions.
2. **GCEO:** Oversees deployment of effective strategies to meet sustainability aspirations of TM as well as acts as a key mediator between the Board and CRO.
3. **CRO:** Spearheads the Group's risk management and sustainability function, as well as champions the integration of TM's sustainability principles and values into the risk management framework.
4. **BRC:** Reviews the Group's sustainability risk profile and the associated strategies, policies, principles and practices.
5. **MC:** Deliberates and approves TM's sustainability strategies and action plans.
6. **GRM:** Acts as the custodian of TM's Sustainability Management. This includes implementing sustainability strategies and tracking progress against overall objectives/ targets. Together with Group Strategy and Group Strategic Communication will ensure the alignment of sustainability risks and overall approach with the Group's strategy and progress.
7. **Business Clusters, Divisions, and Subsidiaries:** Adopts and implements relevant sustainability programmes and initiatives.
8. **SCM:** Identifies and assesses sustainability risks in their areas of responsibility.
9. **SS:** Facilitates sustainability-related communication and data compilation.

## Sustainability Governance

### SUSTAINABILITY RISK MANAGEMENT

#### In today's volatile world, companies are increasingly exposed to emerging EES risks.

It is important to build resilience against these risks for continuous stakeholder value creation. With this in mind, we have integrated EES risks into our ERM Framework. This year, we introduced a Sustainability Risk cluster comprising of Economic, Environmental and Social sub-clusters. The aim is to better navigate EES risks and opportunities, thus improving overall business and sustainability performance.



[Read more on page 178](#)

### MEMBERSHIP ASSOCIATIONS

TM actively participates in various professional associations to exchange knowledge and insights with key industry leaders. This allows us to better understand industry best practices in resolving our material matters, while also staying ahead of emerging trends and risks.

We are proud to announce TM's involvement in the CEO Action Network (CAN). CAN is a closed-door peer-to-peer informal network of CEOs and Board members, focusing on sustainability advocacy, capacity building, action and performance. Through a dedicated Working Group, Workstreams and active members driving bespoke initiatives, CAN aspires to catalyse its members towards shaping future-ready and ESG-integrated business models and ecosystems.

In October 2020, TM became one (1) of the 41 members of CAN. We have also confirmed our active participation in two (2) of the workstreams: Awareness & Capacity Building. Over the next 12 months, we are committed to engaging with various stakeholders, including our supply chain partners, regulators and policymakers, Government, as well as our peers across various sectors to forge partnerships committed to responsible business practices and sustainable development. In the process, we will not only exchange industry best practices but also share proven strategies and future-proof ideas with CAN participants.

In addition to CAN, we also actively contribute and participate in the following associations:



Association	Membership
Associate of Certified Chartered Accountants (ACCA) – Approved Employer	TM
Institute of Internal Auditors Malaysia	TM
Malaysian Access Forum Berhad	TM
Malaysia South-South Association	TM
Malaysian Technical Standards Forum Bhd	TM
PINTAR Foundation	TM
Certified International Commercial Contract Manager (CICCM)	Individual
Member of Chartered Institute of Marketing (MCIM)	Individual
ITC Supply Chain Management	Individual
Member of Chartered Institute of Procurement Supply (MCIPS)	Individual

**SUSTAINABILITY-RELATED GUIDELINES**

We have well-established policies and guidelines that help institutionalise and implement sustainability principles and programmes within TM. The list of policies and guidelines that address our material matters are described below:

Material Matters	List of Policies
<p><b>M1</b> Product Innovation</p>	<ul style="list-style-type: none"> <li>• TM Intellectual Property Manual</li> <li>• Product Creation Framework</li> </ul>
<p><b>M2</b> Customer Experience</p>	<ul style="list-style-type: none"> <li>• Complaint Management Framework</li> <li>• Business Continuity Management (BCM) Policy and Guidelines</li> <li>• TM Corporate Security Policy and Framework</li> <li>• Information Security Policy</li> <li>• Customer Data Protection Circular</li> </ul>
<p><b>M3</b> Responsible Supply Chain</p>	<ul style="list-style-type: none"> <li>• Guidelines and Interaction with Business Partner</li> <li>• General Procurement Policy</li> <li>• Technical Specifications – Green Technology Initiative</li> <li>• Procurement Ethics – Rules &amp; Practices</li> <li>• Policy for Bumiputera Vendor Development Programme (BVDP)</li> </ul>
<p><b>M4</b> Climate Change</p>	<ul style="list-style-type: none"> <li>• ESI Plan</li> <li>• Facilities Management Environmental Policy</li> </ul>
<p><b>M5</b> Human Capital</p>	<ul style="list-style-type: none"> <li>• TM Employee Handbook</li> <li>• Terms &amp; Conditions of Executive Officers for Management Level and Below (Band 1-3)</li> <li>• Policy &amp; Procedure – Employee Productivity Enhancement (EPE)</li> <li>• Occupational Safety, Health &amp; Environmental (OSHE) Policy Statement</li> </ul>
<p><b>M6</b> Community Development</p>	<ul style="list-style-type: none"> <li>• TM Group Communication Policy – Corporate Responsibility (CR) &amp; Donations Administration</li> </ul>
<p><b>M7</b> Governance</p>	<ul style="list-style-type: none"> <li>• TM Code of Conduct and Business Ethics (CBE)</li> <li>• TM Anti-Corruption Guide (ACG)</li> <li>• TM Integrity Pact Version 2.0</li> <li>• TM Compliance Framework</li> <li>• TM Sponsorship Management (TM SMG) 4.0</li> <li>• TM Complaints Management Process Manual</li> <li>• Whistle-blowing Policy</li> </ul>

## > SUSTAINABILITY SCORECARD

### Building a Digital Malaysia



**RM65.0 million**  
invested in Research & Development



**>300,000**  
premises deployed with fixed fibre broadband under JENDELA



**2.7 million**  
homes and  
**≈ 400,000**  
SMEs served



**60%**  
convergence penetration rate of TM households



**75%**  
of customer interactions digitised (Target: 70%)



**84%**  
tNPS Score for TMpoint outlets (Target: 80%)



**100%**  
resolved data related incidents and cyber threat cases



**63.8%**  
reduction in cable thefts in the last two (2) years

### Protecting the Planet



**13%**  
decrease in overall carbon emissions



**12.2%**  
reduction in energy consumption



**54.8%**  
drop in total solid waste generated



**9.9%**  
reduction of scheduled waste



**100%**  
compliance with Environmental Quality Act 1974

### Putting People First



**RM1.94 billion**  
contributed to suppliers



**90.2%**  
suppliers made up of local business



**31%**  
of suppliers assessed with environmental policies



**27%**  
of suppliers assessed with social policies



**6**  
cases reported for supplier corruption/misconduct



**27%**  
of Board members are women



**27.5%**  
of management positions held by women



**76**  
total recordable injury against 83 from the previous year



**6,026**  
employees trained in future skills and emerging functions



**RM561.0 million**  
worth of YTM educational scholarships awarded to scholars since 1994



**>25,000**  
students, teachers, parents and community members benefited from TM School Adoption Programme since 2007



**>RM6.7 million**  
channelled into nation-building initiatives for COVID-19 outbreak

### Strengthening Our Integrity



**20,432**  
employees completed the Amanah Series e-learning



**50**  
internal audits conducted



**19,460**  
employees completed the Uncompromising Integrity e-Learning



#### Sustainability Rating

FTSE4Good Bursa Malaysia Index:  
**4/4 rating**  
and one of 75 constituents listed

MSCI ESG Rating:  
**AA**  
out of AAA



#### Awards

**National Energy Awards 2020**

**Malaysia Technology Expo (MTE) 2020 Special Edition: COVID-19 International Innovation Awards**

**Asia's Best Employer Brand Awards**

**Kincentric COVID-19 Resilient Award**

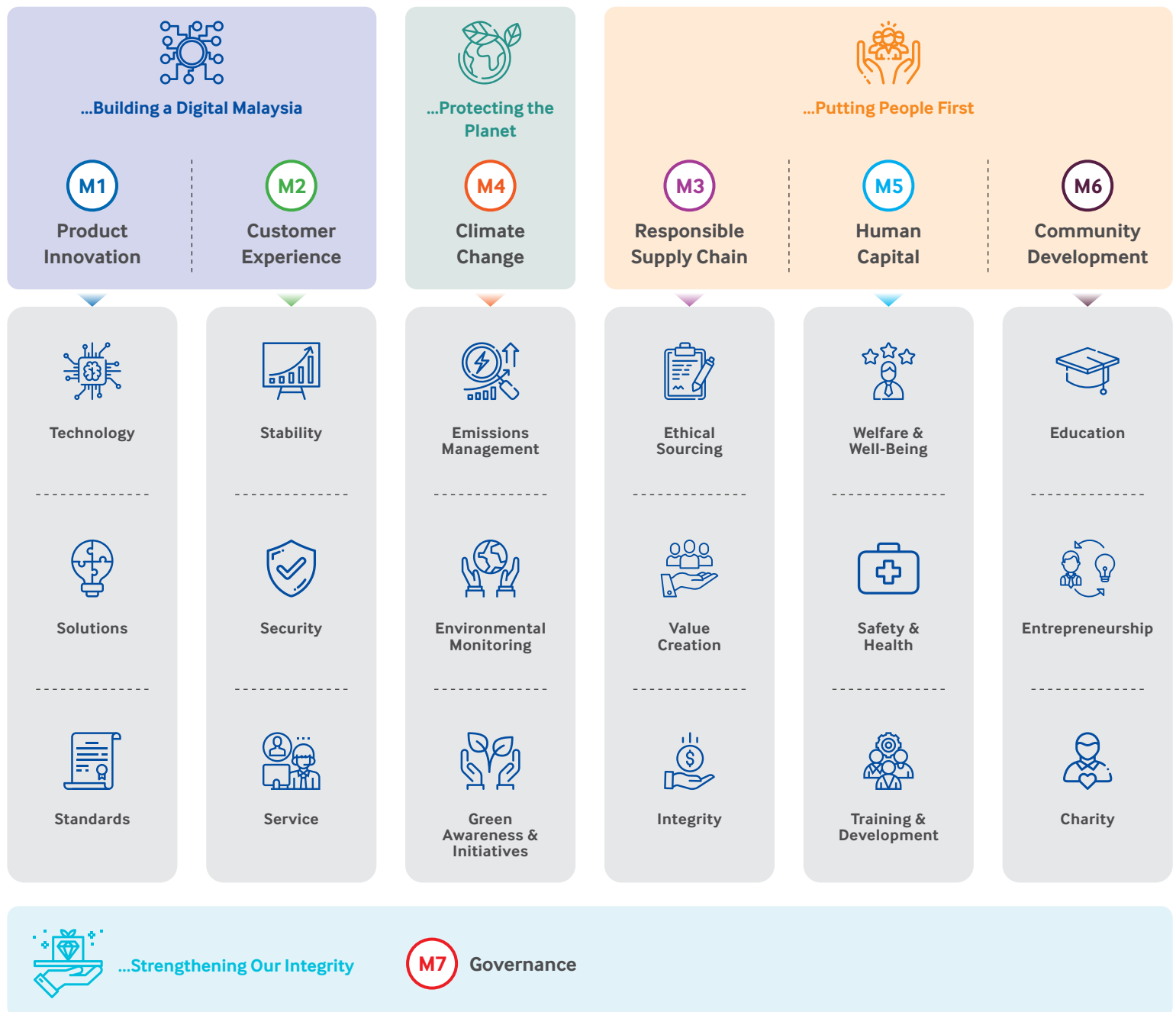
## > WE CREATE VALUE BY...

**We deliver sustainable growth in the context of stakeholder value creation. This means allocating the six (6) capitals (page 5) into meaningful decisions that meet stakeholder needs. As a telco provider, our ability to create value is particularly important as the sector enables an ever-expanding range of socio-economic activities.**

We create value for customers through fast, affordable and convenient digital solutions. In doing so, we provide the infrastructure necessary in meeting the Government's Digital Malaysia aspirations. We also devise inclusive growth strategies that positively impact our employees, suppliers, communities, as well as the environment. Our sustainability decisions are guided by the Group's Material Matters, which are supported by key drivers of sustainable value creation.

[Read more on page 43](#)

### WE CREATE VALUE BY...





## We Create Value By...

## ...Building a Digital Malaysia



TM has always been at the forefront of connecting people. Since our humble beginnings, we continue to fulfil the communication needs of the *Rakyat*. We are tapping into cutting edge technology to deliver innovative and inclusive products and solutions to all Malaysians. We emphasise meeting our business and retail customer needs, which enable them to thrive in an increasingly digital and connected world.

## M1 Product Innovation

Stakeholders



Capitals



Industry 4.0 is increasing the relevance of the telco industry. It is evident that connectivity plays an essential role in economic and social development. People rely on the internet to work, learn, live and play. With new entrants and technologies frequently disrupting the market, customers are spoilt for choice. They expect affordable, convenient and smart products. Regulators are also looking at broadband providers to deliver coverage that spearheads a digital economy.

The average lifespan of S&P 500 companies has dropped by 80%<sup>6</sup> in the last 30 years, highlighting how companies need to keep up with the

rapid changes or risk getting left behind. Therefore, at TM, innovation prevails through TM R&D. We exploit technological advancements to deliver pioneering products that meet customer demands. Our products also go through standards and processes that ensure quality and safety for customers. TM's product innovation approach improves our competitiveness and provides high returns for our investors and shareholders. As a nation-building organisation, our support for the Government's JENDELA action plan is necessary to close the digital divide and promote inclusive socio-economic growth. Product innovation also means identifying opportunities to design solutions that also address various economic, environmental and social issues.

### Key Drivers:



TECHNOLOGY



SOLUTIONS



STANDARDS

## TECHNOLOGY

Technological advancements continue to play a key role in human progress. A common characteristic of developed nations is the high rate of technology adoption. Modern technologies such as 5G, AI and IoT have the potential to elevate Malaysia towards high-income status. A study estimates that 5G-related products will contribute around RM12.7 billion to the Malaysian GDP between 2021 and 2025<sup>7</sup>. Meanwhile, slow uptake of emerging technologies may result in missed opportunities for business growth and stakeholder value creation.

Therefore, TM invests in technology that addresses our customers' most material issues. We monitor the needs of businesses, individuals and the Government to create intelligent products and solutions.

TM R&D's strength lies in telco intelligent support systems and IR4.0 technologies, with an aim to create smarter ecosystems for the global economy. This is our differentiating factor.

This year, we invested RM65.0 million into R&D, compared to RM59.8 million in 2019. The main focus areas for TM R&D in 2020 include:

- **Telco Intelligent Support System (ISS):** Driving seamless and best-in-class customer experience by providing reliable, AI-driven, predictive and end-to-end solutions.
- **Data Brokerage:** Creating new revenue opportunities through smarter platforms, cultivating better insights and spawn the creation of new services.
- **IR4.0/Digital Solutions:** Developing smarter digital ecosystems enabling businesses to benefit from the industrial revolution.
- **Digital Workforce:** Creating state-of-the-art solutions with safety and productivity as the top priority to boost efficiencies at the workplace

<sup>6</sup> <https://hbr.org/2018/09/how-winning-organizations-last-100-years>

<sup>7</sup> <https://www.mcmc.gov.my/ms/media/press-clippings/mcmc-explains-why-5g-is-important-for-malaysia%E2%80%99s-e>

## We Create Value By... ...Building a Digital Malaysia

Following our R&D efforts in 2020, we launched a total of four (4) new product solutions designed to address a range of EES matters:

### NEW PRODUCTS & SOLUTIONS LAUNCHED

**CAMELIA**  
A centralised, smart analytic system for a fixed access network.

**WHAT IT DOES**

Provides end-to-end insight of service and network health (good, caution, unstable or failure condition) visibility nationwide.

**FORCE**  
A multitenant workforce management solution developed for enterprises.

**WHAT IT DOES**

Dispatched field force team to designated sites based on multiple criteria set by an automated assignment engine.

**EWAR**  
A contactless temperature screening solution designed to assist with combating COVID-19.

**WHAT IT DOES**

An innovative solution designed to capture precise and quick temperature readings in both crowded areas and one-on-one screenings.

**DATA EXCHANGE PLATFORM**  
An Open Software Development Platform (1<sup>st</sup> in Malaysia) built on TM's OIP.

**WHAT IT DOES**

Acts as a one-stop centre for managing data and a full cloud-native platform to boost research efforts towards combating the pandemic.

In growing Malaysia's 5G ecosystem, we are preparing ourselves through full-fledged 5G live trials. We participated in 5GDP in Langkawi, in which we facilitate, build and develop 5G use cases in a live yet controlled environment. During the trial period, we collaborated with a domestic service provider to test the effectiveness of 5G network sharing between multiple network service operators. We provide fibre backhaul to a domestic mobile network operator that operates 5GDP sites in Langkawi under this partnership. We have since delivered POC of In-building Coverage (IBC) 5G and tested WiFi over 5G backhaul in 2020.

### 5GDP USE CASES DEPLOYED

**SMART RETAIL ANALYTICS**  
A platform that analyses customers' experience within a physical premise.

**WHAT IT DOES**

Offers insights to enhance customer experience, sales and brand loyalty through customised services and targeted advertising.

**SMART VEHICLE MANAGEMENT**  
A fleet management solution that captures real-time data on vehicles.

**WHAT IT DOES**

Collects telematic data for optimum fleet productivity, vehicle safety, fuel consumption and maintenance requirements.

**SMART SAFETY HELMET**  
A data-driven smart industrial helmet for safer worksites and activities.

**WHAT IT DOES**

Provides live, wireless monitoring and an array of sensors to analyse health and safety data (i.e., accident impact, geolocation).

**GEOLOCATION PEOPLE SAFETY**  
A tracking solution designed to protect and connect people with their loved ones.

**WHAT IT DOES**

Enables users to locate those under their care, as well as receive alerts based on safety zones and SOS signals.

**SMART WATER MANAGEMENT SYSTEM**  
An Internet of water solution that offers seamless end-to-end smart water management.

**WHAT IT DOES**

Monitoring system for non-revenue water management, optimises repair and replacement of ageing infra, and improves response to weather events such as flooding or pollution.

## We Create Value By... ...Building a Digital Malaysia

Through our innovative solutions, we received several awards and recognitions in the technology and innovation space in 2020. The awards are a testament to TM R&D's continuous commitment to producing innovative solutions that accelerate TM's Digital Malaysia aspirations.



**Technology & Innovation Awards**

- Malaysia Technology Excellence Awards 2020**
  - Information Management (Computer Software)
- World Communication Awards 2020**
  - IOT Innovation Award
  - Data Innovation Award
- Malaysia Technology Expo (MTE) 2020 Special Edition: COVID-19 International Innovation Awards**
  - Best Innovation Awards & two (2) Gold Winners
- WITSA Global Excellence ICT Awards 2020**
  - Sustainable Growth Award
- TM Forum Excellence Awards 2020**
  - Beyond Connectivity
  - Data & Analytics

## SOLUTIONS

The internet provides access to critical information. People are also able to access essential services, such as education, banking and healthcare, at a safe distance. However, the connectivity gap means many people get left behind. 3.7 billion people have no internet access, with over one (1) billion children worldwide unable to partake in online classes during pandemic lockdown<sup>8</sup>. While a high percentage of Malaysians are internet users, around 10% of the population still lack access to the internet<sup>9</sup>.

Connectivity should be accessible and inclusive. TM aims to close this connectivity divide through infrastructure expansion. We support the Government's JENDELA action plan to meet Malaysia's digital needs and gradually transition to 5G. We currently have over 600,000km of fibre cables and over 300,000km of submarine cables, delivering critical connectivity within Malaysia and abroad. In 2020, under JENDELA, we deployed fixed broadband in over 300,000 premises, achieving 138% of the committed premises targeted for the year. This will help close the connectivity divide between urban, suburban and rural communities. In addition to the conventional way of expanding infrastructure where new towers are needed, TM is exploring new methods to enable broadband services for potential customers in rural areas.



<sup>8</sup> <https://www.weforum.org/agenda/2020/04/coronavirus-covid-19-pandemic-digital-divide-internet-data-broadband-mobile/>

<sup>9</sup> [https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=395&bu\\_id=SFRacTRUMEVRFo1Ulc4Y1JlLzBqUT09&menu\\_id=amVoWU54UTi0a21NWmdhMjFMMWcyZz09](https://www.dosm.gov.my/v1/index.php?r=column/cthemeByCat&cat=395&bu_id=SFRacTRUMEVRFo1Ulc4Y1JlLzBqUT09&menu_id=amVoWU54UTi0a21NWmdhMjFMMWcyZz09)

## We Create Value By... ...Building a Digital Malaysia



### FAST INTERNET FOR RURAL AREA (FIRA)

**Objective:** To enable broadband services in rural areas without infrastructure expansion.

**What We Did:** Fast Internet for Rural Area (FIRA) is a device installed at premises that provides broadband connectivity to customers located approximately 5km or more from the base station. FIRA can also be used in providing high-speed ad-hoc backhaul for WiFi hotspots.



#### IMPACT

- **77,000** premises can be served with FIRA without the need of establishing any new 4G base stations.
- **331,000** households currently out of any broadband coverage that can benefit from FIRA technology.
- Reduces the total number of new 4G base stations, which lowers cost and environmental impact.
- Delivers high-speed ad-hoc backhaul for WiFi hotspots covering some events.

We further close the digital divide with 2.7 million broadband access ports nationwide. In preparing Malaysia to become a fully digital native nation, we offer solutions such as 5G backhaul, Smart Centralised-Radio Access Network (Smart C-RAN) and In-Building Coverage (IBC). In the international market, we deliver uninterrupted global connectivity, amid cable outages from the surge in bandwidth. Our wide-ranging wholesale data centre capabilities, coupled with more than 9TB peering and caching ecosystem, attracted international carriers and hyperscalers to serve the ever-increasing data centre requirements. We also established 66 CDN nodes worldwide, making us the preferred partner for content service providers in reaching out to regional customers. Our progressive network expansion proves our commitment to contributing to digital inclusivity not just nationwide, but across Southeast Asia as well.

Furthermore, we are scaling affordable internet access through low-cost broadband packages. This ensures inclusive access to connectivity for our diverse customer base. In 2020, we released unifi promotions and offerings that deliver customers with broadband connectivity at a greater value.



### AFFORDABLE unifi BROADBAND PACKAGES & PROMOTIONS

#### unifi for Home



#### Packages & Promotions

Promotions and offerings that aim to attract and retain unifi Home customers. The campaign highlights are Total Convergence bundled packages at great discounts ('unifi Your World campaign') and a promo price for unifi Air.

#### unifi for Business



#### Packages & Promotions

Exciting prizes and awards that encourage business customers to subscribe to unifi Biz packages. The prizes include Shopee vouchers ('Sign Up & Win Campaign') and FREE Touch 'n' Go eWallet Reload ('Sign Up and Enjoy Campaign').

#### unifi for Mobile

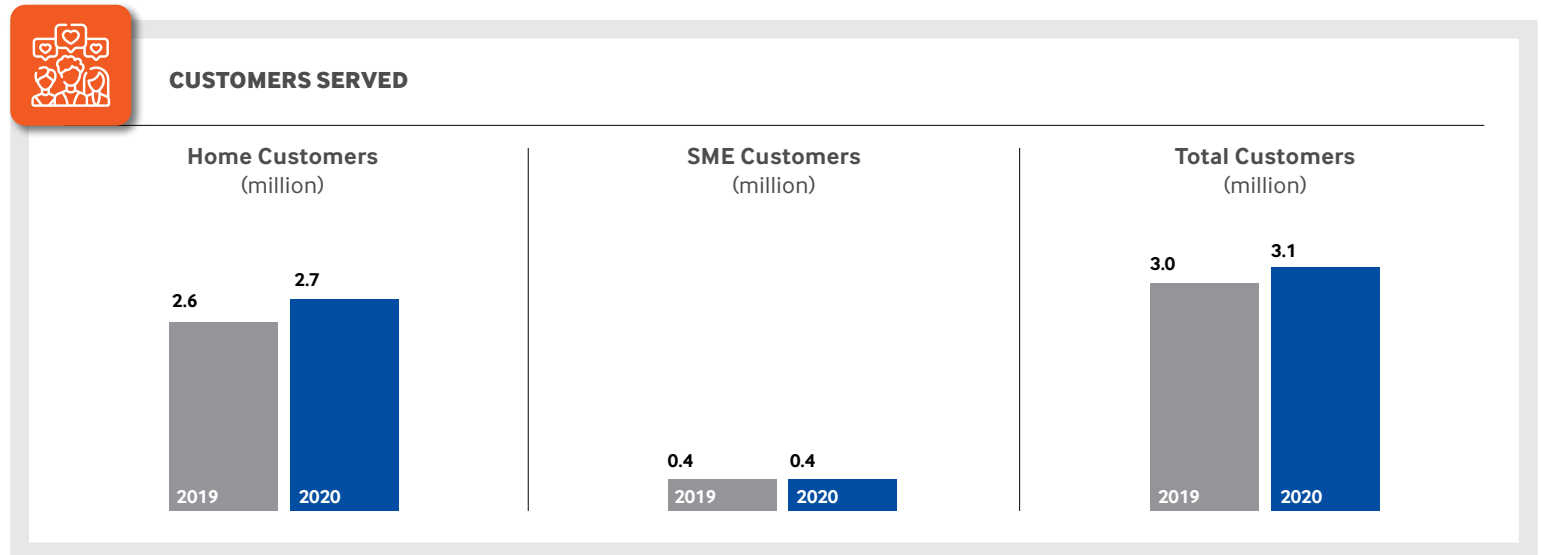


#### Packages & Promotions

Affordable mobile packages leveraging on 'unifi Your World' campaign for convergence selling; unlimited data at RM59 for TM Broadband Subscribers and RM79 for non-TM customers. We also offered FREE weekly unlimited LTE pass for new sim activations '#BEBAS Starter Pack' during the campaign period.

## We Create Value By... ...Building a Digital Malaysia

Through our affordable and accessible solutions, we were able to deliver connectivity capable of meeting the surge in internet demand. This enabled us to grow our customer base, while also help Malaysians with the smooth transition towards remote working and living.



### STANDARDS

Customers need to have confidence that their products are safe, reliable and of good quality. The growing use of social media means customers can easily share both favourable and critical opinions of our products. Poor quality or defective products can swiftly damage our reputation, resulting in loss of competitiveness and customer loyalty. There is also the potential for product failures that puts our customers' health at risk.

In severe cases, a recall campaign can lead to significant reputational and financial loss. The average cost of product recalls is around US\$12.0 million<sup>10</sup> worldwide, with the ripple effect of reputational damage costing more. Product recalls also delay incremental innovations as the attention shifts to addressing flaws.



TM's product development process involves a stringent quality control system. It is more than just meeting a recognised quality standard – we strive to go above and beyond. To ensure high product quality, products developed by TM R&D need to be approved by SIRIM. TM R&D also complies with global standardisation bodies such as:

- FSAN (Full-Service Access Network)
- ASTAP (Asia-Pacific Telecommunity Standardisation Program)
- ITU (International Telecommunication Union)

Additionally, TM's Product Creation Framework describes the end-to-end journey of various product development, maximising product quality, safety and value. There are eight (8) key steps in a product's roadmap: generate and collate ideas; prioritise based on value; develop initial proposition; market analysis and assessment; design the concept and validate; engage stakeholders; obtain concept and approval; and technical and solution design. With stringent product quality management in place, we minimise the number of product-related complaints or incidents.

**Zero (0) major product recalls or replacements, in reference to relevant regulatory requirements**

**100% compliance with all network performance measured by MCMC's Mandatory Standards for Quality of Service (MSQoS)**

<sup>10</sup> [https://www.businessinsurance.com/article/00010101/STORY/912317922/Product-recalls-cost-companies-\\$12-million-on-average-Allianz-](https://www.businessinsurance.com/article/00010101/STORY/912317922/Product-recalls-cost-companies-$12-million-on-average-Allianz-)

**M2 Customer Experience**

Stakeholders

Capitals

Telecommunications is an increasingly competitive sector. Traditional telco operators have to compete with new competitors such as a host of over-the-top (OTT) players. Customer expectations are constantly rising, setting ever-higher standards from their service providers. Customer experience is the most important differentiator to compete in the marketplace. Investing in customer experience brings strong financial returns for investors and shareholders. Customer-centric companies are reportedly 60% more profitable than companies that do not focus on customers<sup>11</sup>.

At TM, each stage of the customer journey is optimised to create smarter and more meaningful connections. We strive to deliver consistent connectivity with minimal disruptions to the customer experience. We also invest in cybersecurity measures to protect our customers against online threats, giving them constant peace of mind. Last but not least, we deploy digital integration and excellent customer service at TM touchpoints, which is tailored to customers' unique needs. By creating a convenient and personalised customer experience, we can attract and retain our customer base.

**Key Drivers:**

**STABILITY**
**SECURITY**
**SERVICE**

**STABILITY**

There has been an unprecedented customer demand on communication networks, with up to 60% increase in internet traffic compared to before the pandemic<sup>12</sup>. As more people transition online, network failure may result in substantial losses for our customers and society as a whole. A survey found that an outage will cost businesses excess of RM534,495 to remediate<sup>13</sup>. Also, network issues make up over 54% of overall complaints reported to MCMC for the telco sector<sup>14</sup>.

sustainability agenda. We are continuously improving our network resilience against network disruptions. TM's BCM framework is designed to ensure fast recovery of outages caused by external factors. In 2020, through robust BCM and DRP, we managed to reduce service disruptions and physical damage to assets with the timely recovery of network and services. This was supported by TM's Service Quality Improvement Group (SQIG), a working group arrangement between TMW Service Operation Centre (TMW SOC) and Network Operation and Command Centre (NOCC). The aim of SQIG to improve service quality in terms of people, process and technology. The group focuses on handling customer incidents and increasing network restoration speeds for a better customer experience.

At TM, we strive to actively protect our customers from network issues, thus contributing to a more seamless customer experience. Secure and stable network operations is an essential component of TM's

**ADDRESSING ISSUES RELATED TO NETWORK STABILITY**

Top 4 issues related to network stability	Corrective measures
<p><b>1. Customer issues (customer premises-related problems)</b></p>	<ul style="list-style-type: none"> <li>Conducted post mortems of incidents.</li> </ul>
<p><b>2. Non-fibre issues (Interconnection, card faulty, TM faulty equipment)</b></p>	<ul style="list-style-type: none"> <li>Ensured continuous improvement from the NOCC.</li> </ul>
<p><b>3. Third-Party Issues (power failures due to contractor issues)</b></p>	<ul style="list-style-type: none"> <li>Implemented a charted improvement plan that includes rectifier and power cabinet replacement, health check and rectifier corrective action, and preventive maintenance to minimise third-party outages.</li> </ul>
<p><b>4. Technical Issues (hardware / software failures)</b></p>	<ul style="list-style-type: none"> <li>Conducted effectual core network assessments and improvements to maintain high levels of service and network restoration performance.</li> </ul>

<sup>11</sup> <https://www.forbes.com/sites/blakemorgan/2020/09/07/how-to-prove-the-roi-of-customer-experience/?sh=486371fe67f4>  
<sup>12</sup> <https://www.oecd.org/coronavirus/policy-responses/keeping-the-internet-up-and-running-in-times-of-crisis-4017c4c9/>  
<sup>13</sup> <https://opengear.com/white-paper/measuring-the-true-cost-of-network-outages>  
<sup>14</sup> [https://www.mcmc.gov.my/skmmgovmy/media/General/pdf/MCMC\\_IPR\\_2019.pdf](https://www.mcmc.gov.my/skmmgovmy/media/General/pdf/MCMC_IPR_2019.pdf)

## We Create Value By... ...Building a Digital Malaysia

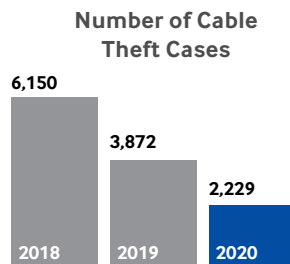
Our network stability is also vulnerable to cable thefts. Malicious actors deliberately cut and steal our cables, which not only incur losses to the company but also cause power supply outages which ultimately impact the customer experience. Therefore, we introduced vigilant initiatives to ensure faster fibre cut isolation and restoration through an effective monitoring system and strategic materials arrangement. We actively work with the Polis Diraja Malaysia (PDRM) to prevent such crimes, while

offering compensation to the general public for information that could lead to the arrest of the perpetrators. Additionally, we utilise a network monitoring system and electronic alarm, known as i-Watch, in areas with rampant cable theft incidents. In 2020, TM identified a total of 2,229 copper network cable theft nationwide. From this total, 14 cases have been successfully resolved with the arrest and prosecution of the suspect in the cable theft case.



### ACHIEVEMENTS IN NETWORK STABILITY

**63.8%**  
reduction in  
cable thefts  
in the last two  
(2) years



**100%**  
attendance  
rate  
by the technical  
team on cable  
restoration

Average cable  
restoration time:  
**8 hours  
57 minutes**

Average  
downtime/  
connectivity  
disruptions:  
**13 hours  
51 minutes**

Network Quality of  
Service Performance:

- Average Download Speed: **98.1%**
- Average Upload Speed: **100.0%**
- Average Latency: **14.28 ms**

### SECURITY

As the world shifts toward digitalisation, more data is created and collected than ever before. This increases the risk of cyberattacks and other online threats. As we enter a new decade, 68% of business leaders believe that cybersecurity risks are rapidly increasing<sup>15</sup>. The COVID-19 pandemic intensified the threat of cybersecurity, as malicious actors attempt to capitalise on the increase of online users. More than ever, data integrity is fast becoming a crucial aspect of business sustainability.

Customers need to know that the services they use will not lead to data theft and sabotage. Cyberattack events will impact customer trust and damage public perception. Regulators are also looking at companies to responsibly manage customers' personal data, as stipulated in the Personal Data Protection Act (PDPA) 2010. There are stiff penalties for non-compliance, such as fines and imprisonment.

With TM's extensive customer base, we possess critical information that may pique the interest of malicious actors. With this in mind, we take data privacy and security as a top priority. The Group is on constant alert to potential attacks and breaches.

**100%** compliance with the  
following laws & regulations:

- PDPA 2010
- Payment Systems Act 2003



### ACHIEVEMENTS IN NETWORK SECURITY

Data-related incidents

Cyber threats cases and  
cybersecurity incidents

Security breaches and  
customer data leaks cases

**100%**  
resolved

#### Cybersecurity Incidents

No. of data-related  
incidents:  
**11 incidents**

No. of cybersecurity  
breaches/data loss:  
**9 cases**

<sup>15</sup> <https://www.weforum.org/agenda/2020/01/what-are-the-cybersecurity-trends-for-2020/>

## We Create Value By... ...Building a Digital Malaysia

### SERVICE

Despite the telco industry's state of constant change, one thing remains the same – the need for good customer service. However, this is becoming more challenging with customers' rapidly evolving expectations. The fast-paced world means they are accustomed to quick and seamless interactions. Customers also want some element of emotional intelligence through friendly and helpful service. If these demands are not met, there are many other competitors ready to serve them. 32% of consumers say they will end their relationship with a company after just one (1) bad experience<sup>16</sup>, emphasising the risk of bad service to customer loyalty.

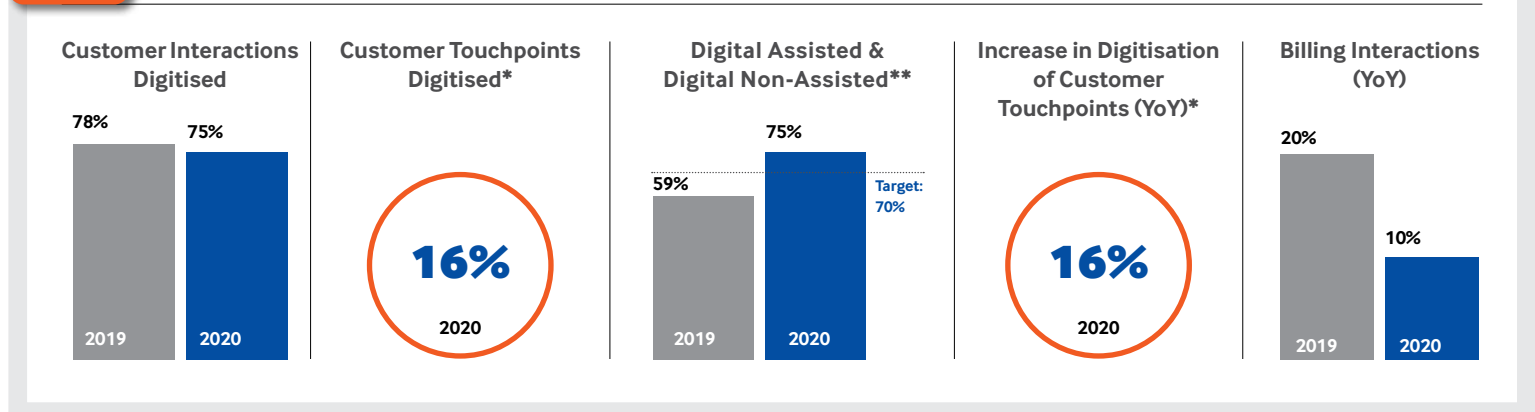
TM views good customer service as a fundamental strategy. Customers generate wealth, with 84% of companies that prioritise customer

experience report an increase in revenue<sup>17</sup>. So good customer service is not only beneficial for customers but also delivers value for our financing stakeholders. Therefore, our CX team strives to continuously strengthen the customer journey. CX is anchored by customer insights that shape customer experience solutions, both physically and digitally, with a strong focus on network quality and services.

In the modern age, digitalisation is key. We invest in new technologies that address customer pain points, such as billing disputes and complaint resolutions. We continuously improve our customer platforms and solutions to provide customers with a seamless and enhanced customer experience.



### DIGITAL TOUCHPOINTS



\* Baseline year: 2020

\*\* Inclusive touchpoints: TMS, Tmpoint, ijoin live chat, easy fix



<sup>16</sup> <https://www.pwc.com/us/en/advisory-services/publications/consumer-intelligence-series/pwc-consumer-intelligence-series-customer-experience.pdf>

<sup>17</sup> <https://www.forbes.com/sites/blakemorgan/2020/09/07/how-to-prove-the-roi-of-customer-experience/?sh=486371fe67f4>



## We Create Value By... ...Building a Digital Malaysia



### CUSTOMER EXPERIENCE INITIATIVES

	What is it?	Impact/Outcomes
Real-Time Return-to-Normal (RTN)	Immediate service reconnections after lifting the suspension of customer accounts.	<ul style="list-style-type: none"> <li>Delivered service reconnection within five (5) minutes for 92% of suspension cases.</li> </ul>
Easy Fix	Self-service auto-diagnosis to allow customers to easily identify the point of failure in their network.	<ul style="list-style-type: none"> <li>Achieved a success rate of 70% for completed interactions via Easy Fix.</li> </ul>
unifi Goer	A customer self-service order management system via unifi portal.	<ul style="list-style-type: none"> <li>Reduced return orders from customers by 6.6% (percentage reduction).</li> </ul>
Camelia Phase 1	A manual proactive fault localisation for passive networks in the central region.	<ul style="list-style-type: none"> <li>Improved outside plant fault rate from 8.9 to 7.0.</li> </ul>
WISER	A knowledge-management portal on TM products and services for frontliners.	<ul style="list-style-type: none"> <li>Reduced priority tagging checking by 25 seconds.</li> <li>Improved the content upload process from two (2) days to two (2) hours.</li> <li>Improved security through Content Access Authorisation.</li> </ul>

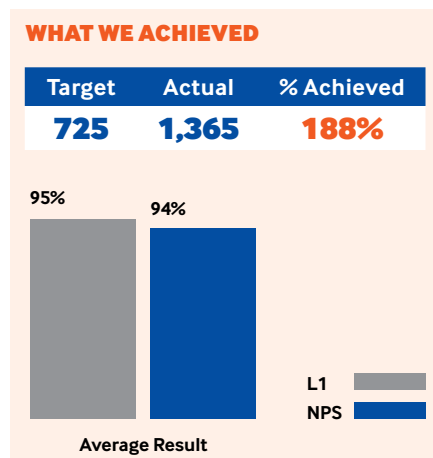
Beyond technology, we invest in the more meaningful aspects of customer service – our frontliners. Employees are what drives the customer experience. It is important to continuously develop the standards of our frontliners to consistently deliver top-notch customer service. We are always looking for new ways to nurture our service team. For example, we launched Edubite, a gamification learning tool that aims to enrich frontliners' competencies and motivations. Additionally, throughout 2020, we conducted the EQ Way to Customer Experience training programmes to equip our frontliners with the skills necessary to deliver meaningful and personalised customer service.



### 'EQ WAY TO CUSTOMER EXPERIENCE' TRAINING PROGRAMMES

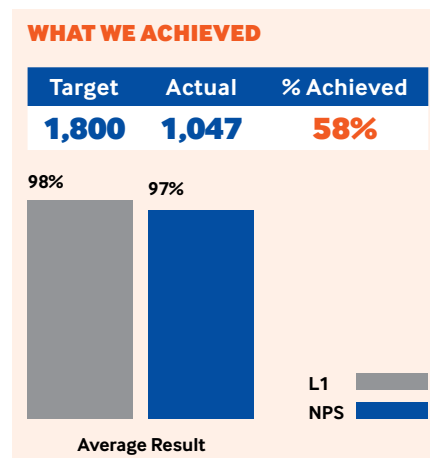
#### Compassionate Leadership

To elevate the EQ skills of frontliner leaders from Network Management Operation (NMO), Tmpoint, Contact Centres, and CX State.



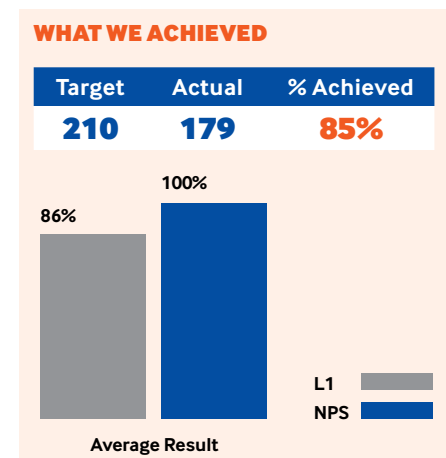
#### The Heart of Service Excellence

To help frontliners deal with different customers by learning how to recognise and control emotional reactions.



#### Speak with Passion

To develop catalyst agents, in which frontliners become trainers for other frontliners. They also learn how to recognise the feelings of their customers, subordinates, peers and themselves.



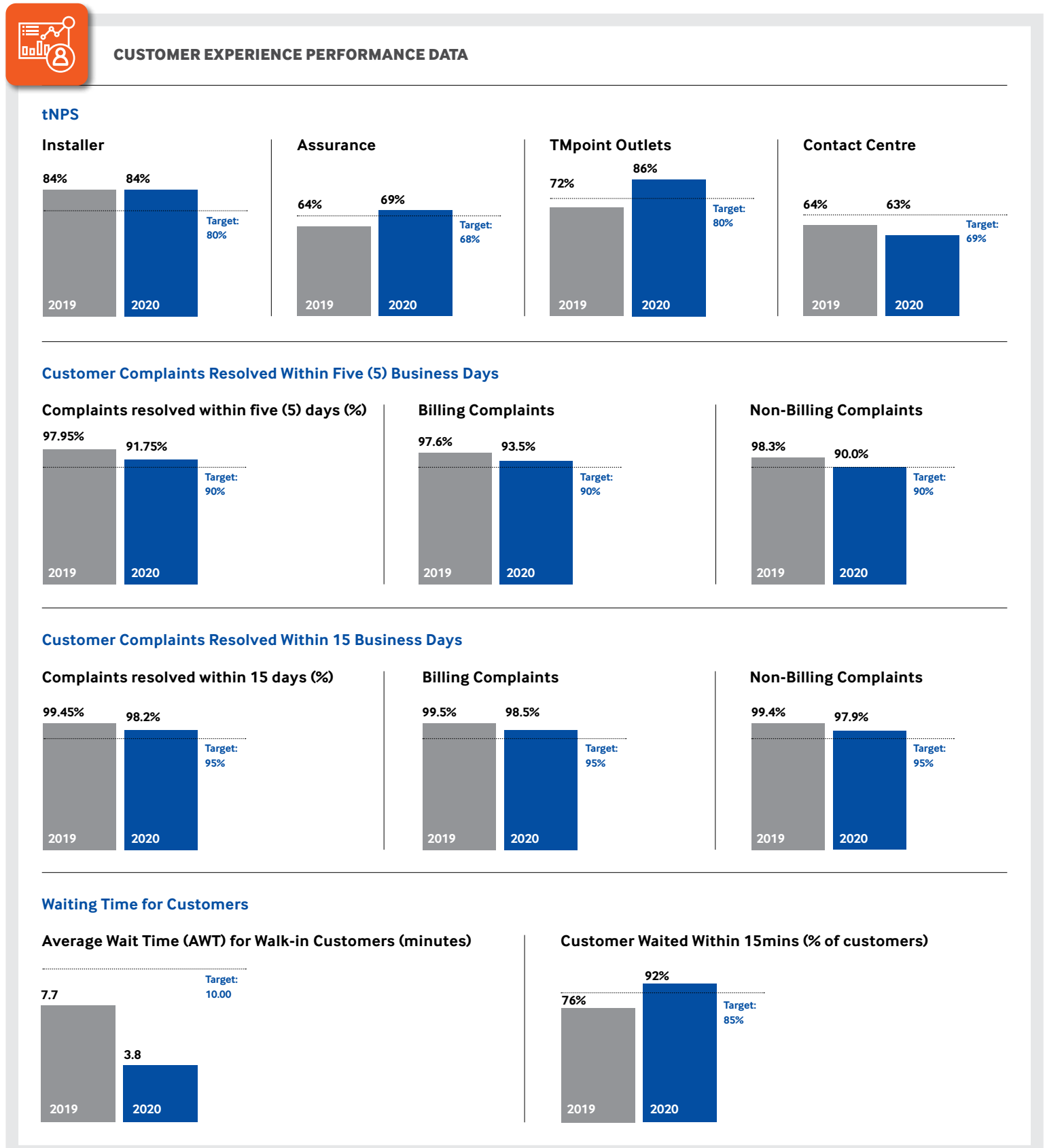
\* L1 - Survey review for post-programme effectiveness

NPS - NPS for the program carried out whether the participant will recommend this programme to their colleagues

## We Create Value By... ...Building a Digital Malaysia

It is important to regularly monitor customer performance, so that we can address any gaps and further enhance the customer experience. All customer feedback is recorded in our Customer Relationship Manager (CRM) system, which ensures the timely resolution of complaints. The system is supported by SR Complaint Operational Dashboard (SCODA), an operational dashboard that monitors the performance of complaint resolutions.

We are currently in the early stages of adopting the tNPS, which measures the likelihood of customers recommended our products to others. By tracking tNPS, we can gauge and track customer loyalty more effectively. In 2020, we operationalised our internal operating model for daily transaction of tNPS at all touchpoints throughout the customer journey.



We Create Value By...

# ...Protecting The Planet



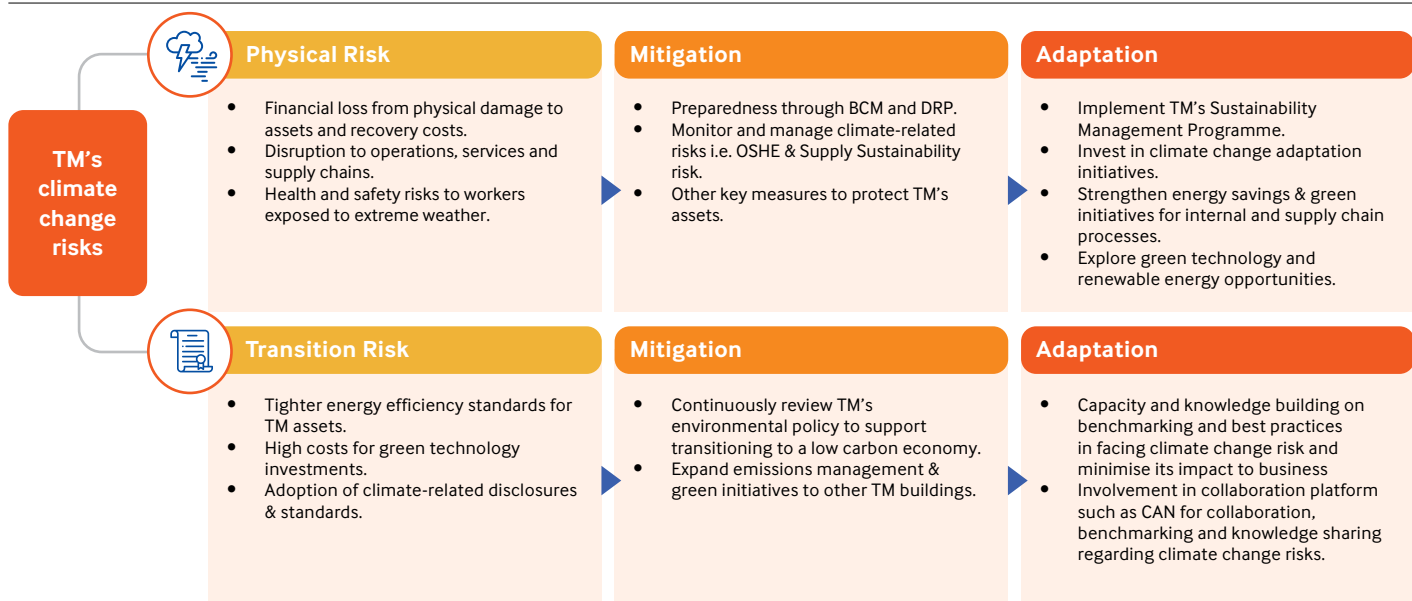
The environment is critical to achieving sustainable societies and economies. It provides natural services that are essential for our very survival. The future of TM, its stakeholders and society at large depend on our collective efforts. We are playing our part through progressive climate action. We continue to minimise our environmental footprint year-on-year, while also raising awareness for others to do the same. Through environmental stewardship, we protect our critical infrastructure network as well as fellow global citizens from extreme environmental costs.

## M4 Climate Change



As we navigate the challenges of the modern world, we need to maintain our environmental responsibility – this is crucial for socio-economic resilience. The destruction of nature results in emerging threats, such as viruses and pandemics<sup>18</sup>. Climate change could amount to US\$23.0 trillion in annual losses within 80 years<sup>19</sup>. Extreme weather events are already becoming all-too-regular occurrences; bringing great socio-economic risks to the telco sector. These include physical risks such as damages to network infrastructure, disruptions to operations and supply chains, and employee health and safety. There are also risks related to the global transition towards a low-carbon economy, such as tighter consumption regulations and investor expectations. At TM, we are progressively identifying and responding to the following climate-related risks:

### OUR RESPONSE TO CLIMATE CHANGE RISK



This unprecedented year has highlighted the need to prioritise prevention over recovery. TM combats climate change by directly minimising our operational emissions, as well as indirectly reducing carbon emissions through our work. The level of avoided emissions enabled by communications technologies is ten (10) times greater than from the network themselves<sup>20</sup>. Additionally, our sustainable practices consistently adhere to regulatory standards. This shields the business against regulatory penalties, while also protecting nearby communities from environmental harm. We also educate others on the importance and preservation of natural capital through numerous awareness programmes, for both employees and the general public.

**Key Drivers:**



**EMISSIONS MANAGEMENT**



**ENVIRONMENTAL MONITORING**



**GREEN AWARENESS & INITIATIVES**

<sup>18</sup> <https://www.worldwildlife.org/blogs/sustainability-works/posts/cradle-of-the-virus-how-forests-are-the-source-of-and-solution-to-emergent-pathogens>

<sup>19</sup> <https://cdn.americanprogress.org/content/uploads/2019/11/20072438/Climate-Change-Financial-Stability-brief.pdf>

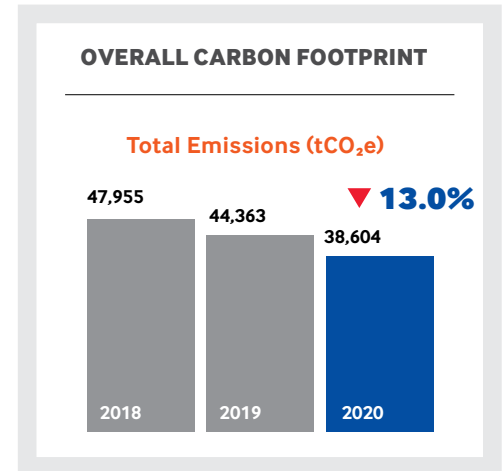
<sup>20</sup> [https://www.gsma.com/mobileeconomy/wp-content/uploads/2020/03/GSMA\\_MobileEconomy2020\\_Global.pdf](https://www.gsma.com/mobileeconomy/wp-content/uploads/2020/03/GSMA_MobileEconomy2020_Global.pdf)

**EMISSIONS MANAGEMENT**

Climate change brings disruptive implications to business stability, economic growth and social well-being. Business-as-usual carbon emissions mean potentially losing five (5) to 20% of GDP each year<sup>21</sup>. The world is racing to achieve zero-carbon emissions; Governments are committing to a low-carbon economy while financial institutions integrate climate-related risks into their funding decisions.

Climate activism is also becoming mainstream, with thousands of climate strikes across the globe urging for action. Companies that do not follow suit risk becoming obsolete. On the other hand, there are business opportunities for responsible carbon management. This includes greater efficiency and cost savings, improved public branding, and resilience to climate-related risks.

At TM, we manage our carbon footprint according to the Greenhouse Gas (GHG) Protocol Corporate Accounting and Reporting Standard. Through various carbon-reduction initiatives, coupled with COVID-19 movement restrictions, we reduced our emissions by 13.0%. This aligns with our commitment to reducing our carbon emissions year-on-year. As we progress with our climate mitigation and adaptation journey, we aim to set science-based targets to reduce our emissions in line with the Paris Agreement goals.



The scope of our GHG efforts is split into the following three (3) categories:

**Scope 1: Fuel Consumption by Vehicle Fleet:** We improved our Scope 1 emissions calculations in 2020 by directly tracking the amount of fuel consumed in litres, compared to indirectly calculating fuel consumption through total fuel costs. The conversion of fuel consumption into carbon emissions was calculated using the Intergovernmental Panel on Climate Change (IPCC) Guidelines for National Greenhouse Gas Inventories, 2006.

We significantly lowered our fuel consumption by 14.1% during the year, which saved around RM3.2 million in fuel costs compared to 2019. Although this is largely driven by less employee movement due to MCO, we also implemented the following fuel-saving initiatives:

**FUEL-SAVING INITIATIVES**

**OPTIMISATION OF TM VEHICLES**

Identified vehicles with low mileage and utilisation, which lowered our total number of vehicles nationwide.

**IMPACT**

Reduced from 3,976 in 2019 to **3,505** in 2020.

**TM EZFLEET- CAR SHARING**

Expanded our TM EZFleet service to enable vehicle rental/sharing among employees via a digital platform.

**IMPACT**

Expanded EZFleet from one (1) to **17** locations nationwide.

**SCOPE 1: EMISSIONS FROM VEHICLE FLEET**

**Fuel Consumption by Vehicle Fleet (litres)**

Year	Fuel Consumption (litres)
2018	5,796,746
2019	5,363,781
2020	4,608,483

**Emissions from Vehicle Fleet (tCO<sub>2</sub>e)**

Year	Emissions (tCO <sub>2</sub> e)
2018	14,452
2019	13,391
2020	11,531

<sup>21</sup> <https://www.unepfi.org/climate-change/climate-change/>

## We Create Value By... ...Protecting The Planet

**Scope 2: Electricity Consumption at TM Assets:** We continued to track electricity consumption data from eight (8) TM buildings that implement the Energy Management System (EMS). The total electricity used is converted into the carbon emissions equivalent according to the 2017 CDM Electricity Baseline for Malaysia by Malaysian Green Technology Corporation.

This year, we recorded a 6.6 million kWh year-on-year reduction in electricity usage in the eight (8) TM buildings monitored, which contributed to our overall 17.0 million kWh reduction target in all TM premises. The energy reduction was primarily due to mandatory WFH implementation, although this was partially offset by higher electricity use in exchange units to support the rise in connectivity demands. Additionally, we implemented additional energy-efficiency initiatives across TM assets to further lower our electricity consumption, contributing to a total of RM19.22 million in operational cost savings.

Moving forward, we are exploring new green technologies and renewable energy sources to power our operations. As part of our efforts to utilise clean energy, we have an ongoing feasibility study to test solar PVs technology at selected TM locations.



### ENERGY-EFFICIENCY INITIATIVES

#### ENERGY PERFORMANCE CONTRACT (EPC)

Installed an efficient cooler system (i.e., inverter air conditioning and free cooling technology) at 198 TM sites with high electricity use.

##### IMPACT

- **21** new sites installed with the efficient cooler system
- **48.9 million** kWh reduction in energy consumption at EPC sites (2018 to 2020)



#### ENERGY EFFICIENCY OPTIMISATION (EEO)

Improved energy-saving practices at selected network and non-network buildings through low-cost measures (i.e., shutting down legacy equipment, better cooling management).

##### IMPACT

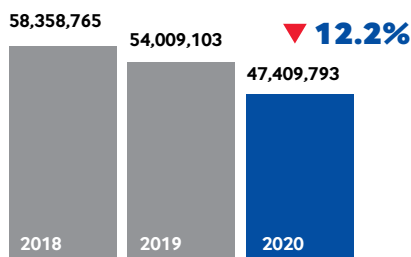
- **60** new sites identified and implemented with EEO
- **2.1 million** kWh reduction in energy consumption



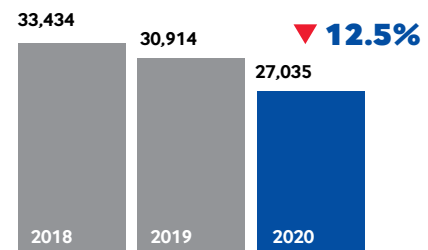
### SCOPE 2: EMISSIONS FROM ENERGY CONSUMPTION



#### Electricity Consumption at Selected Buildings (kWh)



#### Emissions from Electricity (tCO<sub>2</sub>e)



### NATIONAL ENERGY AWARDS 2020



#### 1. Energy Efficiency Awards:

- Energy Management (Large Building): Menara TM
- Energy Management (Small Building): TM Node Skudai, Johor Bahru

#### 2. Special Awards

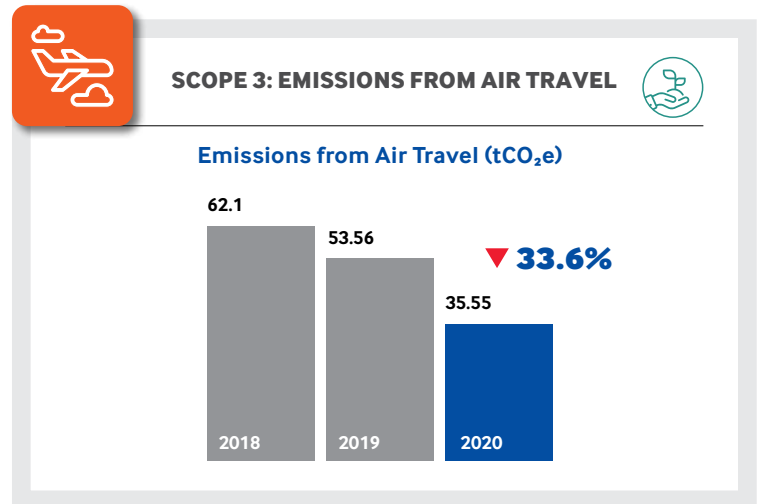
- Energy Performance Contracting (EPC): TM Node Bandar Tun Razak

We Create Value By...  
...Protecting The Planet

**Scope 3:**

- Air Travel:** In 2020, we improved the accuracy of our air travel data through detailed tracking of flight information, including destination, the number of travellers and travel class. The Civil Aviation Organisation (ICAO) Carbon Emissions Calculator was used to convert the air travel data into total carbon released.

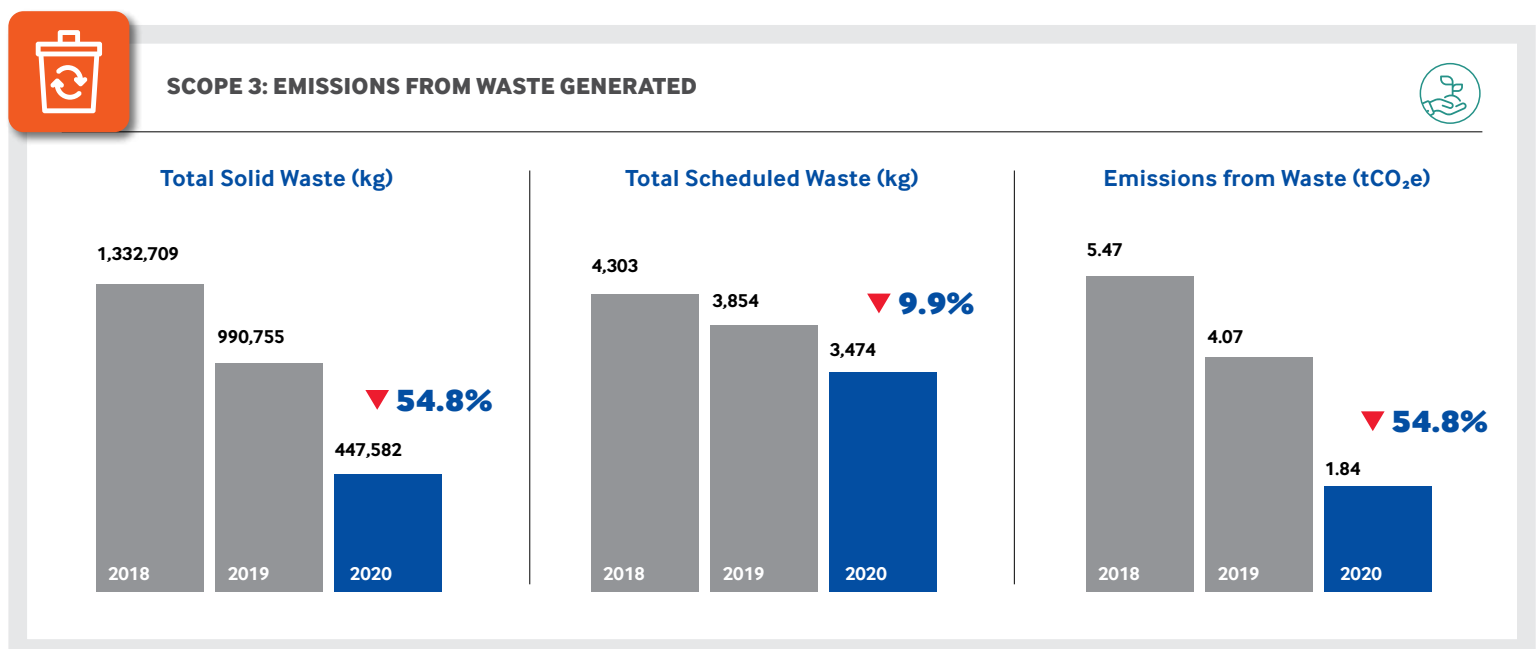
Due to travel restrictions imposed by the pandemic, the number of flight travel by TM employees fell from 226 in 2019 to 80 in 2020, consequently lowering overall emissions.



- Waste Production:** Solid waste data collected from our operations are converted into carbon emissions following the Intergovernmental Panel on Climate Change (IPCC) Guidelines for National GHG Inventories, 2006. During the year, we witnessed a significant reduction in solid waste generated in buildings where most employees worked from home, while other facilities where critical employees worked on-site had generated comparable amounts of waste.

During the year, we continued to practice responsible waste disposal while also striving to minimise waste generation. For instance, we segregate wastes at EMS sites according to solid and scheduled waste, as per the First Schedule of Environmental Quality (Scheduled Wastes) Regulations 2005. Additionally, to minimise the waste produced by employees, we continue to promote paperless activities and the 3R Concept – Reduce, Reuse and Recycle – across TM sites.

As we progressively expand our fibre cable network, we recover old copper cables and sell them to DOE-licenced contractors. In doing so, we minimise the amount of copper waste sent to landfills.



## We Create Value By... ...Protecting The Planet

### ENVIRONMENTAL MONITORING

Periodically managing environmental issues is important for business continuity and growth. One-third of corporate profits are typically at risk from Government action<sup>22</sup>. Environmental monitoring help companies get ahead of regulatory pressure for greater strategic freedom. It also uncovers environmental risks and opportunities that might have been overlooked and ensures a data-driven response to stakeholders' rising environmental concerns.

TM's environmental approach is to be proactive instead of reactive. We actively monitor the air, noise and water quality of areas surrounding our activities. This allows us to protect the livelihoods and well-being of nearby communities. In 2020, we continued to recycle water from our *surau* to be reused for other applications, such as watering plants around our buildings. We also held campaigns to raise awareness of water conservation among TM employees.

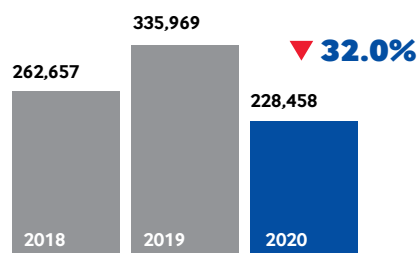
**100%** compliance with  
the Environmental Quality  
Act 1974



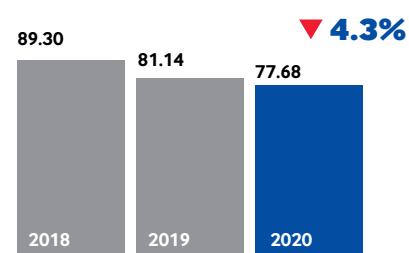
### WATER MANAGEMENT



Water Withdrawal from Municipal Water Supplies (m<sup>3</sup>)



Total GHG Emissions from Water Usage (tCO<sub>2</sub>)



Furthermore, we monitor the air and noise quality of areas surrounding our activities to protect the livelihoods and well-being of nearby communities. We consistently comply with environmental monitoring limits stipulated in the Environmental Quality (Clean Air) Regulations 2014 and DOE's Guidelines for Environmental Noise Limits and Control (Third Edition) 2019. This allows us to systematically manage our environmental responsibilities for enhanced environmental performance. This year, the monitoring results for dust fell within the acceptable limits, while only one (1) noise monitoring location exceeded the stipulated limits.



### DUST MONITORING

	mg/m <sup>3</sup>
<b>Acceptable Dust Limit</b>	<b>400mg/m<sup>3</sup></b>
<b>Commercial Buildings</b>	
Menara TM, Kuala Lumpur	397.7
MITC, Melaka	86.0
IDC, Cyberjaya	19.2
<b>Exchange</b>	
Bukit Timbalan, Johor	83.0
Hiliran, Terengganu	23.9



### NOISE MONITORING

	Day (dBa)	Night (dBa)
<b>Acceptable Noise Limit</b>	<b>68.8</b>	<b>65.0</b>
<b>Commercial Buildings</b>		
Menara TM, Kuala Lumpur	68.3	61.7
MITC, Melaka	62.0	51.8
IDC, Cyberjaya	63.0	58.5
<b>Exchange</b>		
Bukit Timbalan, Johor	56.4	53.4
Hiliran, Terengganu	54.8	N/A
Alor Setar, Kedah	65.0	55.0
Miri, Sarawak	66.4	65.3
Penampang, Sabah	N/A	N/A

<sup>22</sup> <https://www.mckinsey.com/business-functions/sustainability/our-insights/sustainability-blog/how-the-e-in-esg-creates-business-value>

## We Create Value By... ...Protecting The Planet

In addition to monitoring the environmental impact of our daily operations, we also monitor the impact of our network expansion projects. As we install new network cables, we remain vigilant to the well-being of surrounding environment communities. For domestic infrastructure, we promote the use of Cloud-Radio Access Network (C-RAN), which consumes less back-up batteries and reduces toxic waste. C-RAN also mitigates social health risks from the high frequency and high-power use of microwave backhaul solutions currently adopted by MNOs.

During the installation of submarine cables, we frequently engage with local fishermen throughout project planning and implementation to keep them informed continuously. For environmentally sensitive areas, we collaborate with the Malaysia Fisheries Department to conduct detailed studies that ensure the submarine cable routes do not interfere with these particular areas. Also, submarine cable installations are done manually by divers instead of machinery to minimise disruption to sensitive marine areas.

### GREEN AWARENESS & INITIATIVES

Environmental challenges cannot be solved without collective action – stakeholders need to play their part. A lack of awareness of environmental issues from the general public will impede sustainable development. Therefore, TM is committed to programmes that help shift society’s behaviour towards the environment. Through green campaigns, we can meet the rising environmental concerns of our younger stakeholders. Millennials and Gen Z, who dominate the consumer market, continue to rank environmental health as a top priority, even during the current economic downturn<sup>23</sup>.

TM’s external green programmes aim to close the environmental awareness gap. We help people understand the impact of their actions and how to become more environmentally-conscious. Employees are encouraged to participate in TM’s environmental programmes. This not only raises awareness amongst TM staff but also creates a sense of ownership for better employee retention and satisfaction.

Due to COVID-19 restrictions, we could not continue our flagship environmental initiatives, such as the Corals Malaysia Propagation Programme and the Junior Environmental Leaders Series. Nevertheless, we worked around the limitations to continue raising awareness on critical environmental issues.

#### TM’S ENVIRONMENTAL AWARENESS INITIATIVES IN 2020

<p><b>SUSTAINABILITY AWARENESS SERIES</b> Distributed email snippets to TM employees regarding the importance of sustainability.</p> <div style="background-color: #ffe0b2; padding: 5px; margin-top: 10px; display: flex; align-items: center;"> <p><b>IMPACT</b> Raised employee awareness on how they can practice sustainability in their daily lives.</p> </div>	<p><b>GREEN PROCUREMENT</b> Shared information on TM’s green agenda with our internal and external stakeholders / suppliers through email snippets.</p> <div style="background-color: #ffe0b2; padding: 5px; margin-top: 10px; display: flex; align-items: center;"> <p><b>IMPACT</b> Influenced TM suppliers and other stakeholders to integrate sustainable practices into their business and operations.</p> </div>	<p><b>ZERO-PLASTIC MOVEMENT</b> Implemented a zero-plastic initiative at all restaurants and cafes operating in Menara TM.</p> <div style="background-color: #ffe0b2; padding: 5px; margin-top: 10px; display: flex; align-items: center;"> <p><b>IMPACT</b> Compelled stakeholders visiting Menara TM to avoid single-use plastic.</p> </div>
---	--	--



<sup>23</sup> <https://www2.deloitte.com/global/en/pages/about-deloitte/articles/millennialsurvey.html>



We Create Value By...

## ...Putting People First



TM's success is built on a network of people. Our loyal employees drive business strategies; our supply chain partners help us meet our needs; and local communities enable us to operate and thrive. We endeavour to give back by doing what is right for them. Our people-first philosophy prioritises their best interests in every decision. Also, it is our corporate duty to empower them for excellence in a digital and sustainable future.

### M3 Responsible Supply Chain

Stakeholders   

Capitals  

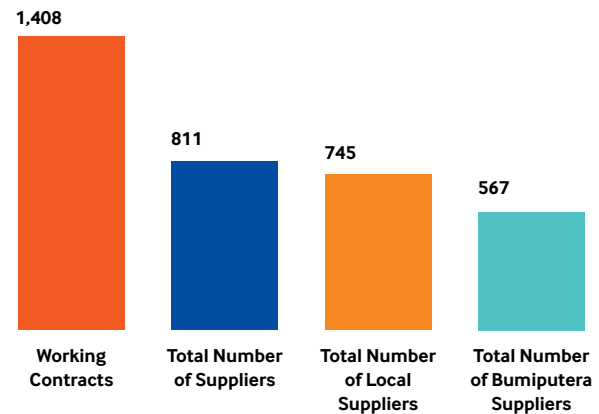
The ingenuity and responsiveness of supply chains are increasingly scrutinised. Supply chain disruptions this year reinforced the need to build long-term resilience in value chains. Successful supply chain management requires incorporating sustainability issues into procurement practices. Businesses need to actively create supply chains capable of withstanding emerging EES risks.

Responsible supply chains align with stakeholder demands. Consumers are holding companies accountable for their supply chains. Nearly half of consumers surveyed globally have boycotted companies due to their perceived actions<sup>24</sup>. Additionally, investors are integrating supply chain risks in their financing decisions, while the regulatory landscape is changing accordingly. Companies with irresponsible supply chain practices risk substantial disinvestments, legal action and loss of public trust.

TM has over 5,000 active suppliers, which means we cannot underestimate the magnitude of our supply chain impact. As a reference, 96% of the telco sector's environmental footprint is located in the supply chain<sup>25</sup>. We see our supply chain as an opportunity to influence positive change across the value chain. Through sustainability requirements, we can shift the behaviour of our suppliers. We also seek to create value for these essential stakeholders, from seamless digital platforms to training

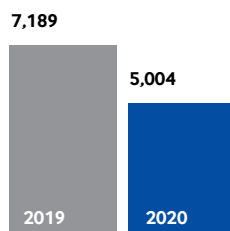
opportunities. We understand that mutually-beneficial supplier relationships contribute to better performance and delivery. Therefore, a responsible supply chain is a win-win-win for business, suppliers and the environment.

#### SUPPLIER BREAKDOWN

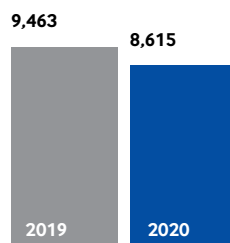


#### TYPE OF SUPPLIERS

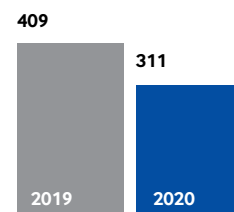
##### TM's Active Suppliers



##### Purchasing Suppliers



##### Foreign Purchasing Suppliers and Related Parties/Subsidiaries



#### Key Drivers:

 ETHICAL SOURCING

 VALUE CREATION

 INTEGRITY

<sup>24</sup> <https://www.forbes.com/sites/natalieparletta/2019/04/22/consumers-are-choosing-brands-that-support-the-earth/?sh=63d42e12bf29>

<sup>25</sup> <https://www.unpri.org/download?ac=1894>

**ETHICAL SOURCING**

Sustainability constraints can manifest outside of a Company’s direct activities. Supply chains are susceptible to a range of EES factors, including environmental practices, emissions management, human rights, fair labour, and supplier health and safety. The potential environmental and social issues posed by suppliers may expose businesses to financial and reputational risks. On the other hand, sustainable procurement practices have the potential to reduce supply chain costs by 9-16%, increase revenue by up to 20%, and improve brand value by 15-30%<sup>26</sup>.

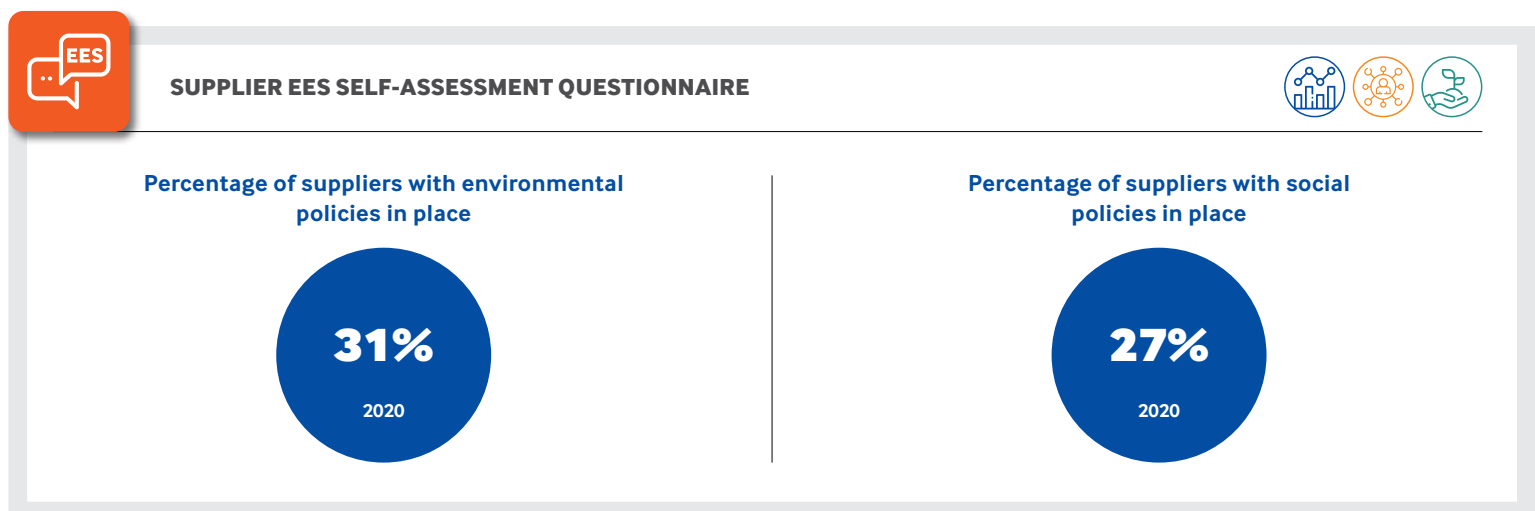
Beyond the business case, companies have a moral obligation to protect socio-environmental value. For TM, our commitment to corporate citizenship outweighs the financial justification. We see ethical sourcing as a means to optimise our social and environmental responsibility. For instance, managing supply chain emissions can reduce the overall carbon footprint by 13-22%<sup>27</sup>. We can also protect workers against potential exploitation within our supply chain ecosystem, such as the 32% of migrant workers in the electronics sector working under forced labour conditions<sup>28</sup>. Therefore, ethical sourcing is both morally right and makes business sense.

TM suppliers need to adhere to a set of clearly defined principles based on international and sectoral standards. This is a mandatory part of our working agreement. We have sustainability clauses in our supplier contracts based on the Government’s *Garis Panduan Perolehan Hijau 2.0* (Green Procurement Guidelines), which aims to identify and manage EES impacts within our supply chain. Our green procurement guidelines include choosing products or services with minimal environmental footprint, ensuring responsible disposal of goods and safeguarding human and labour rights within the workplace. Suppliers are expected to take the necessary precautions to protect the environment, property and people directly or indirectly affected by their activities.

Our suppliers must comply with the related laws and regulations, as well as encouraged to adhere to the following best practices, where applicable:

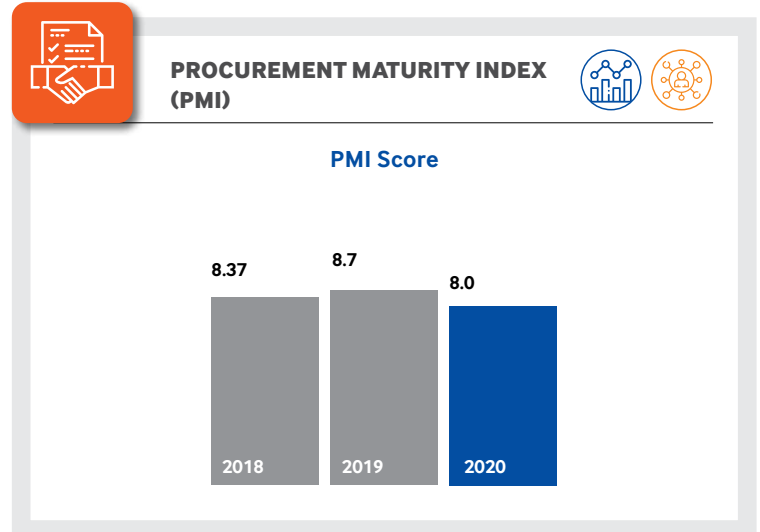
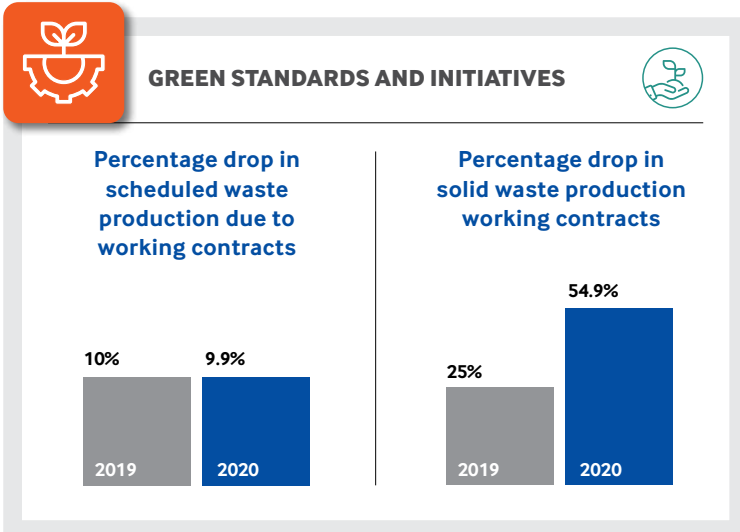
Environmental	Social
<p><b>Laws &amp; Regulations:</b></p> <ul style="list-style-type: none"> <li>Environmental Quality Act 1974</li> <li>Restriction of Hazardous Substances (ROHS)</li> <li>European Telecommunications Standards Institute (ETSI)</li> </ul> <p><b>Best Practices (where applicable):</b></p> <ul style="list-style-type: none"> <li>ISO Environmental Standards (ISO 14001:2015)</li> <li>United Nations Environment Program (UNEP)</li> <li>US Environment Protection Agency (EPA)</li> <li>ITU Telecommunication Standardisation Sector</li> </ul>	<p><b>Laws &amp; Regulations:</b></p> <ul style="list-style-type: none"> <li>Occupational Safety and Health Act 1994</li> <li>Employment Act 1955 &amp; Industrial Relations Act 1967</li> <li>Factories and Machinery Act 196</li> </ul> <p><b>Best Practices (where applicable):</b></p> <ul style="list-style-type: none"> <li>Occupational Health and Safety (ISO 45001:2018)</li> </ul>

As part of the improvement for 2020, we launched TM’s Supplier EES Self-Assessment Questionnaires to indicate and verify suppliers’ sustainability performance. The questionnaires enable suppliers to assess their compliance with relevant legislation and demonstrate their social, economic and environmental benefits and limitations. The self-assessment questionnaires have been sent to all TM’s suppliers, with a 20% response rate thus far. Following the assessment, we establish appropriate action plans to address the gaps and issues identified from this exercise.



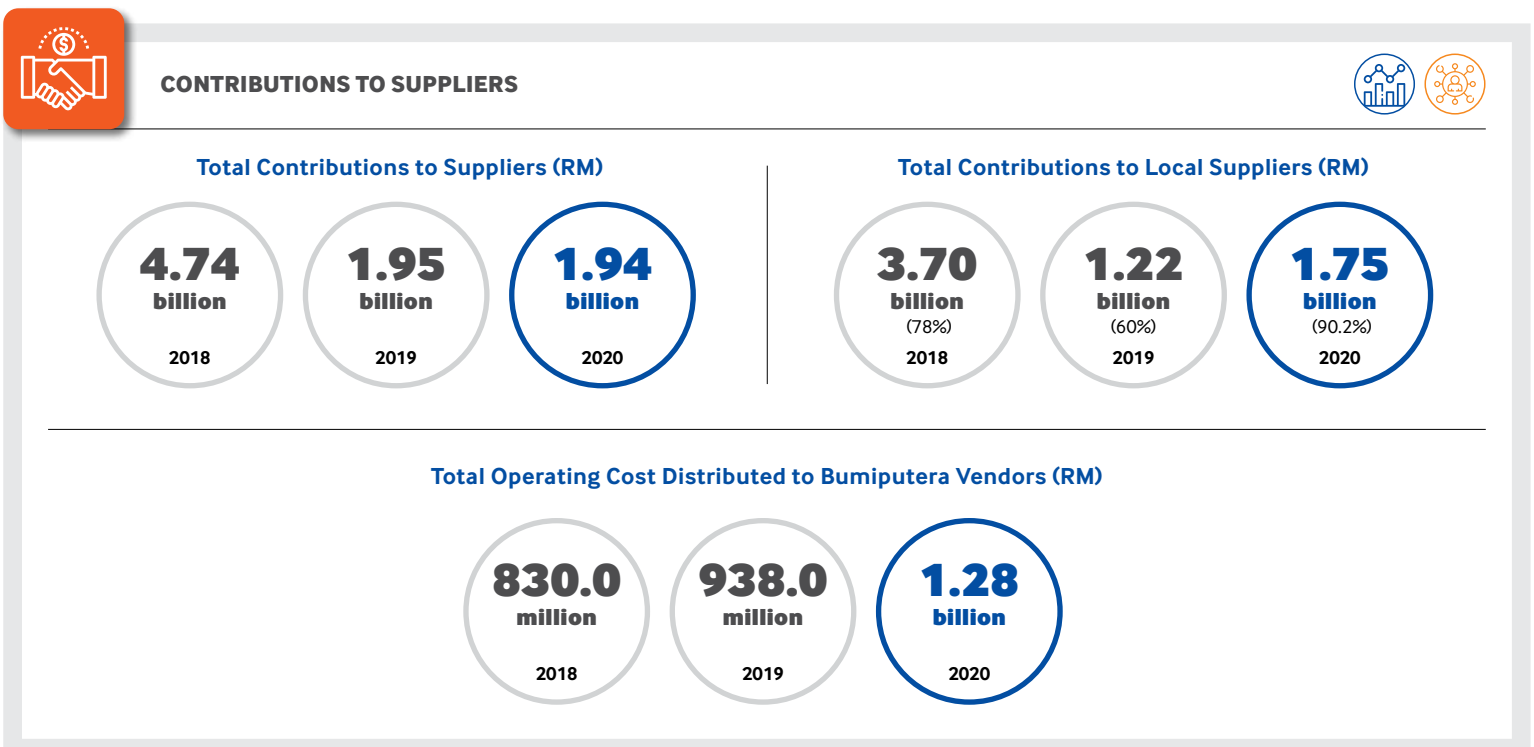
<sup>26</sup> [http://www3.weforum.org/docs/WEFUSA\\_BeyondSupplyChains\\_Report2015.pdf](http://www3.weforum.org/docs/WEFUSA_BeyondSupplyChains_Report2015.pdf)  
<sup>27</sup> [http://www3.weforum.org/docs/WEFUSA\\_BeyondSupplyChains\\_Report2015.pdf](http://www3.weforum.org/docs/WEFUSA_BeyondSupplyChains_Report2015.pdf)  
<sup>28</sup> [https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms\\_717944.pdf](https://www.ilo.org/wcmsp5/groups/public/---asia/---ro-bangkok/documents/publication/wcms_717944.pdf)

## We Create Value By... ...Putting People First



### VALUE CREATION

Companies with a local sourcing approach are better-equipped to overcome global supply chain disruptions. Local supply chains allow for more flexibility to meet demands, greater control over supply chain practices and lower logistical costs. At TM, we see our supply chain as an opportunity to maximise our economic impact. Our green procurement guidelines include utilising Bumiputera and Malaysian resources by purchasing products and services from local suppliers. We focus on local suppliers to align with our nation-building commitments. By hiring local, we channel our financial capital back into the Malaysian economy. We prioritise SME suppliers, who contribute 38.9% of the GDP<sup>29</sup> and make up our nation's economic backbone. We also nurture and support Bumiputera vendors, aligning with the Government's Bumiputera Empowerment Agenda (BEA). This is important to help mitigate the Bumiputera unemployment rate of 5.2% (against the national average of 5.1%)<sup>30</sup>.



We are also committed to delivering non-financial value for our suppliers. Creating a mutually beneficial relationship with our supply partners contributes to added value and performance. It is imperative to engage with suppliers and understand how to better collaborate. With this in mind, we invest in digital procurement technology that optimises process efficiency. This reduces costs and errors for both parties, as well as create transparency and trust. Our procurement governance review in 2020 focused on supplier empowerment and process simplification, enabled by digital.

<sup>29</sup> [https://www.dosm.gov.my/v1/index.php?r=column/cthemebByCat&cat=159&bu\\_l\\_id=VjM1enZ2RmIVRDVTNFAwRwZiZUs3QT09&menu\\_id=TE5CRUZCbIh4ZTZMODZiIbmK2aWRRQT09](https://www.dosm.gov.my/v1/index.php?r=column/cthemebByCat&cat=159&bu_l_id=VjM1enZ2RmIVRDVTNFAwRwZiZUs3QT09&menu_id=TE5CRUZCbIh4ZTZMODZiIbmK2aWRRQT09)

<sup>30</sup> <https://www.pmo.gov.my/2020/08/government-committed-to-ensuring-the-success-of-bumiputera-agenda-through-wkb2030-12mp/>

## We Create Value By... ...Putting People First

Additionally, we frequently engage with our suppliers to better understand and help them overcome their challenges. Our supplier engagement programmes increased delivery performance, improve supplier performance rating and strengthens TM's relationship with this key stakeholder group. This was particularly crucial this year, amid COVID-19 supply chain disruptions. During our engagement sessions, we discussed stock and inventories shortages, transportation, and collection problems faced by suppliers. We also held a *Turun Padang* engagement

between state general managers, regional offices, logistic operations, regional procurement offices and suppliers.

In 2020, we continued to deliver training and development opportunities to our suppliers. Under TM's Vendor Development Programmes are a robust and comprehensive process that ensures suppliers' resilience and success beyond TM, empowering them to better penetrate local and international markets.



### VENDOR DEVELOPMENT PROGRAMMES

#### TM Bumiputera Vendor Development Programme (BVDP)

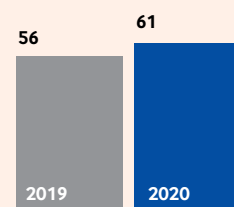
**Aim:** To develop competitive, sustainable and resilient Bumiputera suppliers according to the Government's goal of creating high-performing Bumiputera champions.

**What We Did:** Organised structured capacity and capability development programmes, such as entrepreneurship excellence, certification and process excellence, business expansion, and financial resources. Over ten (10) programmes also offered by technical Government agencies.

#### IMPACT

- **4,306** jobs created for Bumiputera suppliers
- **58.1%** of active contracts awarded to Bumiputera companies
- **146** contracts awarded to BVDP suppliers

#### BVDP Nominated Suppliers



#### Corporate Liability and Corruption Awareness Programme

**Aim:** To raise awareness of corruption risks and their impact on TM suppliers and share an overview of the procurement process and governance.

**What We Did:** Communicated and prepared suppliers for the enforcement of the new Corporate Liability Provision and Section 17A MACC Act 2009.

#### IMPACT

- **131** targeted suppliers from our network of contractors reached

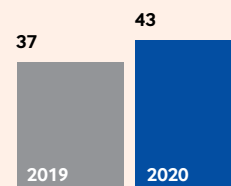
#### Suppliers Recognition 2020

**Aim:** To recognise the top-performing TM suppliers in various areas, including service, quality, responsiveness, compliance and innovation.

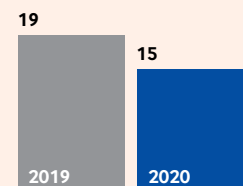
**What We Did:** Held an engagement session whereby the CPO recognises TM's top suppliers and awards them with e-certificates signed by the CEO.

#### IMPACT

#### Nominated Suppliers



#### Awards Categories

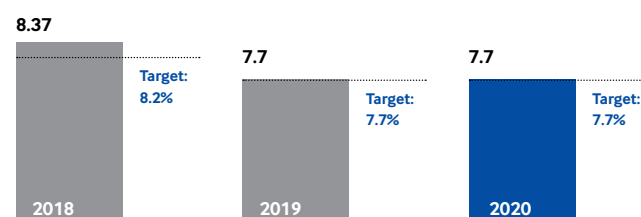


Overall, our relentless efforts to create value for suppliers, supported by a vision of 'Procurement Made Easier', resulted in a positive experience for our suppliers. We are proud to achieve our target in supplier satisfaction, despite the supply chain's particularly challenging year.



### SUPPLIER SATISFACTION INDEX (SSI)

#### Results



## We Create Value By... ...Putting People First

### INTEGRITY

Supplier relationship management is a two-way street; employees and suppliers need to treat each other with the highest level of integrity. However, due to their complex structure, supply chains are highly vulnerable to fraud and misconduct. Poor governance of supplier relationships weakens the supply chain, which increases the risk of regulatory breaches, stop-work orders and loss of stakeholder trust. Poor integrity not only impacts business performance but also regresses socio-economic progress. Corruption costs the global US\$3.6 trillion annually<sup>31</sup> and often hits underdeveloped communities the hardest.

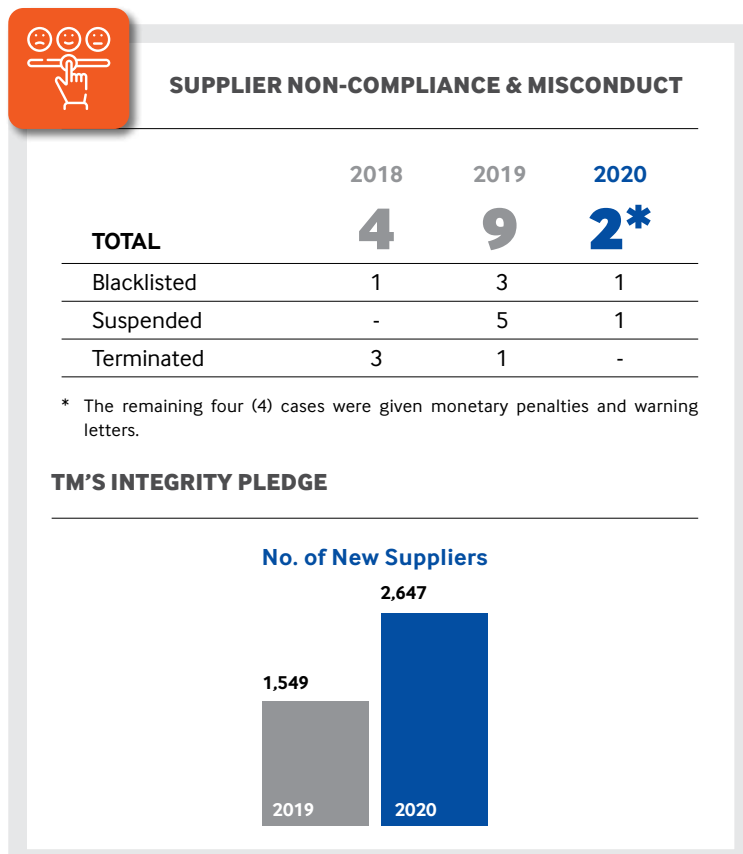
Catching supply chain fraud requires dedicated policies and risk management plans. At TM, suppliers and associated employees need to strictly adhere to our CBE, Procurement Ethics and Integrity Pact. In 2020, 100% of our registered suppliers signed the TM Integrity Pledge.

To uphold good governance in our supply chain, we reviewed our procurement consequence management and performed compliance checks on the operational procurement activities. We also revised our sourcing framework to formalise new sourcing methods in the market. The revisions include enhancements to Request for Proposal (RFP), pre-qualifications, and commercial bidding to obtain more competitive proposals from suppliers. Furthermore, we refined our Sole/Single Sourcing Policy (previously known as Direct Award) to ensure fair and equal opportunities for suppliers, which the Board Tender Committee duly endorsed. With the regionalisation of our procurement offices, more empowerment is given to the operational team; providing more authority and accountability to business users on procurement activities.

This year, we received six (6) cases of corruption or malpractice within the supply chain. The cases were presented to the Supplier Performance Committee (SPC), which has been resolved accordingly.

#### TM's Tenets of Ethical Procurement

- Zero Tolerance for Corruption
- Transparent Conflicts of Interest
- Honest Representation of Capabilities



TM's supply chain ethics protect the best interests of our suppliers. We defend their rights through fair and transparent contracts, collective bargaining agreements and welfare protection. Suppliers are encouraged to report any illegal or improper conduct that may be affecting them through TM's whistle-blowing channels.

Read more on page 118

<sup>31</sup> <https://www.weforum.org/agenda/2018/12/the-global-economy-loses-3-6-trillion-to-corruption-each-year-says-u-n>

**M5 Human Capital**

Stakeholders 

Capitals  

A business is only as good as its employees. There is nothing more powerful than employees who embody their company's mission, going above and beyond to drive the business forward. To achieve a high-performance workforce, there needs to be a culture of trust, respect and equal opportunity. Employees deserve to work for a company that genuinely cares for them – not just as workers but as people too. This is particularly relevant in 2020, as employees had to cope with workplace changes and health risks due to the COVID-19 pandemic.

At TM, GHCM empowers employees to tap into their full economic value potential in terms of knowledge, skills, work ethics as well as physical and mental abilities. We focus on future-proofing the workforce so that they can thrive in a world of rapid change. Also, as a responsible organisation, we treat employees with respect and dignity; and always uphold the highest standards of human and labour rights. Our reputation as a caring employer helps us to attract and retain the industry's top talent. There is also a strong positive correlation between employee well-being and business performance. Companies that foster healthy work environments report 21% higher profitability compared to their counterparts<sup>32</sup>. So, the company's approach to people management is seen as both an ethical imperative and strategic advantage.



Scan QR code for TM employee data

**HUMAN RESOURCES AWARDS WON BY TM IN 2020**

- 1. Graduates' Choice Award 2020/2021**
  - GLC Category – Champion
  - Telecommunication Category – Top 3
- 2. Asia's Best Employer Brand Awards**
  - Best Employer Brand
  - Excellence in Training
  - Innovation in Recruitment
- 3. World HRD Congress 2020**
  - Global HR Excellence Awards – Best Workplace Practices
  - HR Tech Award & Conferences – Employer of Choice
- 4. Malaysia's 100 (M100) Leading Graduate Employers in 2020**
  - Telecommunications – No. 1

- 5. Kincentric COVID Resilience Award Malaysia 2020**
- 6. HR Asia Best Companies to Work for In Asia 2020 (Malaysia edition)**



**Key Drivers:**

**WELFARE & WELL-BEING**



**SAFETY & HEALTH**



**TRAINING & DEVELOPMENT**



<sup>32</sup> <https://www.gallup.com/workplace/238079/state-global-workplace-2017.aspx>

## We Create Value By... ...Putting People First



### WELFARE & WELL-BEING

In today's world of uncertainties, employee welfare and well-being need to take centre stage. Transitioning to the 'new normal' requires providing support to employees as they navigate and adjust to the rapidly changing environment. It is important to maintain a meaningful dialogue with employees to keep them engaged and motivated. An engaged workforce lowers employee absenteeism by 41% and increases productivity by 17%<sup>33</sup>, resulting in a stronger bottom line.

As a people-centric organisation, we regularly engage with our employees through various platforms. This allows us to orientate the workforce towards our business priorities, as well as capture their key concerns so that we can better support their work. Our main engagement programmes in 2020 include:



### TM'S EMPLOYEE ENGAGEMENT INITIATIVES

#### Well-Being 360 Programme

To maintain overall employee well-being and motivation, we held physical and virtual events in which experts provided advice on eight (8) dimensions: Physical, Emotional, Spiritual, Financial, Environmental, Social, Intellectual & Occupational.



#### Leadership Dialogue

To encourage open and two-way communication between senior management and employees, we held various engagement events such as online dialogue sessions, quarterly company-wide townhalls and regular division townhalls.



#### SMILE App

To measure our employees' level of happiness and satisfaction, we provided an online platform and mobile app that allows them to share their feelings – anytime, anywhere.



#### Karnival Sukan TM (KASTEL)

To promote sportsmanship and healthy competition through a three (3) day sporting event, which attracted more than 1,300 employees from all over Malaysia, including Sabah and Sarawak.



Employee engagement is particularly important amid this challenging year. As the COVID-19 pandemic continuously evolves, we need to remain vigilant to employees needs and well-being. During the year, we have established various initiatives designed to help employees navigate these challenging times, including implementing SWA policy, providing special allowances and meals for our frontliners and introducing Return to Work guideline to ensure they remain safe and productive. We also conducted a nationwide Work from Home (WFH) Productivity Survey between 15 May - 15 June 2020 to determine the impact of working from home on employee productivity. The survey revealed that 90% of respondents' productivity level was the same or higher during the lockdown. Additionally, we achieved an average of 3.74 out of 5.00 in the TM Happiness Survey known as SMILE.

<sup>33</sup> <https://www.gallup.com/workplace/238079/state-global-workplace-2017.aspx>



### WORK-LIFE BALANCE PROGRAMMES

#### VOLUNTARY ANNUAL LEAVE PURCHASE

Allow employees to purchase additional annual leave days for a limited period of time.

##### TAKE-UP RATE\*

2019	2020
<b>973</b>	<b>410</b>

#### VOLUNTARY SELF-DECLARED RECOVERY LEAVE

Enable employees to apply for sick leave without a medical certificate. This cuts medical costs and provides convenience.

##### TAKE-UP RATE\*\*

2019	2020
<b>9,542</b>	<b>6,935</b>

#### FLEXIWEEK

Enable employees to work four (4) days a week with a temporary salary adjustments, so they can tend to personal needs.

##### TAKE-UP RATE\*

2019	2020
<b>38</b>	<b>10</b>

#### VOLUNTARY WORK FROM ANYWHERE

Allow flexible working through Flexi Space (work-from-home), Flexi Time (staggered working hours) and Flexi Team (split teamwork)

##### TAKE-UP RATE







2019	2020
<b>587</b>	<b>17,578</b>

\* Number of employees that applied for >1,900 days of leave collectively  
\*\* Number of employees that utilised >1,300 days of leave collectively

Additionally, we have several digital platforms that aim to enhance employees' work experience and provide them with easy access to tools and resources.



### DIGITAL EMPLOYEE PLATFORMS

	What is it?	Achievements
<b>NEO</b> 	An enhanced centralised online platform that enables employees to easily apply and manage overtime claims.	<ul style="list-style-type: none"> <li><b>237,416</b> claims submitted</li> <li><b>3,886</b> average over-time claims submitted monthly via NEO</li> </ul>
<b>ERA</b> 	A single-employee portal and mobile app where employees can access HR services including internal job vacancies, job application, SMILE, IDP and other HR digital platforms.	<ul style="list-style-type: none"> <li><b>9,351</b> downloads</li> </ul>
<b>GROW</b> 	A performance management system / mobile app that allows employees to manage their performance goals, action plans, achievements and appraisals online.	<ul style="list-style-type: none"> <li><b>10,386</b> employees utilised web portal to complete performance activities</li> <li><b>4,682</b> mobile users registered</li> </ul>
<b>TM Medic</b> 	A medical app that provides access to various health services and information, such as medical utilisation and guarantee letter requests.	<ul style="list-style-type: none"> <li><b>13,569</b> downloads</li> <li><b>3,315</b> guarantee letters requested and issued via the app</li> </ul>
<b>TM Learn</b> 	An online portal for digital learning opportunities.	<ul style="list-style-type: none"> <li><b>7,685</b> average number of employees actively using TM learn each month</li> </ul>
<b>edubite</b> 	An internal app where employees can access various online training and courses through bite-sized learning.	<ul style="list-style-type: none"> <li><b>6,464</b> downloads</li> </ul>

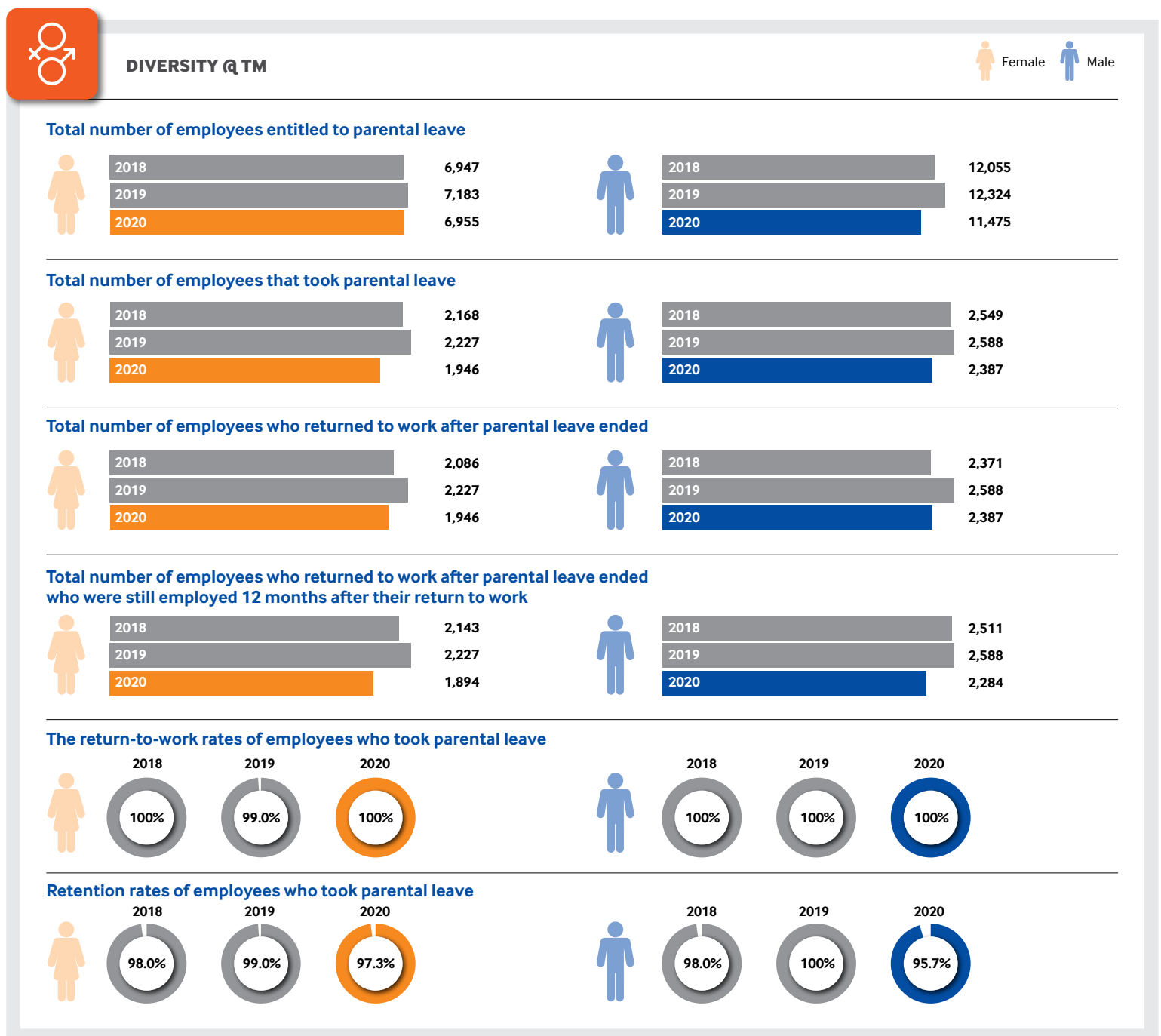


## We Create Value By... ...Putting People First

We understand the inherent value in diversity, with different perspectives contributing to innovative and well-balanced ideas. For example, there is a 48% performance differential between the most and least gender-diverse companies<sup>34</sup>. TM creates a diverse workforce through inclusive practices that benefit everyone, regardless of race, gender, age, disabilities or beliefs. Disabled employees are provided with an accessible built environment, such as easier parking spaces and ramps. TM also celebrates all major festivities including Chinese New Year, Hari Raya, Deepavali, Hari Gawai and Pesta Ka'amatan. This reflects the rich cultural diversity within the Group.

For female employees, we provide family-friendly facilities such as lactation rooms, childcare centres and designated parking areas for pregnant women. To encourage engagement amongst our female employees, the *Persatuan Isteri-isteri dan Anggota Wanita TM* (TIARANITA) offers various programs and activities, especially for women. We also offer paid parental leave policies for working parents. This allows new parents to balance between work and family.

In 2020, the number of female Board members rose from 17.0% to 27.0%. This reflects our progress in meeting the Government's target of having women fill at least 30% of decision-making roles in the corporate sector.

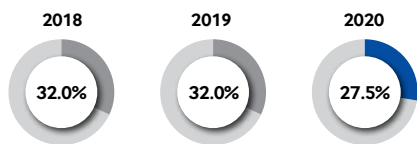


<sup>34</sup> <https://www.mckinsey.com/~/media/McKinsey/Featured%20Insights/Diversity%20and%20Inclusion/Diversity%20wins%20How%20inclusion%20matters/Diversity-wins-How-inclusion-matters-vF.pdf>

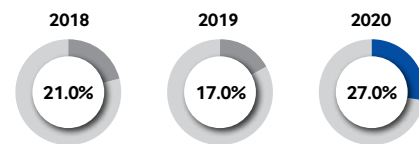


**DIVERSITY @ TM (Continued)**

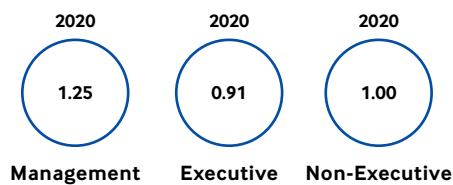
**Women in Management**



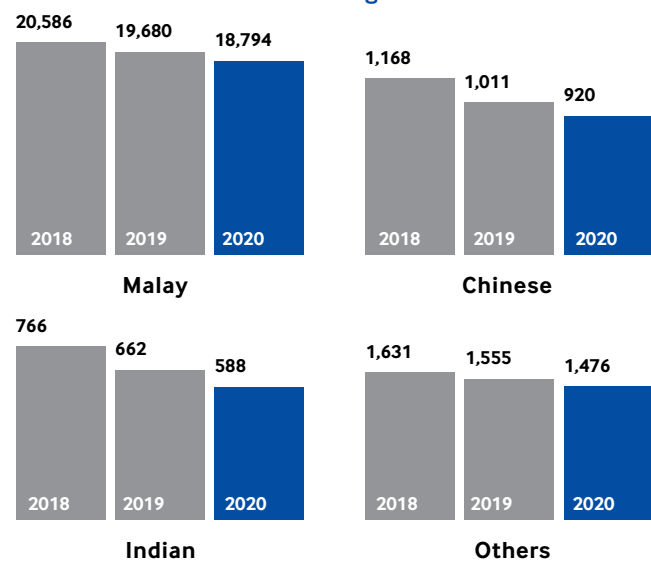
**Women on the Board**



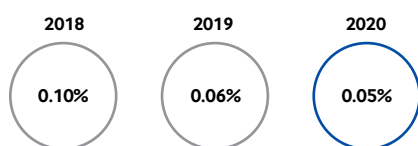
**Ratio of basic salary for Women to Men**



**Racial Background**



**Disabled Staff**



TM supports the need for unions in protecting the rights of workers. Collective bargaining agreements help establish strong bonds between TM and employees, contributing to a successful working relationship. We consistently engage with union representatives to maintain industrial harmony. TM employees have the freedom of association through unions. This allows them to take collective action according to their best interest. There are four (4) unions that have been recognised by TM which is *Kesatuan Kebangsaan Pekerja-Pekerja Telekomunikasi Semenanjung Malaysia* (NUTE), *Kesatuan Pekerja Telekom Malaysia Berhad Sarawak* (UTES), *Kesatuan Pekerja-Pekerja Telekom Malaysia Berhad Sabah* (SUTE) and *Kesatuan Pekerja-Pekerja Telekomunikasi Malaysia Berhad Sabah* (SUTEN). These unions represent TM and its subsidiaries employees' benefits and welfare.

	2018	2019	2020
Non-Union members	15,179	14,305	11,565
Union members	9,165	8,603	8,304
Percentage of total employees covered by collective bargaining agreements (%)	-	54.5	37.0
Percentage of Union members out of total no. of Employees (%)	38.0	37.6	37.4
Percentage of Union members out of total no. of Non-Executives (%)	69.0	68.9	71.0

	2018	2019	2020
Kesatuan Kebangsaan Pekerja-Pekerja Telekomunikasi Semenanjung Malaysia (NUTE)	7,497	6,998	6,722
Kesatuan Pekerja Telekom Malaysia Berhad Sarawak (UTES)	897	810	792
Kesatuan Pekerja-Pekerja Telekom Malaysia Berhad Sabah (SUTE)	734	719	710
Kesatuan Pekerja-Pekerja Telekomunikasi Malaysia Berhad Sabah (SUTEN)	81	76	80

## We Create Value By... ...Putting People First

### SAFETY & HEALTH

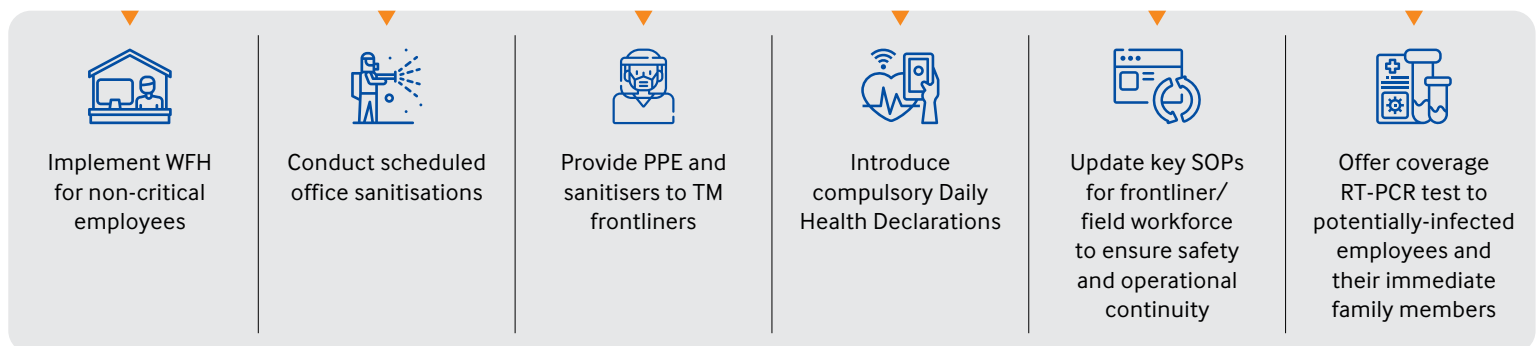


The importance of occupational safety and health (OSH) cannot be understated. First and foremost, it is the right thing to do. Businesses have a moral duty to protect workers from workplace injuries and illness. Furthermore, OSH is a good business practice. Work injuries cost around US\$170.0 billion globally<sup>35</sup>, primarily due to productivity losses, medical expenses, administrative charges and regulatory fines. Poor health and safety measures also result in lower employee retention and loss of public trust. Therefore, OSH is imperative for long-term business performance.

**100%** compliance with  
the Occupational Safety and  
Health Act 1994

TM's health and safety culture comes from good governance. With a top-down approach to OSH, all our leaders, managers and supervisors demonstrate strong leadership and commitment to health and safety, which cascades throughout the Group. We manage the risk of injuries and health hazards to all employees and stakeholders, and ensure consistent compliance with applicable OSH regulations and standards. TM's OSHE Steering committee provides constant monitoring, training and supervision to ensure each job function is carried out safely, as we strive to continuously improve our OSH management system.

With the COVID-19 pandemic, the safety and health of employees were at risk more than ever before. As a response, we swiftly implemented safety measures for employees, particularly those in critical functions that are unable to WFH. The measures include:



Additionally, we implemented various health and safety initiatives designed to protect our employees and other stakeholders. These initiatives contributed to lower accidents and safety incidents, despite the unprecedented challenges faced in 2020.



### OCCUPATIONAL SAFETY & HEALTH INITIATIVES

#### Engagement with Contractors

Conducted engagement sessions with TM contractors to standardise and update OSH compliance requirements. These include:

1. SHO Contractors Engagement Programme

2. Contractor Compliance Audit Programme

3. NIOSH-TM Safety Passport (NTMSP) Programme

#### Program Latihan Amalan Kerja Selamat (PLAKS)

Organised training programmes specifically designed for employees to better understand OSH requirements & compliance and reduce OSHE-related incidents.

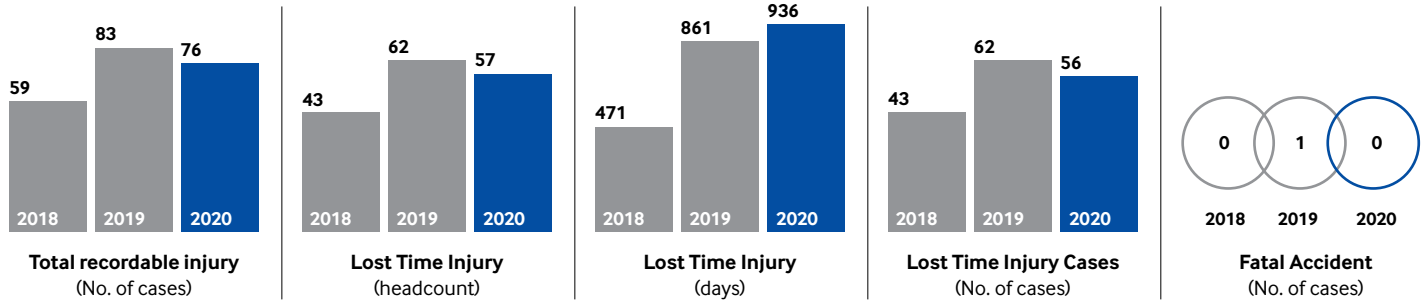
#### COVID-19 Crisis Response Team (CRT)

Set up a task force dedicated to mitigating and managing the impact of COVID-19. TM's OSHE unit is an integral component of CRT, providing crucial support in managing employees' exposure to the virus.

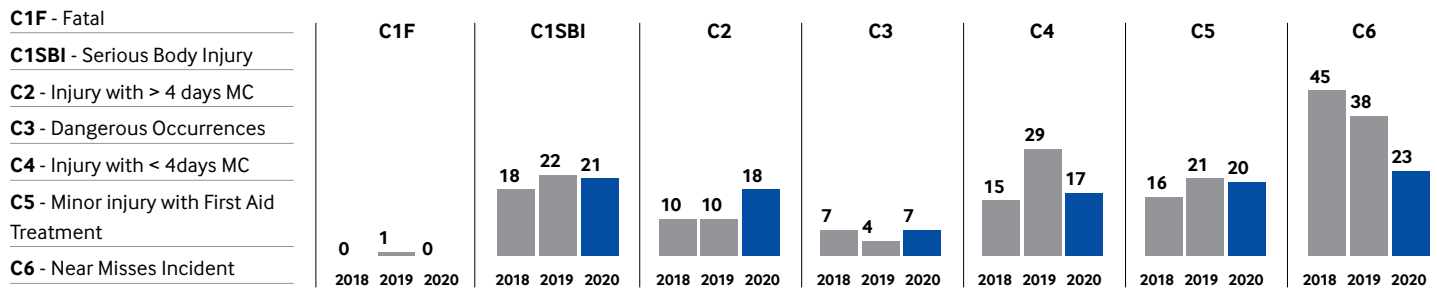
<sup>35</sup> [https://injuryfacts.nsc.org/work/costs/work-injury-costs/#:~:text=The%20total%20cost%20of%20work,administrative%20expenses%20of%20\\$2457.6%20billion](https://injuryfacts.nsc.org/work/costs/work-injury-costs/#:~:text=The%20total%20cost%20of%20work,administrative%20expenses%20of%20$2457.6%20billion)



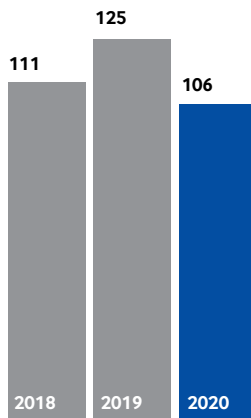
**OCCUPATIONAL SAFETY & HEALTH STATISTICS**



**OSHE Incident by Category**



**OSHE Incident**



**OSHE Performance**

	2018	2019	2020
Incident rate (IR)	2.89	3.46	3.05
Loss Time Injury Frequency Rate (LTIFR)	0.58	0.81	0.76
Frequency rate (FR)	1.51	1.64	1.44
Severity rate (SR)	6.39	11.27	12.7
Fatality Rate (FTR)	0.00	0.03	0
States OSHE Committees (SOC)	16	16	16
Building/Premises OSHE Committees (BPOC)	143	138	136
Buildings OSHE Committees	5	5	5
TM Subsidiaries OSHE Committees	13	10	10
Total workforce directly involved	2,327	2,155	2,057

## We Create Value By... ...Putting People First

### TRAINING & DEVELOPMENT



In today's fast-paced world, upskilling and reskilling is critical to future-proofing employees. Investments in training and development allow employees to perform better, as they have greater understanding and confidence to contribute to their role. It also shows employees that they are valued, resulting in reduced employee turnover and greater buy-in. This is important because 40% of company transformations fail due to a lack of employee buy-in<sup>36</sup>.

TM's Learning and Development (L&D) Centre adopts a holistic approach to talent development. Employees are trained with the skills needed for career and business growth. TM's training and development programmes extend across all levels, from Non-Executives all the way to Senior Management. This allows us to better thrive in a digital economy, as companies that invest in developing leaders are 2.4 times more likely to achieve their targets during major transformations<sup>37</sup>.

This year, we introduced a new Talent Management Framework that follows a 70:20:10 model of learning through Experience: Relationship: Education. In total, more than 31,000 development action plans have been registered by all executives. In this development model, supervisors play a central role in evaluating short and long-term growth areas for employees by:

**1** identifying and pursuing employees' personal goals for professional development

**2** Identifying and incorporating employee's strengths, talents and passions into their work

**3** Setting goals and action plans for important competencies needed, now or in the future

The new framework comprises three (3) key elements:

- Career Conversation & Individual Development Plan (IDP)** – a one-on-one dialogue between supervisors and subordinates to assess employees' professional goals and strengths. This is then translated into customised development action plans that improve competencies and skill gaps. The registered action plans are part of individual KPIs to encourage employee development.
- Talent Potential Assessment & Calibration** – all executives are assessed by their immediate supervisors based on their sustainable performance and future potential. They are then classified into different talent groups to design and deliver targeted development plans.
- Succession Programmes** – employees in Band 4 and above are trained and developed to create a pool of future successors for key leadership roles.

With social distancing limitations, our training and development cost reduced in 2020. Most of our training programmes were virtual, which resulted in RM3.09 million in total training cost avoidance. The online sessions also allowed more employees to participate in our training programmes. As part of our commitment to future-proofing employees, we also increased the amount of training funds channelled into future skills areas.



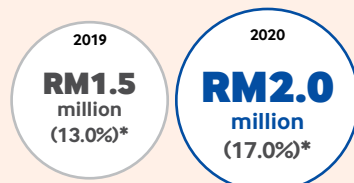
### EMPLOYEE TRAINING PROGRAMMES IN 2020

#### Future-Skilling Programmes

To equip employees with future-ready skills, in areas such as Cloud, Robotic Process Automation (RPA), 5G, SDN/NFV, Data Analytics, Smart Services, IoT, Digital and agile.

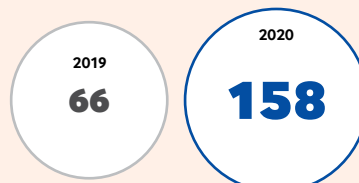
#### WHAT WE ACHIEVED

##### Investment in Future Skills

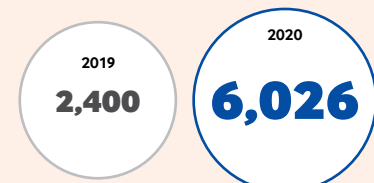


\* Against total spent in Training and Development

##### Number of Employees Trained in Future Skills



##### Number of Employees Trained in Emerging Functions



<sup>36</sup> <https://www.mckinsey.com/industries/financial-services/our-insights/banking-matters/a-strategic-blueprint-for-making-the-most-of-banking-talent>

<sup>37</sup> <https://www.mckinsey.com/business-functions/organization/our-insights/the-essential-components-of-a-successful-l-and-d-strategy>



**EMPLOYEE TRAINING PROGRAMMES IN 2020 (Continued)**

**TM Subject Matter Experts (SME)**

To develop TM SMEs in various areas of expertise and equip them with skills to train other TM employees.



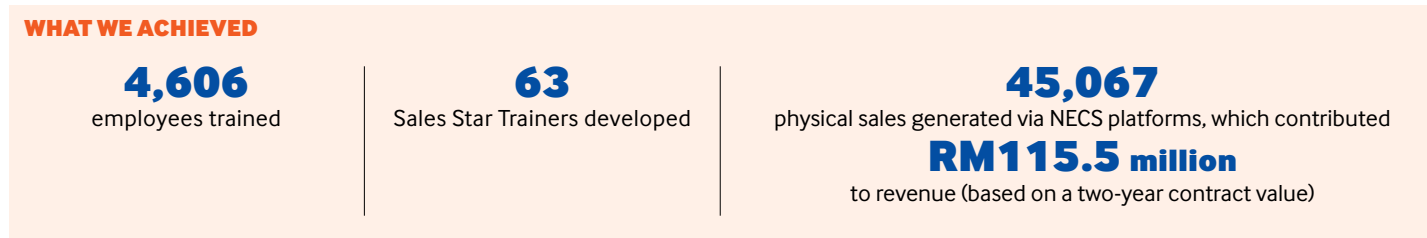
**TM S.M.A.R.T.2 Goal**

To educate TM executives on how to set meaningful goals for enhanced performance achievements.



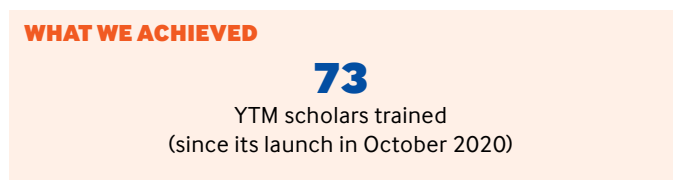
**Now Everyone Can Sell (NECS)**

To promote a sales service culture by equipping employees with the skills needed to confidently promote TM products and handle customer enquiries.



**ELIT Programme**

To enhance the employability of graduates by improving their skills and capabilities according to industry needs.



**Webinar Leadership Series**

To promote the exchange of ideas and best practices between management and employees through a collaborative knowledge-sharing platform.



We Create Value By...  
...Putting People First



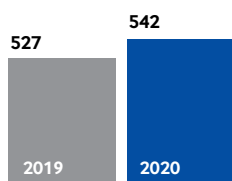
**EMPLOYEE TRAINING PROGRAMMES IN 2020 (Continued)**

**Training & Development Investments**

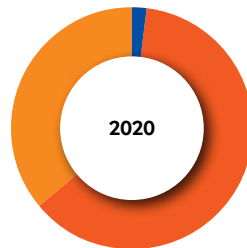
**Total Spent in Training & Development**



**Average Training Budget per Employee**

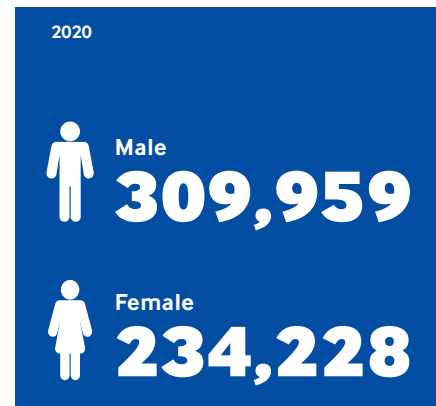


**Employee training based on work level**



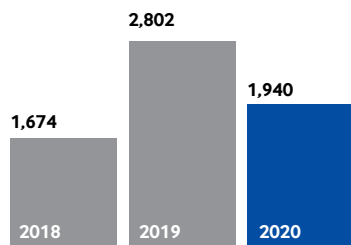
- Management 1%
- Executive 62%
- Non-Executive 36%

**Employee training based on gender (hours)**

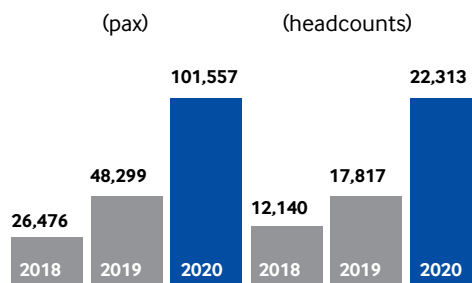


**Training Sessions**

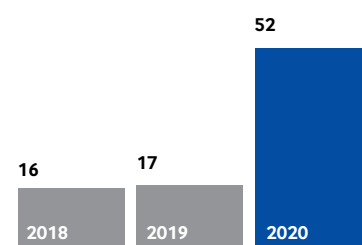
**Total Training Sessions Conducted**



**Total Participants in Training Sessions**

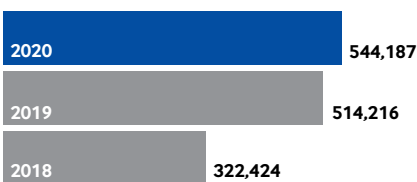


**Average Attendance Per Training Session**



**Training Hours**

**Total Training Hours**



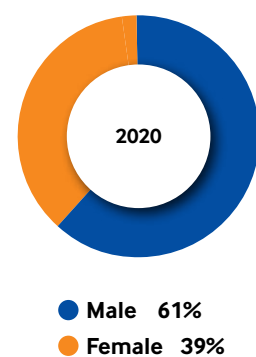
**Average Hours of Training Provided Per Employee**



**Employees receiving performance review by work level**



**Employees receiving performance review by gender**



**M6 Community Development**

Stakeholders

Capitals

Businesses need to give back to the communities that allowed them to succeed in the first place – it is every company’s moral obligation. Social programmes contribute to inclusive and shared prosperity, which ensures the sustainable development of Malaysia as a whole. Community resilience is also important for business – when communities suffer, so does business performance.

On the other hand, companies that demonstrate strong social initiatives gain a competitive advantage. 88% of millennials believe that businesses need to play a central role in alleviating social concerns<sup>38</sup>. Therefore, corporate stewardship improves branding and stakeholder trust. There is also a direct correlation between CSR index ranking and profitability<sup>39</sup>, further supporting the idea that community work is good for business.

As a digital enabler, TM is committed to helping communities thrive in a Digital Malaysia. Our philanthropic focus is to create an invaluable, long-term impact for the communities we operate in. We channel resources into educating future leaders, developing budding entrepreneurs, and empowering communities-in-need. Our programmes aspire to promote inclusivity and diversity in all aspects. Additionally, we have various clubs and societies nationwide that encourage TM employees to participate in volunteerism. Through our strategic community programmes, we can maximise the positive change in the lives of all Malaysians.

**Key Drivers:**

EDUCATION

ENTREPRENEURSHIP

EMPOWERMENT

EDUCATION

Education is the greatest tool for eradicating poverty. When people receive a quality education, they can break the cycle of poverty and achieve a higher quality of living. Education also fosters tolerance and contributes to social cohesion. An investment in education is an investment in the future of the country. Despite its potential, many people struggle to access quality education. Globally, around 258 million students out of school<sup>40</sup>. While Malaysia fairs better, there are still over 218,000 out-of-school youths<sup>41</sup>.

At TM, we believe that every Malaysian has the right to quality education. We strive to close the education gap while developing innovative thinkers capable of driving a digital economy. To achieve this, we have established our two (2) primary educational bodies:



<sup>38</sup> [https://www2.deloitte.com/content/dam/insights/us/articles/HCTrends2018/2018-HCTrends\\_Rise-of-the-social-enterprise.pdf](https://www2.deloitte.com/content/dam/insights/us/articles/HCTrends2018/2018-HCTrends_Rise-of-the-social-enterprise.pdf)  
<sup>39</sup> [https://www2.deloitte.com/content/dam/insights/us/articles/HCTrends2018/2018-HCTrends\\_Rise-of-the-social-enterprise.pdf](https://www2.deloitte.com/content/dam/insights/us/articles/HCTrends2018/2018-HCTrends_Rise-of-the-social-enterprise.pdf)  
<sup>40</sup> [http://uis.unesco.org/sites/default/files/documents/sdg4-data-digest-2019-en\\_0.pdf](http://uis.unesco.org/sites/default/files/documents/sdg4-data-digest-2019-en_0.pdf)  
<sup>41</sup> <http://uis.unesco.org/en/country/my>



We Create Value By...  
...Putting People First

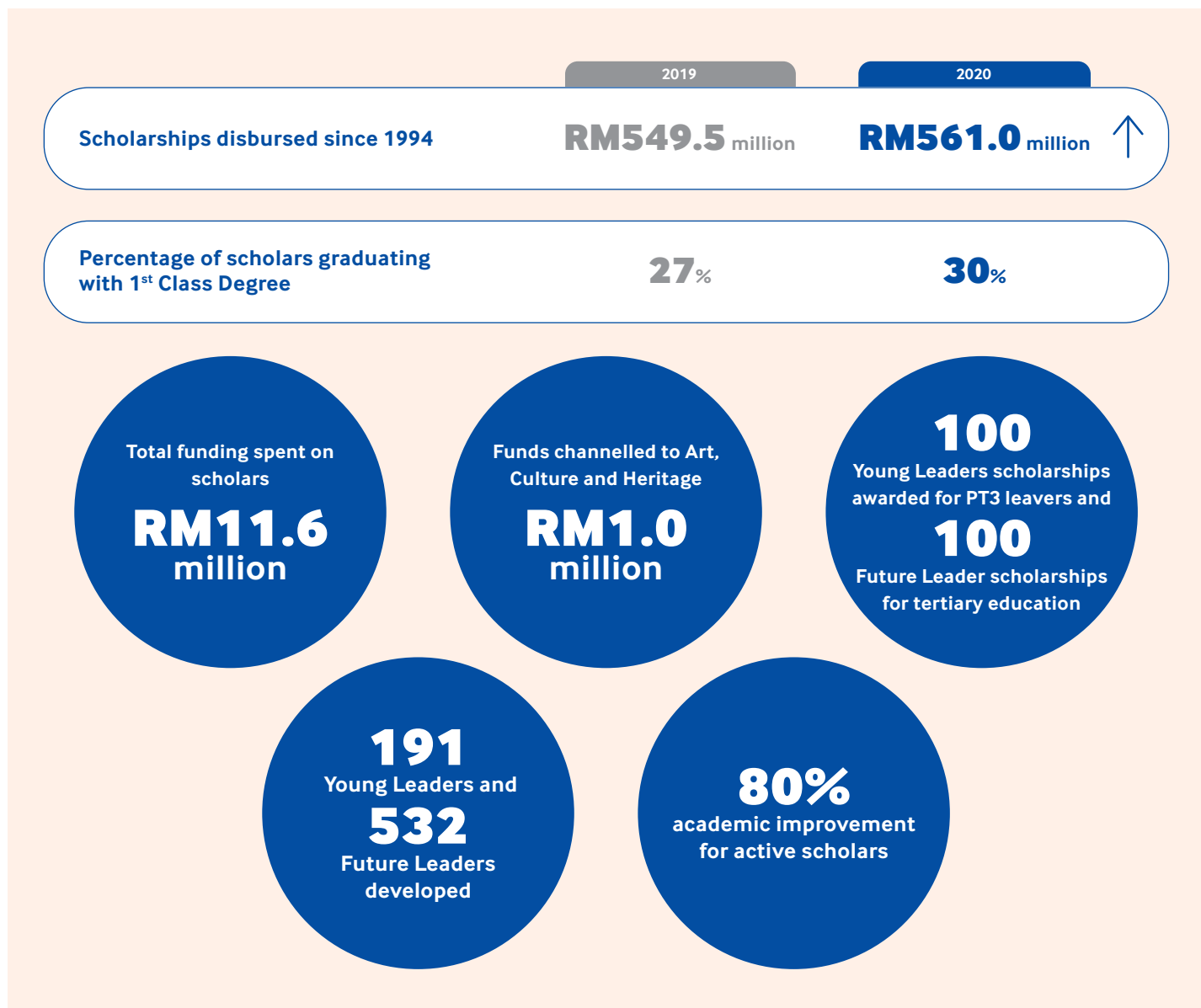


## YTM ACHIEVEMENTS

### Yayasan TM

Yayasan TM (YTM) provides educational scholarships to high-potential students. In 2020, YTM supported the academic ambitions of 106 students, enabling them to study in well-established institutions in Malaysia and abroad. YTM aims to develop dynamic future leaders with the entrepreneur mindset and perseverance needed to drive a digital workforce. TM continues to provide educational platforms to nurture future workforce and talents for continuous nation-building.

In 2020, YTM provided structured development programmes designed to nurture digital leaders. These include webinar sessions with YTM Board of Trustees; online engagement sessions with scholars; and an induction programme for new Future Leaders Scholarship intake. YTM also collaborated with MOE to raise awareness of scholarships and career opportunities for *Sekolah Berasrama Penuh* (SBP). 69 SBPs from seven (7) regions participated in this programme, reaching 1,154 students.





**MMU ACHIEVEMENTS**



Multimedia University (MMU) is a leading private university in Malaysia. MMU specialises in ICT, innovation and engineering, thus equipping its students with the skills needed to excel in a digital economy. A key priority for 2020 was to improve academic excellence in teaching, learning and research. This includes introducing new programmes that develop talent according to current industry needs. The following programmes received approval from the Ministry of Higher Education (MoHE) and the Malaysian Qualifications Agency (MQA) this year:

- Diploma in Mechanical Engineering;
- Diploma in Cinematography, Diploma in Creative Producing;
- Master of Creative Multimedia;
- Master of Philosophy (Communication);
- Master of Computer Science in Software Engineering (ODL);
- Master in Converged Telecommunications Policy and Regulations; and
- Doctor of Philosophy (Communication)

MMU also focuses on delivering global impact through innovative international collaborations. In 2020, MMU established an inbound articulation programme to develop the feeder market with other educational institutions abroad, such as Raffles Institute Indonesia. Additionally, MMU developed a fast-track postgraduate programme with Universitas Pertamina, Indonesia.

**Times Higher Education World University Rankings:**

**Top 10**  
for Malaysian Universities

**601-800**  
group for Computer Science and Engineering & Technology

**601**  
for Business & Economics

**QS World University Ranking (WUR):**

**Top 7**  
Private Universities in Malaysia

**Top 2**  
in Computer Science among Malaysian Private Universities

**Top 3**  
in Electrical & Electronics among Malaysian Private Universities

**Future Workforce Engagement Report 2020 by MDEC**

**Top 2**  
Universities that supply skilled digital talent for Malaysia

**Special Awards (Institute of Higher Learning) of National Energy Awards (NEA) 2020**

**60,000**  
number of highly-skilled graduates produced since 1996

**5-Star rating for SETARA**

## We Create Value By... ...Putting People First

Our support in the educational sphere also includes programmes that promote Science, Technology, Engineering and Mathematics (STEM) to younger students. We collaborate with other organisations to motivate innovative thinking and well-roundedness among students.



### EDUCATIONAL PROGRAMMES

#### TM SCHOOL ADOPTION PROGRAMME (2007-2020)

**Objective:** To promote a better learning and teaching experience for schools through technology and digital solutions.

**Partner:** PINTAR Foundation

**What We Did:** We engaged with adopted schools to understand their challenges. We then brainstormed ideas with teachers to design programmes that meet these challenges. Finally, we assessed the programmes' effectiveness through reports received from the schools.

#### IMPACT

- **RM2.8** million spent on schools for academic and non-academic activities.
- Over **25,000** individuals reached, including students, teachers, parents and community members.
- **15** schools adopted nationwide, with two (2) active schools (SMK Paya Rumput Melaka; and SKP Khas Pekan Tuaran, Sabah).



#### TM FUTURE SKILLS PROGRAMME (2020)

**Objective:** To equip students and teachers with IR4.0-Centric Skills and Knowledge.

**Partner:** MMU; Creative Minds; PPDBP

**What We Did:** We provided 3D Printing modules to primary schools as well as Nano Maker Kit (data logging) modules to secondary schools. The modules aim to empower students with the knowledge in innovation and technology. We conducted a series of online and hands-on workshops to train teachers on TM Future Skills. Teachers learned how to apply 3D modelling and data logging in Project-Based Learning (PBL).

#### IMPACT

- Over **RM150,000** invested in the programme.
- **21** schools reached.
- **326** teachers trained in TM Future Skills.



#### REOPENING SCHOOLS WITH SMART SOLUTIONS (2020)

**Objective:** To provide innovative screening solutions to ensure school communities are safe as schools reopen from COVID-19 lockdowns.

**Partner:** Ministry of Education (MOE)

**What We Did:** We installed smart digital health screening solutions, ONE PASS at five (5) selected schools. TM R&D also installed EWAR at 12 schools in Bangsar and Pudu area. We distributed 1,200 3D-printed face shields to 21 TM Future schools and one adopted school.

#### IMPACT

- More than **17,000** students and teachers better protected from COVID-19 during school reopening.



### ENTREPRENEURSHIP

Entrepreneurs have the potential to drive innovation, spur economic growth and promote social change. Entrepreneurial ventures create a catalytic effect of income opportunities; often with goods and services that improve quality of life. However, entrepreneurs are exposed to disruptions as they struggle to keep with market changes. Furthermore, B40 entrepreneurs are the most vulnerable to change. With two-thirds of B40 households relying on a single source of income<sup>42</sup>, rapid digitalisation may result in greater wealth inequalities.

At TM, we actively support entrepreneurship development. We understand the role that they play in socio-economic growth. Therefore, we deliver training opportunities to equip budding entrepreneurs with essential digital and future-ready skills. We also provide funding for B40 communities to help grow their business for greater income opportunities.

<sup>42</sup> <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/about-deloitte/us-2017-deloitte-volunteerism-survey.pdf>



## ENTREPRENEURSHIP PROGRAMMES

### TM-GIATMARA TVET START-UP PROGRAMME (2020)

**Objective:** To digitally-empower TVET graduates and entrepreneurs from GIATMARA on a larger scale.

**What We Did:** We provided online modules on Digital Content Development to TVET graduates and entrepreneurs. The modules focus on targeted markets and business content. Participants were trained with online marketing and technology skills to improve their digital branding, sales, distribution and partnerships.

#### IMPACT

- Over **3,000** GIATMARA graduates and entrepreneurs completed the online modules.



### TM KOPERASI PROGRAMME (2019-2020)

**Objective:** To enhance the socio-economic status of rural communities through cooperative entrepreneurship development and business coaching.

**What We Did:** We established *Koperasi Bukit Kepong* (KOBK) to support the rural villagers of Kampung Tui, Bukit Kepong, Johor. We guide KOBK members to identify suitable business opportunities for greater income generation. The training covers business planning, accounting and marketing to help strengthen their operations.

#### IMPACT

- 50** KOBK members, including local entrepreneurs.
- KOBK is now an established cooperative that operates in Bukit Kepong; providing food products and souvenirs to surrounding communities.



## EMPOWERMENT

Social empowerment projects are the perfect opportunity to connect with local communities. It helps companies respond to key community concerns, as well as contribute to socio-economic progress. Additionally, employees that participate in volunteerism are more engaged, inspired and fulfilled. 89% of employees believe that volunteer activities create a better overall working environment<sup>43</sup>. This contributes to employee productivity and performance. It also demonstrates corporate authenticity, which inadvertently improves stakeholder trust and brand perception.

With TM's extensive reach, we are able to celebrate and uplift communities across Malaysia. Through digital and physical engagement channels, we provide underdeveloped groups with financial and non-financial support.



## SOCIAL WELFARE PROGRAMMES

### TM'S COVID-19 CONTRIBUTIONS (2020)

**Objective:** To address social issues faced by local communities impacted by the COVID-19 pandemic.

**What We Did:** We established an internal fundraising campaign to help mitigate COVID-19 impact. Our volunteers, TM ROvers, helped distribute care packages, consisting of cash, dry food and other essential items, to communities affected by the MCO. We also distributed care packages to other group beneficiaries, such as asnaf groups, NGOs, Lembaga Zakat and Baitulmal and COVID-19 frontliners.

#### IMPACT

- More than **RM6.7 million** channelled into nation-building initiatives during the COVID-19 outbreak, including:
  - Over **RM2.0 million** in cash contributed to the Government's COVID-19 Fund
  - RM1.0 million** channelled into GLC and GLIC Disaster Response Network (GDRN) COVID-19 Fund towards MOH efforts against the pandemic
  - RM0.7 million** raised by TM employees for affected communities under TM Tabung Kebajikan COVID-19
  - RM1.0 million** pledged for the "To Malaysia with Love" (TMWL) humanitarian relief campaign, an industry initiative
  - RM2.0 million** worth of TM care packages distributed nationwide, consisting of cash, essential items and dry food
- As co-chair to GDRN, TM helped coordinate the **RM95.4 million** raised through crowdfunding efforts with GLCs/GLICs (RM79.8 million: medical supplies; RM15.6 million: non-medical supplies)



<sup>43</sup> <https://www2.deloitte.com/content/dam/Deloitte/us/Documents/about-deloitte/us-2017-deloitte-volunteerism-survey.pdf>

We Create Value By...

## ...Strengthening Our Integrity



As a nation-building organisation, we must conduct ourselves with the highest standards of ethics and integrity. Guided by TM's Core Values (KRISTAL), we place the utmost importance on honesty, integrity and fairness. We expect all Board members, management team, employees, suppliers and business partners to behave accordingly. Through good corporate governance and business ethics, we ensure that the best interests of all stakeholders are always protected.

### M7 Governance

Stakeholders   

Capitals  

Good governance fosters a culture of integrity that is crucial to sustainable business. It allows companies to operate more efficiently and limit risks. Studies have shown that there is a positive correlation between governance and performance, for both financial and non-financial metrics<sup>44</sup>. Corporate governance also protects businesses against corruption and malpractices that may lead to regulatory penalties and a tarnished image.

#### 100% compliance with the following Laws & Regulations:

- Whistle-blowers Protection Act 2010
- Anti-Money Laundering and Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001

More importantly, good governance ensures companies are managed according to the best interest of their stakeholders. It improves accountability and transparency to minimise expropriation and

unfairness for minority shareholders. Governance-related demands by investors are also rapidly rising, from 27 in 2009 to around 1,400 in 2019<sup>45</sup>. This is to mitigate corruption that impacts not only the company but society as a whole. For example, 22% of businesses who experienced fraud and malpractices in Malaysia reported losses of over US\$1.0 million<sup>46</sup>, affecting our economic growth. Therefore, there should be no exceptions to honesty and integrity.

To mitigate these risks, we have established a strong foundation of policies and guidelines that encourage accountability and promote good governance, ethics and integrity.

#### T.R.U.S.T. Principles

TOP-LEVEL COMMITMENT

RISK ASSESSMENT

UNDERTAKE CONTROL MEASURES

SYSTEMATIC REVIEW, MONITORING & ENFORCEMENT

TRAINING & COMMUNICATION

<sup>44</sup> <https://www2.deloitte.com/content/dam/Deloitte/nl/Documents/risk/deloitte-nl-risk-good-governance-driving-corporate-performance.pdf>

<sup>45</sup> <https://www.mckinsey.com/business-functions/strategy-and-corporate-finance/our-insights/investors-remind-business-leaders-governance-matters>

<sup>46</sup> <https://www.pwc.com/my/en/assets/publications/2018/gecfs-2018-pwc-malaysia-2.pdf>

## We Create Value By... ...Strengthening Our Integrity

### TOP-LEVEL COMMITMENT

We adopt a top-down approach to integrity, where TM values cascade from our leaders to employees across the organisation. Our Board and upper management team understand that integrity is the foundation of a good business, as reflected in TM's Code of Conduct and Business Ethics (page 172).

Through our #IntegritiTanpaKompromi reaching out campaign, TM employees are reminded never to do anything that would damage their integrity and the integrity of the company. The campaign helps to inculcate employees to adhere to TM's stringent policies and guidelines when executing any task.

**"WHILST WE UP OUR EXECUTION TEMPO, THERE IS ONE IMPORTANT THING TO KEEP IN MIND – OUR INTEGRITY. NEVER ALLOW YOURSELF EVER TO DO ANYTHING THAT WOULD DAMAGE YOUR INTEGRITY OR THAT OF TM."**

**IMRI MOKHTAR,  
MD/GCEO**



### LEADERSHIP INTEGRITY INITIATIVES



#### Leadership Message

Deliver regular reminders from the top management to uphold TM's values, ethics and integrity principles in every business conduct.

#### Group Integrity & Governance (GIG)

Established GIG, which aligns with the Strategic Plan of Integrity and Governance Unit of MACC. GIG directly reports to the Board Audit Committee.

#### Jom Bersama GCEO

Organised a short video whereby the GCEO reminded all employees to never compromise on integrity and that MACC violations are a corporate liability.

#### Amendment of TM Policies

Reviewed and revised TM policies according to Section 17A of MACC Act 2009, ensuring adequate controls are in place to comply with the law and eradicate corruption practices.

### CORRUPTION RISK MANAGEMENT

To stay ahead of corruption risks, we regularly conduct risk assessments throughout our operations. We progressively improve on our corruption risk management year-on-year. In 2020, we conducted a Corruption Risk Assessment to re-evaluate the risks identified in 2019's Corruption Risk Management Workshop. Following the assessment, we enforced our corruption-related control measures based on our T.R.U.S.T. Principles.

Moving forward, corruption risks are required to be registered as a Common Risk with all divisions. All divisions are required to conduct their own corruption risk assessment (CRA) with the guidance from GIG and GRM.

#### Corruption Risks According to TM's Anti-Corruption Guide (ACG)


- Bribery
- Collusion & Bid-Rigging
- Abuse of Power & Position
- Embezzlement
- False Claim
- Disclosure of Confidential Information
- Conflicts of Interest




## We Create Value By... ...Strengthening Our Integrity

### UNDERTAKE CONTROL MEASURES

Our commitment to integrity is upheld by the following stringent policies and guidelines:



#### TM CONTROL MEASURES



<div style="background-color: #f47920; color: white; padding: 5px; text-align: center; font-weight: bold;">TM Code of Conduct and Business Ethics (CBE)</div> <p>Provides guidance in resolving ethical issues, as well as expected standards of behaviour that aligns with TM's vision and mission and TM KRISTAL values.</p>	<div style="background-color: #f47920; color: white; padding: 5px; text-align: center; font-weight: bold;">Anti-Corruption Guide (ACG)</div> <p>Sets out the guidelines associated with improper solicitation, bribery and other corrupt activities, and related issues that may arise in the course of business.</p>	<div style="background-color: #f47920; color: white; padding: 5px; text-align: center; font-weight: bold;">Integrity Pact</div> <p>Enhances governance of integrity practices and raises awareness on corruption offences to subsequently eradicate corrupt practices in TM.</p>
<div style="background-color: #f47920; color: white; padding: 5px; text-align: center; font-weight: bold;">TM Sponsorship Management Guidelines (TM SMG)</div> <p>Delivers a cohesive and systematic approach in planning, implementing and managing sponsorships, which are aligned with TM's policies and governance.</p>	<div style="background-color: #f47920; color: white; padding: 5px; text-align: center; font-weight: bold;">Complaint Management Process Manual</div> <p>Encourages stakeholders to report on attempted, suspected and actual bribery, or any violation or weakness in the anti-bribery management system.</p>	<div style="background-color: #f47920; color: white; padding: 5px; text-align: center; font-weight: bold;">Declaration of Assets &amp; Interests</div> <p>Ensures transparency and integrity in daily business dealings, as well as prevent conflicts of interest among TM employees across the board.</p>

### SYSTEMATIC REVIEW, MONITORING & ENFORCEMENT

We adopt MS ISO 37001:2016 Anti-Bribery Management System (ABMS) to better prevent, detect and respond to bribery and other corruption-related offences. Internal and external audits are very important in this process. The objective is to review and benchmark our mission-critical processes, policies, and capitals critically. This ensures we progressively support the SDGs in our anti-corruption initiatives, comply with MACC (Amendment) Act 2018, meet stakeholder expectations, and create positive impact for all.

The TM Internal Audit process is governed by the International Professional Practices Framework (IPPF) Standards & Guidance for better transparency and reliability of results. In 2020, the GIA conducted 50 internal audits covering six (6) themes:

- 1) Governance, Monitoring and Oversight;
- 2) Procurement & Contract Management;
- 3) Measuring & Reporting Performance;
- 4) Managing Risks to Financial Sustainability;
- 5) Strategy, Planning & Delivery;
- 6) Managing Information.

In assessing the effectiveness of the Internal Controls systems, GIA uses the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Framework as the main reference. Our Audit Reviews cover both strategic and operational. Through these Audit Reviews, a few control gaps and improvement areas had been identified. Actions had been undertaken by TM Management to resolve all highlighted issues:

- a) Clear demarcation of roles and responsibilities for operational execution and results monitoring, reporting and performance.

- b) Enhancement to the policy, process, procedures and work instruction to improve accountability, productivity, effectiveness and efficiency of the business operation.
- c) Realignment of the governance and structure to streamline the business strategy and operation activities.
- d) Clear communication to the respective stakeholder to facilitate the implementation of any new control activities.
- e) Review and enhance the risk assessment related module e.g., Business Impact Analysis (BIA), Financial Analysis and DRP.

[Read more on page 175](#)

Furthermore, we have grievance mechanisms in place so stakeholders can safely report illegal or unethical misconducts. According to TM's Whistle-Blowing Policy (Chapter 14 of CBE), whistle-blowers will not be victimised, punished or face action from their supervisor or management. Every allegation is investigated to determine the authenticity of the case. GIA works closely with MACC for corruption-related offences. If there is a prima facie case, the findings will be deliberated with the respective parties for consequence management. Throughout the investigation, the anonymity of whistle-blowers is maintained to protect them against potential retribution.

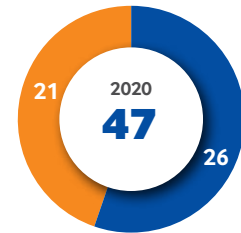
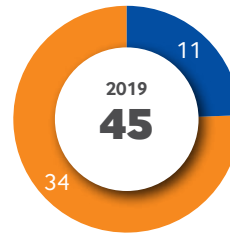
In 2020, we received 47 complaints of corruption-related offences, misconduct and malpractice. These cases include bribery, false claims, abuse of power, conflict of interest, fraud, and negligence. The majority of these cases were swiftly concluded by conducting investigations or referring the complaints to related LOBs and divisions. By the end of 2020, seven (7) complaints are still being investigated and brought forward to 2021.

## We Create Value By... ...Strengthening Our Integrity



### COMPLAINTS RECEIVED FOR MISCONDUCT & MALPRACTICE

- Number of Investigations Conducted
- Number of Cases Referred to Specific LOBs/Divisions



## TRAINING & COMMUNICATION

We are committed to conducting business in an open, honest and ethical manner. Our Code of CBE and TM ACG act as the primary reference for all employees when dealing with various internal and external stakeholders. Frequent reminders are essential for employees to stay alert on what is permissible under our CBE and related policies.

With this in mind, we deliver ongoing awareness and briefing sessions that equip employees with acceptable and unacceptable business conduct, thus reinforcing zero-tolerance against all forms of corruptions. These virtual and physical sessions are directed at various stakeholders, including the Board of Directors, management, employees and business partners and raises their awareness of our high business integrity standards.



### INTEGRITY TRAINING PROGRAMMES

#### Briefing on CBE and Corporate Liability

**Aim:** To educate employees and business partners on acceptable and unacceptable business conduct and instil a zero-tolerance for corruption based on TM CBE and related policies, including understanding the new provision of Section 17A, Corporate Liability (CL) MACC Act 2009, which came into effect in 2020.

**What We Did:** Provided detailed briefings on CBE and CL for targeted stakeholders, which include employees, business partners, TM scholars and new recruits.

#### IMPACT

- **3,589** employees attended the CBE and CL Awareness Training programme
- **131** targeted suppliers from our network of contractors reached



#### Amanah Series & Uncompromising Integrity e-Learning Modules

**Aim:** To raise awareness of the ethical best practice and the value of upholding integrity in daily work and life. To also address how employees should demonstrate the importance of integrity in their everyday life and common workplace scenarios.

**What We Did:** Designed an interactive e-learning video with lessons and quizzes focusing on the ethical principles of CBE, ACG and other related policies, including Section 17A provision of MACC Act 2009.

#### IMPACT

- **20,432** employees completed the Amanah Series e-Learning
- **19,460** employees completed the Uncompromising Integrity e-Learning



#### Integrity Modules for Sales

**Aim:** To remind employees of good conduct and ethical practices involved in sales and when dealing with customers.

**What We Did:** Designed dedicated integrity modules and conducted ToT sessions to emphasise integrity values while making sales and dealing with customers. The modules were rolled out to all employees nationwide in collaboration with the Learning & Development of GHCM.

#### IMPACT

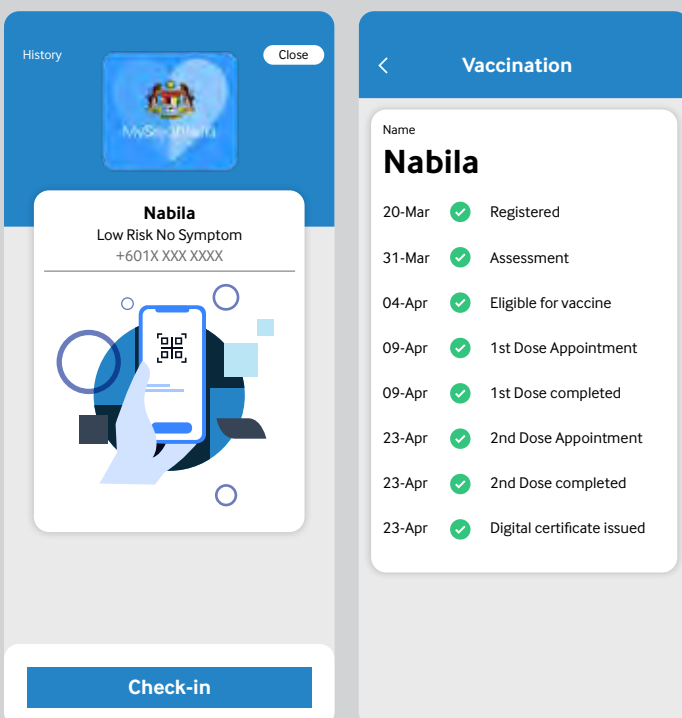
- **4,729** TM employees attended the programme





# Striving For A Digital Nation

We are digitising citizen services, developing smart cities, improving citizen health care and public education and realising the dream of a Digital Malaysia



The importance  
of a test's  
accuracy.





Lab Data Centre



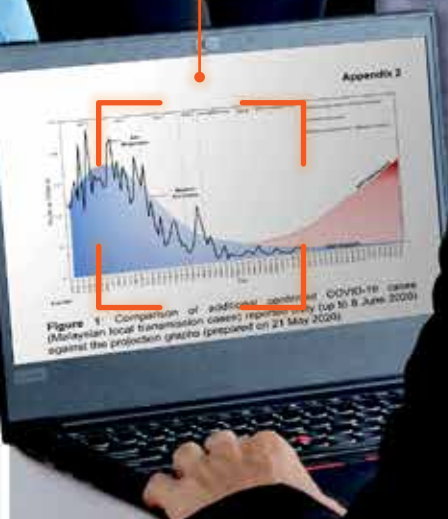
Data to be updated on MySejahtera for public safety.

Smart Health Tracking



Check-in history

Is digitally sent to the labs to be assessed for immediate results.



# > UPHOLDING GOVERNANCE

## CORPORATE GOVERNANCE OVERVIEW STATEMENT

The Board of Directors is pleased to present TM's Corporate Governance Overview Statement (CG Overview Statement). This CG Overview Statement reaffirms our commitment in upholding TM's strong corporate governance, internal process, guidelines and systems and the implementation of appropriate risk management and internal controls. In TM, we are persistent in delivering strong returns to our shareholders by embedding the principles of good governance - i.e. accountability, ethics and integrity in the conduct of our business.

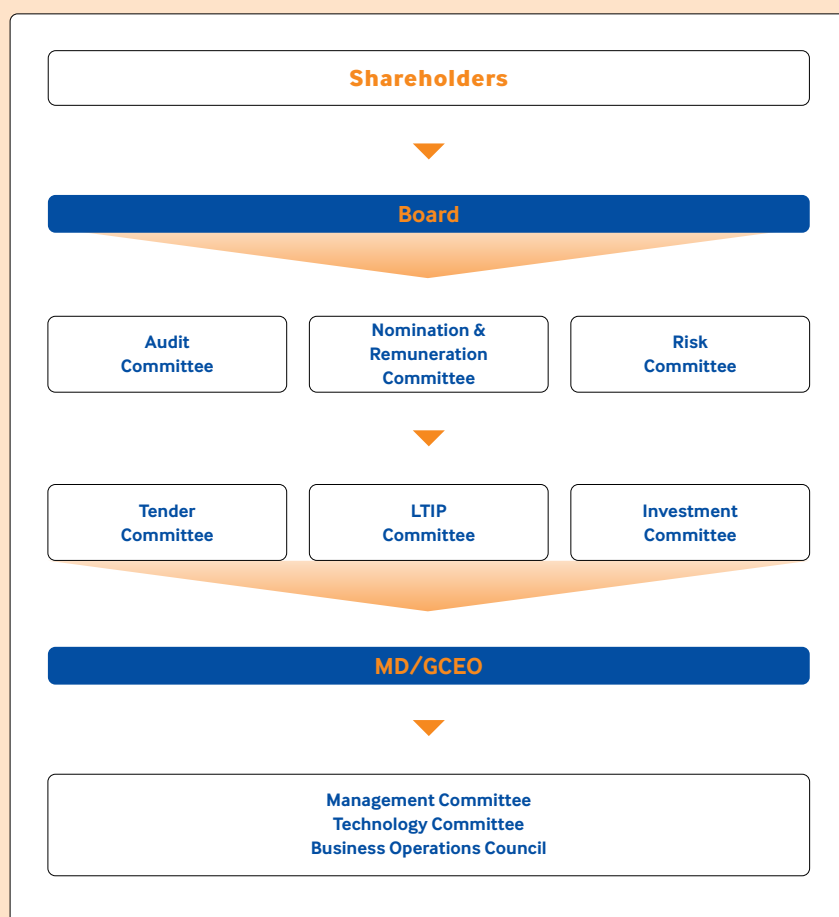
2020 was a very challenging year for corporate Malaysia with the COVID-19 pandemic affecting all economic sectors of the country. TM with its ingrained corporate governance practices continues to pursue its strategic direction in line with its unwavering commitment to long term and sustainable value creation for all its stakeholders. The Group continues to adhere to sound corporate governance practices and processes.

Continuous efforts have been made towards enhancing TM's corporate governance framework, internal processes, guidelines and systems to ensure that they remain robust and relevant. Good governance is essential in delivering sustainable value and enhancing business integrity and is aligned to our goal towards making "Life and Business Easier, for a Better Malaysia".

### OUR GOVERNANCE STRUCTURE

TM's Governance Model and Framework is guided by the principles and best practices of corporate governance as prescribed by the Main Market Listing Requirements (Main LR) of Bursa Malaysia Securities Berhad (Bursa Securities), Malaysian Code of Corporate Governance 2017 (MCCG), Bursa Malaysia Corporate Governance Guide, international best practices and standards on corporate governance.

The Board approves the Group's governance framework where specific powers of the Board are delegated to the relevant Board Committees, contributing their specialist skills to key areas such as financial information review, human capital management, internal controls and risk management as well as governance, procurement and investment matters and the MD/GCEO as depicted below:



### Governance Framework includes:

- 1 Open, clear and timely communication with our shareholders
- 2 A skilled, experienced, diverse and independent Board, with clear Board Committee structure suited to our needs
- 3 Clear delegation, decision making and accountability framework
- 4 Robust systems of risk management and assurance
- 5 Our Values, Code of Conduct and policy framework which define the standards of behaviour we expect of each other to achieve our targets based on the agreed strategy

# Corporate Governance Overview Statement

The Governance Model is supported by the Board Charter, Limits of Authority Matrix (LoA) and Business Policy and Governance (BPG). Annual review is conducted on the Board Charter, whilst the LoA and BPG are reviewed and updated as and when required to adapt to the business environment, changes in strategic direction and to reflect the Group’s key business policies and governance.

The following sections outline how TM has applied the three (3) key principles of the MCCG:

<b>PRINCIPLE A</b>	<b>PRINCIPLE B</b>	<b>PRINCIPLE C</b>
<b>Board Leadership and Effectiveness</b>	<b>Effective Audit and Risk Management</b>	<b>Integrity in Corporate Reporting and Meaningful Relationship with Stakeholders</b>

The CG Overview Statement is to be read together with the Corporate Governance Report (CG Report) 2020 which further elaborates how the Practices of the MCCG are applied, as well as the departures and alternative measures adopted for the financial year 2020 and up to the date of this Statement. The CG Report is available on the Company’s website at [www.tm.com.my](http://www.tm.com.my).

## A BOARD LEADERSHIP AND EFFECTIVENESS

### BOARD RESPONSIBILITIES

The Board’s core responsibilities are:

- Review and adopt strategic plan for the Group
- Oversee and evaluate conduct of Group’s business
- Ensure sound risk management and internal controls framework
- Monitor succession planning for Board and Senior Management (Pivotal Positions)
- Ensure the development and management of an effective investor relations programme

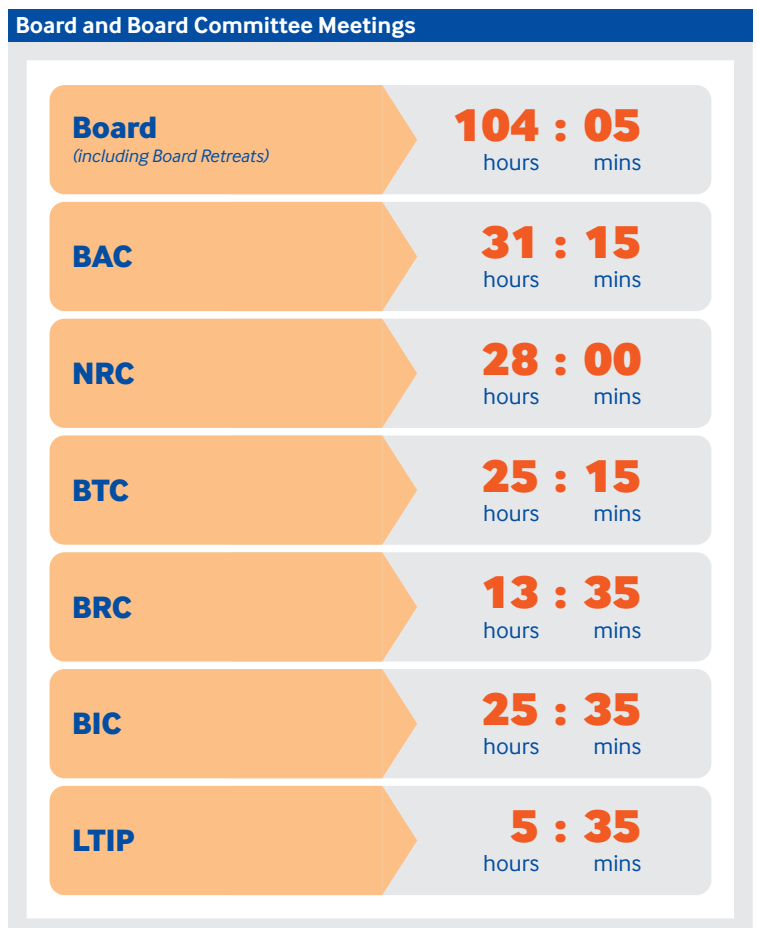
Each Director has a legal duty to act in the best interest of the Company whilst reasonably rely on the honesty and integrity of the Company’s Management, experts in legal, accounting, financial and other advisors. The Directors, collectively and individually, must at all times act honestly and use reasonable diligence in discharging their duties.

Board activities are structured to facilitate the Board in providing an effective management oversight to support the MD/GCEO and Management Team. During the year, three (3) Board Strategic Retreats were held involving the Directors and Senior Management to reassess the Group’s business direction and strategy into a future-ready organisation. Following rigorous discussions at the retreats, the Board approved TM Group’s mid-term strategic direction and Annual Operating Plans, focussing on ambitious transformation initiative towards a New TM, anchored on identified key value programs.

Board Committees were established with specific Terms of Reference (ToR) comprising Directors with the relevant skills, experience and background to facilitate effective discharge of their responsibilities.

In discharging its responsibility on succession planning, the Nomination and Remuneration Committee (NRC) and the Board had evaluated several changes to the leadership and Board composition during the year, with the appointment of Tan Sri Dato’ Seri Mohd Bakke Salleh as the new Chairman and Imri Mokhtar as the MD/GCEO. Other changes include the appointment of Datuk Siti Zauyah Md Desa as new Independent

Non-Executive Director (INED) and Anis Rizana Mohd Zainudin @ Mohd Zainuddin as a Non-Independent Non-Executive Director (NINED). Despite the changes, the Board has been able to effectively work in cohesion with healthy, engaging and robust discussion during the Board’s meetings.



## Corporate Governance Overview Statement

### A

#### BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

##### Board Charter

The Board Charter serves as a comprehensive guide for Directors in relation to its roles, powers, duties and functions. It also comprised the ToR of our Board and Board Committees, practices, principles and codes into a primary source of reference for the Board on our governance practices and Board policies and guidelines. The Board reviews the Board Charter from time to time to ensure it remains relevant to the Company's objectives and strategies in alignment with current rules and regulations.

As part of the annual review, several key enhancements to the Board Charter involving the Board's principal responsibilities and operating mode as well as the ToRs of the respective Board Committees were approved to further strengthen governance and management structure. The Board Charter is accessible on our website at [www.tm.com.my](http://www.tm.com.my).

##### Demarcation of Responsibilities between the Board, Board Committees and Management

The Board Charter clearly demarcates the roles and responsibilities of the Board, Board Committees and Management. The roles and responsibilities of the Chairman, Senior Independent Director (SID), Non-Executive Director (NED) and the Executive Director (ED) are also clearly identified in the Board Charter. Clear separation and demarcation of these functions provides a balance of authority within the Board and safeguards against one individual or group dominating the decision-making process of the Company.

##### The Role of Chairman

- Provides leadership to the Board and ensures its effectiveness.
- Leads the Board in providing oversight of the Management.
- Acts as liaison between the Board and Management and carries out other duties as requested by the Board as a whole, depending on need and circumstances.
- Maintains an effective communication channel that enables both the Board and Management to communicate effectively with the shareholders, other stakeholders and the public generally.

The positions of Chairman and MD/GCEO at all times are held by different individuals with clear and distinct roles as documented in the Board Charter.

Tan Sri Dato' Seri Mohd Bakke as Chairman of TM, is not an executive member of the Board and has never held the position of the CEO of the Company. He has demonstrated his strong leadership of the Board, encourages open discussions, consultative but decisive when required to ensure effective decision making process.

##### The Role of SID

- Leads confidential discussions with other NEDs in any concerns which may not have been considered by the Board as a whole.
- Provides an alternative channel of communication for shareholders and other stakeholders to convey their concerns and issues
- Promotes high standards of corporate governance and ensures that the Company's obligations to shareholders are understood and complied with.

Datuk Zalekha Hassan was our SID until her retirement on 10 June 2020. Consequently, on 1 November 2020, the Directors appointed Tunku Afwida Tunku Dato' A.Malek as the new SID upon considering her leadership skills and experience as well as her strong principle in upholding integrity and governance.

##### The Role of ED

- Implements the broad policies approved by the Board and to report and discuss at Board meetings all material matters currently or potentially affecting the Group and its performance, including all strategic projects and regulatory developments.
- 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 the shareholders, other stakeholders and the public generally.

Imri was appointed as MD/GCEO on 1 August 2020 in place of Dato' Noor Kamarul Anuar Nuruddin who resigned on 29 July 2020. He has strong fundamental knowledge of the issues affecting TM having served the Group throughout his career prior to his brief external stint. He actively led the Senior Management in extensive and robust discussion in the review of the Group's strategic direction with primary focus of enhancing the stakeholder's value, prior to presenting it to the Board at the three (3) Board Strategic Retreats.

Imri is supported by several management corporate committees for their operational and management duties, namely the Management Committee (MC), Business Operations Council (BOC) and Technology Committee (Techcomm). These forums provide the Senior Management team, including heads of business clusters and divisions, the platform to interact and deliberate more cohesively on matters pertaining to strategies, operations and performance of the Company on a regular basis.

##### Fostering Commitment of the Board

The commitment of the Board can be observed from the attendance of Directors as depicted in their profiles on pages 147 to 158 and time spent at Board and Committee Meetings on page 123.

The schedule for Board and Committee meetings and establishment of board agenda for 2021, prepared in consultation with key internal divisions, was approved by the Board in December 2020. It was shared with all Directors in advance to ensure Directors' time commitment.

A total 19 meetings were held during the year, including the Strategic Retreats via physical and virtual means in view of the COVID-19 pandemic, to discuss and decide on quarterly financial results, performance reports, strategic matters and various other matters based on predetermined agendas. Besides the Board meetings, urgent decisions were sought via seven (7) Directors' Circular Resolutions. Despite the initial discomfort of participating in virtual meetings, our Board persevered and have become adapt to the new norm. The amount of time spent at Board and Board Committees' meetings was monitored via the Board Performance and Improvements Programme (BPIP).

Pursuant to the Main LR, all Directors complied with the minimum attendance of at least 50.0% of Board meetings held in the financial year. The 50.0% minimum attendance requirement continues to be adopted for Board Committees, with attendance from Alternate Director considered for purposes of the attendance of the principal Director. All current Committee members complied with the attendance threshold.

**A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)**

Decisions made at Board Meetings are mostly on consensus or via majority votes. In accordance to TM's Constitution, resolutions in writing signed by a majority of the Directors or the Alternate, majority of whom are Independent Directors, shall be valid and effectual as if the resolutions had been passed at a Board meeting. The Constitution of the Company is accessible on TM's website at [www.tm.com.my](http://www.tm.com.my).

**Corporate Integrity**

The conduct of TM Board, Management, employees and all business partner of TM Group are governed by the Code of Conduct and Business Ethics (CBE), which sets out TM's values on Uncompromising Integrity.

The Board has reviewed the risks and impact of the Corporate Liability provision, i.e. Section 17A of the Malaysian Anti-Corruption Commission Act 2009 which came into force on 1 June 2020. Awareness sessions were also held for TM Board and employees during the year, and relevant actions were taken in ensuring the Company's compliance on the same.

In line with the National Anti-Corruption Plan (NACP) 2019-2023, the Organisational Anti-Corruption Plan is developed for the adoption of the Board.

**Board Access to Management, Company Secretary, Information and External Experts**

- All Directors are accorded full and timely access to information pertaining to the Company to enable the discharging of their duties to the best of their abilities.
- The Directors also have direct access to Senior Management and their expertise in telecommunication business, legal, corporate strategy and regulatory, accounting, financial, network and IT, human resource and other advisors.
- The Company Secretaries are equipped with skills and expertise to provide comprehensive support, appropriate governance advice and ensure adherence to the relevant policies and procedures with regards to company secretarial, CG issues and best practices to the Board.
- Apart from the aforesaid internal resources, the Board and its Committees also have at their disposal access to external experts at the expense of the Company, if they deemed fit, in facilitating the performance of their duties.

Following the resignation of Rizani Hassan as Chief Legal and Secretarial Officer on 29 July 2020, Hamizah Abidin was appointed as the new Group Company Secretary on 1 September 2020. She is supported by two (2) experienced Joint Secretaries.

Meeting materials are disseminated digitally via a secured electronic meeting management system prior to the Board meeting. In 2020, an average of five (5) days was recorded for distribution of Board papers save for Special Board meetings for which a shorter timeframe has been adopted. The draft minutes of the Board and Committee meetings were disseminated and archived in the electronic meeting management system for the Board's easy access.

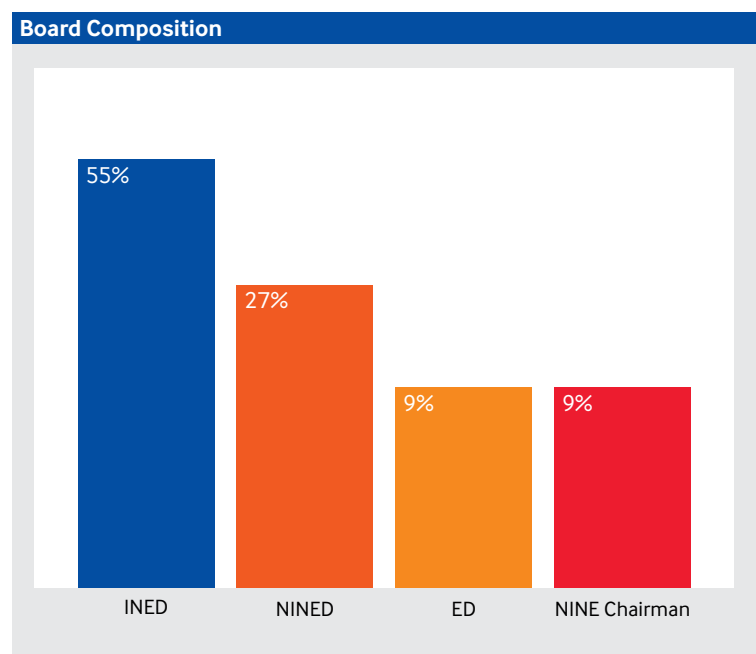
Apart from the aforesaid internal resources, the Board and its Committees have access to external information and expert advice, at the expense of the Company, if deem necessary to facilitate execution of their duties and responsibilities.

**BOARD COMPOSITION**

The Board composition represents a mix of knowledge, skills and expertise relevant to the business activities of the Company. As at 15 March 2021, the Board comprises one (1) ED and ten (10) NEDs of whom six (6) are INEDs. Other than the nominee of the Special Shareholder, none of the other Directors appoint alternate director. With the changes to its composition during the year, the Board consists of six (6) directors who have served the Board less than two (2) years, three (3) (Imri Mokhtar, Anis Rizana Mohd Zainudin (Q Mohd Zainuddin, and Datuk Siti Zauyah Md Desa) of whom were appointed after the last AGM in 2020.

Details of the Directors, including their qualifications, experience and details on duration of their service, can be referred to in the Profile of Directors section of this IAR.

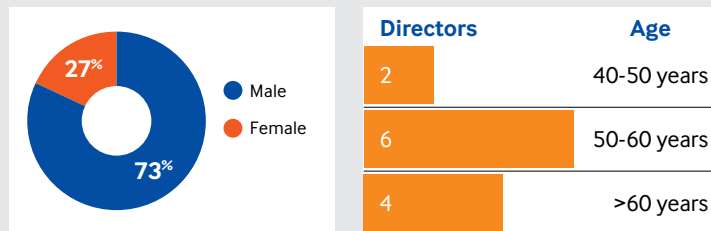
<b>Representing the interest of TM's Special and Major Shareholders</b>	<b>Tan Sri Dato' Seri Mohd Bakke Salleh Anis Rizana Mohd Zainudin (Q Mohd Zainuddin Dato' Mohamed Nasri Sallehuddin Dato' Mohd Naim Daruwish Iszad Jeffri Ismail</b> (Alternate to Anis Rizana Mohd Zainudin (Q Mohd Zainuddin)
<b>Participation on behalf of Management and Representative of Special Shareholder</b>	<b>Imri Mokhtar</b> (1 August 2020 – Present)
<b>Representing Minority Shareholders and the Public</b>	<b>Tunku Afwida Tunku Dato' A.Malek Balasingham A. Namasiwiyam Hisham Zainal Mokhtar Saheran Suhendran Dato' Ibrahim Marsidi Datuk Siti Zauyah Md Desa</b>



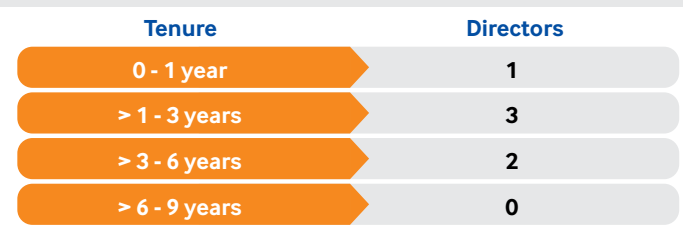
## Corporate Governance Overview Statement

### A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Gender and Age Group



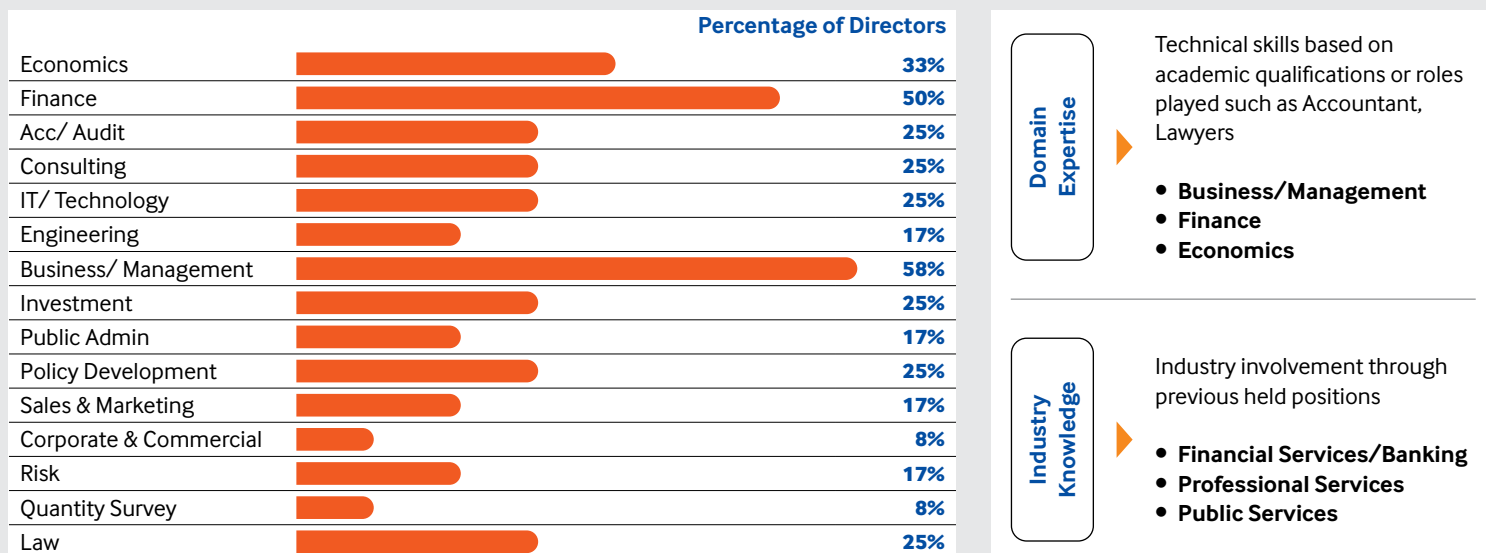
#### Tenure of Independent Directors



#### Board Skills & Expertise

The Board seeks to ensure that it has an appropriate mix of diversity, skills, experience and expertise to effectively discharge its collective responsibilities. The NRC assists the Board in reviewing and ensuring the Directors possess the right mix of skills, competencies, experience and other qualities required in managing a highly regulated and competitive telecommunication industry.

#### Board Skills and Expertise



#### Board Independence

Independent Directors provide independent judgement, experience and objectivity without being subordinated to operational considerations. The INEDs ensure that the interests of all shareholders, not only the interests of a particular fraction or group, are indeed taken into account by the Board and that the relevant issues are subjected to objective and impartial consideration by the Board. To date, all six (6) INEDs satisfy the independence criteria as stipulated in paragraph 1.01 of the Main LR which is also promulgated in the Board Charter.

The NEDs are not involved in the daily operation of the Company other than for the final approval when the collective Board's decision is required. This allows the Directors to exercise their judgements and minimise possible conflict of interests.

The INED's respective background, experience, strong personalities and understanding of good governance enable them to exercise objective judgement in the best interest of the Company and safeguard TM's stakeholders' interests.

The Directors are well aware of the need to disclose their interest or any possible conflicts of interest on any matter put forth for the Board's consideration. Any interested Director shall recuse himself/herself when required and abstain from deliberation to allow unbiased and free discussion and decision making.

The independence of TM Directors, including the NEDs, is assessed through the Board Effectiveness Evaluation (BEE) on annual basis by the NRC, and the findings and recommendations are tabled to the Board. The Directors' skills, experience, contributions as well as their backgrounds and family relationships are considered. Thereafter, the NRC determines whether the Directors can continue to bring independent and objective judgement to the Board. The NRC also determines, according to the character and judgement, whether there are relationships or circumstances, which could affect, or appear to affect the Independent Directors' judgment.

The Board has adopted Practice 4.3 of the MCGG, a Step-Up policy on the nine (9) years policy taking into account the need to refresh the Board in line with the best CG practices. As at the date of this IAR, none of our INEDs' tenure exceed the cumulative term limit of nine (9) years.

## A

### BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

#### Board Diversity

The Board is committed in promoting boardroom diversity and shall endeavour to attain diversification in terms of experiences, skills, competencies, race, gender, culture and nationality to enable the Company to maximise business and governance performance as stipulated in the Board Charter.

The Board appointment process takes into consideration the required skill set, experience, gender and age that adds to the Board's diversity. Whilst the policy on 30% women director has yet to be formally adopted, the initiatives in this regard has been put in place, whereby suitably qualified women continued to be identified and included in the Directors' Pool for possible nomination as part of the succession plan for TM Directors. The number of female directors on the Board currently stands at three (3) comprising 27% of the total number of directors.

#### Board Appointment

The Board maintains a formal and transparent procedure for the appointment of new directors which is enumerated in the Company's Constitution. Nominees to the Board are first considered by the NRC taking into account the mix of skills, competencies, experience and other qualities before they are recommended to the Board.

The NRC is empowered to undertake screening and conduct initial selection, which includes external search and evaluating the candidates' ability to discharge their duties, before making a recommendation to the Board.

In 2020, the NRC having considered their respective qualifications, skills, expertise and experience recommended to the TM Board the appointment of Tan Sri Dato' Seri Mohd Bakke Salleh, Imri Mokhtar, Datuk Siti Zauyah Md Desa, Anis Rizana Mohd Zainudin (Q Mohd Zainuddin and Iszad Jeffri Ismail (Alternate Director). These recommendations were then duly endorsed by the Board.

#### Directors' Retirement and Re-election

Clause 112 of the Company's Constitution provides that all Directors shall retire from office once at least every three (3) years, but shall be eligible for re-election. At every AGM of the Company, one third of the Directors of the Company for the time being or if not a multiple of three (3), nearest to one third, shall retire by rotation. Clause 113 of the Company's Constitution provides that the Directors to retire, shall be the one that has been longest in office since his/her last re-election.

At the forthcoming AGM, three (3) out of eight (8) eligible Directors are to retire in accordance with Clause 112. Dato' Mohd Naim Daruwish, Hisham Zainal Mokhtar and Saheran Suhendran being the longest in office since their last retirement are standing for re-election as Directors and have consented to be re-elected as Directors of the Company.

Dato' Mohd Naim Daruwish, NINED, represents the interests of our Major Shareholder, Employees Provident Fund Board. With his professional background, he brings with him both the confidence and affirmation from an investor's perspective. He is objective and inquisitive in seeking clarification before making decision. Based on the BEE peer to peer assessment, Dato' Mohd Naim is recognised for his operational governance and execution capabilities, which add to the Board's mix. The NRC and the Board recommended that he be re-elected as Director of the Company.

As a certified financial analyst, Hisham Zainal Mokhtar, INED, is methodical and analytical in his assessment of any subject matter put forth for discussion, and provides valuable inputs for the Board's deliberation. Based on the BEE's peer to peer assessment, Hisham was rated favourably in most of the areas being evaluated. The NRC and Board were of the opinion that Hisham is essential to the Board mix and recommended his re-election.

Saheran Suhendran, INED, is an experienced corporate and commercial lawyer. He actively participates in discussions and is meticulous in putting forth his views at Board and Committee meetings. He is firm on issues, demonstrating professionalism and independence of judgement. Saheran was rated favourably in the BEE's peer assessment. The NRC and the Board recommended that he be re-elected as Director of the Company.

Clause 106(2) of the Company's Constitution provides that any Director appointed shall hold office only until the next AGM and shall then be eligible for re-election. The following Directors who were appointed since the last AGM are standing for re-election as Directors and they have consented to be re-elected as Directors of the Company.

Datuk Siti Zauyah Md Desa, INED, brings with her experience in finance, budgetary, banking and investments having served in various senior positions in the Government sector. She has demonstrated her ability to actively participate in discussions, meticulous in putting forth her arguments at the Board and Committee meetings. Datuk Siti Zauyah was rated favourably in the BEE's peer assessment, and the NRC and the Board were of the opinion that she adds value to the Board mix, and recommended her for re-election.

Anis Rizana Mohd Zainudin (Q Mohd Zainuddin, NINED, represents the interest of the Special Shareholder. Her diverse roles throughout her tenure in the Government sector equipped her with the relevant experience, skill and knowledge, which contributed to the Board's deliberations. She actively participates in Board's discussion, bold and confident in raising any issues, views and comments. She has demonstrated her strong principle on governance and integrity related matters and has provided valuable assistance in navigating and ascertaining the government's perspectives on various issues. Based on the BEE's peer assessment, Anis Rizana was rated favourably in the BEE's peer assessment and adds diversity to the Board. NRC and the Board recommended her re-election.

Imri Mokhtar's 25 years' experience in TM and exposure to management and leadership positions in the Group has enabled him to fit in his role as MD/GCEO seamlessly. He has strong understanding of the business and culture of the Company and understands the fundamental issues affecting TM, which enabled him to lead the Senior Management together with the Board to formulate the new transformation agenda towards the New TM. He has demonstrated his strong technical and industry expertise, leadership acumen, ability to lead the Management team and is focused on key deliverables. Imri has successfully enhance the rapport between Board and Management. Based on the 2020 BEE peer assessment, he was rated favourably in the areas being assessed, and the NRC and Board recommended his re-election.

The Board has conducted an assessment on the aforesaid Directors via the 2020 BEE as well as the independence of the Independent Directors who are seeking re-election at the forthcoming 36<sup>th</sup> AGM, inclusive of their skills, experience, character, integrity, competency, commitment and contribution and is satisfied that they complied and satisfied the independence criteria as required by the Main LR which is also provided in the Board Charter. The profiles of Directors seeking re-elections are set out in the respective Profile of Directors' section on pages 148 to 157 of the IAR 2020.



## Corporate Governance Overview Statement

## A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### Board commitment to Economic, Environmental and Social (EES)

Our Board embraces the responsibility of catalysing economic growth by empowering businesses, and serving in the best interests of our employees, customers, suppliers, community and society at large, while minimising the environmental impact in the course of achieving the Company's vision and mission underlined by our strong corporate governance practices.

Full details of TM's commitment to EES are found in Sustainability at TM section on pages 72 to 119 of the Corporate Overview book of the 2020 IAR.

### Board Effectiveness Evaluation (BEE)

Board evaluation is an effective avenue to assess the Board's collective performance as well as that of individual Directors. It is an integral part of the Board's annual activities and is carried out under the supervision of the NRC which plays a key role in determining the methodology and approach, areas of assessment and selection of consultants to facilitate the exercise.

An external independent expert, Willis Towers Watson, was appointed to conduct a comprehensive review and evaluation for the directors in 2020. This is the first time the Board has engaged an independent expert and will continue to do so periodically to continuously enhance the board evaluation process. The BEE comprised Board and Board Committees' evaluations, Individual Directors' Self and Peer assessments and Saville Wave Assessment.

The 2020 BEE was designed to ascertain the overall level of effectiveness of the Board and identify areas of improvement for the Board. As part of the assessment, a holistic approach was considered via multiple sources of inputs covering the following key areas:

- Priority & Focus Areas
- Corporate Strategy & Direction Setting
- Board Governance & Oversight
- Board Composition & Diversity
- Boardroom Conduct & Dynamics
- Board Management & Operation

Self and peer feedbacks were also obtained to identify strengths and opportunities for improvement for individual Directors.

Overall, the Board is seen to be effective and provides effective governance as well as strategic execution monitoring. The Board ensures that the integrity of the Company is aligned to regulatory requirements, internal standards and best practices. Results are in line with observations in Saville where most of the Directors are effective at monitoring compliance to rules and regulations in which enables Directors to take on a strong governance role and uphold standards to actively manage risk.

However, the Board has received feedback for improvement by creating an inspiring environment to encourage momentum and empower the team to push boundaries and achieve longer term value creation. Directors and Management have indicated that the trust and relationship has significantly improved through efforts over the course of the year. Directors have also described Chairman and Committee Chairpersons as effective in assisting the Board.

The Board has identified the areas of improvement and shared its findings and concern with Management, to better prepare to overcome the challenges in 2021 and beyond. The Board recognises the need to continuously strengthen the composition, structure and diversity in line with its strategic direction whilst ensuring the processes enhance the efficiency and effectiveness of the Board and its committees.

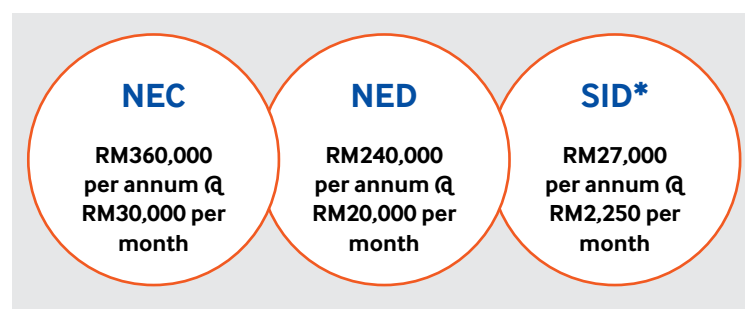
### DIRECTORS AND SENIOR MANAGEMENT'S REMUNERATION

The Board ensures that the Group's remuneration policy remains competitive and equitable. The remuneration packages have been aligned with industry practices taking into account the appropriate calibre of each talent, while upholding the interest of our shareholders.

The policy and framework for the overall remuneration of the ED and NEDs are reviewed against market practices by the NRC, following which recommendations are submitted to the Board for approval.

### NON-EXECUTIVE DIRECTORS (NEDs)

NEDs' remuneration package is determined by the Board as a whole. Director's fee is based on a standard fixed fee while meeting allowances are paid based on attendances at Board and Committee meetings. Shareholders had at the 35<sup>th</sup> AGM, approved the payment of Directors' Fee for the Non-Executive Chairman (NEC) and NEDs from the date of the 35<sup>th</sup> AGM until the next AGM of the Company as follows:



Note: \* On top of NED fees

NEDs are not entitled to participate in any employees share scheme or variable performance linked incentive schemes pursuant to the Blue Book issued by the Putrajaya Committee on Government Linked Companies (GLCs) High Performance (PCG).

TM has also in place a Subsidiaries' Board Remuneration Framework (SRF) in which subsidiaries are categorised into tiers based on its strategic, revenue and impact levels to TM, as well as focus of business. Based on SRF's policy, Directors' fees for Tier 1 Subsidiaries has been set at 50% of TM's Remuneration Framework. Shareholders had at the 35<sup>th</sup> AGM, approved the fees for NEC and NEDs appointed on the boards of the Tier 1 Subsidiaries of RM15,000 per month and RM10,000 per month respectively, with effect from the 35<sup>th</sup> AGM until the 36<sup>th</sup> AGM.

## Corporate Governance Overview Statement

### A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

The benefits payable applicable to NEC and NEDs based on the Board Charter are meeting fee, emoluments and claimable benefits. The quantum for the said benefits remained unchanged for the year as below:

(i) Meeting fee structure for Board and Board Committees:

	Meeting Allowance per Attendance (RM)						
	Board	BAC	NRC	BTC	BRC	BIC	LTIP Committee
Chairman	3,500	3,250	2,500	3,250	2,500	2,500	2,500
NED	3,000	2,500	2,000	2,500	2,000	2,000	2,000

Note: Board is authorised to determine the fees for ad-hoc Board Committee

(ii) Meeting fees under the SRF:

Category of TM Subsidiaries	NEC	NED	Committee Fee	
	Meeting Fee (RM)	Meeting Fee (RM)	Chairman Meeting Fee (RM)	Member Meeting Fee (RM)
Tier 1	1,500	1,000	500	300
Tier 2	1,500	1,000	Nil	Nil

(iii) Customary benefits such as claimable benefits on annual overseas business development trips, leave passage, business equipment, telecommunication bills, insurance and medical coverage.

(iv) Meeting attendance allowances are payable to NEDs only and payable for each Board and/or Board Committee meeting held on per meeting basis. The said allowances are payable to Alternate Director who attend meetings in the absence of his substantive Director.

Shareholders' approval will be sought at the coming 36<sup>th</sup> AGM for the payment of Directors' fees and any benefits payable to NEDs based on the same quantum, in accordance to Section 230(1) of the CA 2016.

Details of the total remuneration of each Director of the Company received from TM Group of Companies, categorised into appropriate components for the financial year ended 31 December 2020, are as follows:

Name of Directors	Salary (RM)	Variable Pay (RM)	Allowance (RM)		Benefit In Kind (RM)	Total Amount (RM)
			TM			
<b>NON-INDEPENDENT AND EXECUTIVE DIRECTORS</b>						
Imri Mokhtar (Appointed on 01/08/2020)	803,334.75 <sup>a</sup>	130,000.00 <sup>d</sup>	25,000.00 <sup>b</sup>		41,372.12	999,706.87
Dato' Noor Kamarul Anuar Nuruddin (Resigned on 29/07/2020)	980,561.80 <sup>a</sup>	2,608,582.53 <sup>d</sup>	35,000.00 <sup>b</sup>		64,980.89	3,689,125.22
<b>TOTAL AMOUNT (RM)</b>	<b>1,783,896.55</b>	<b>2,738,582.53</b>	<b>60,000.00</b>		<b>106,353.01</b>	<b>4,688,832.09</b>
Name of Directors	Director Fee (RM)		Benefits Payable		Benefit In Kind (RM)	Total Amount (RM)
	TM	Subsidiary	Allowance (RM)			
<b>NON-INDEPENDENT AND NON-EXECUTIVE DIRECTORS</b>						
Tan Sri Dato' Seri Mohd Bakke Salleh (Appointed on 11/05/2020)	230,322.58	29,000.00	38,500.00	-	35,379.53	333,202.11
Anis Rizana Mohd Zainudin (q Mohd Zainuddin (Appointed on 01/07/2020)	120,000.00	-	32,000.00	-	12,215.25	164,215.25
Dato' Mohamed Nasri Sallehuddin	-	-	-	-	11,663.24	11,663.24
Dato' Mohd Naim Daruwish	120,000.00	-	56,000.00	-	63,921.25	239,921.25
<b>INDEPENDENT AND NON-EXECUTIVE DIRECTORS</b>						
Tunku Afwida Tunku Dato' A.Malek	360,000.00 <sup>c</sup>	120,000.00	166,000.00 <sup>c</sup>	5,000.00	99,119.15	750,119.15
Balasingham A. Namasiwayam	420,000.00 <sup>c</sup>	120,000.00	167,000.00 <sup>c</sup>	7,000.00	67,400.85	781,400.85
Hisham Zainal Mokhtar	240,000.00	180,000.00	121,750.00	3,000.00	88,233.35	632,983.35
Saheran Suhendran	240,000.00	-	86,000.00	-	25,327.26	351,327.26
Dato' Ibrahim Marsidi	240,000.00	120,000.00	126,000.00	4,000.00	88,580.45	578,580.45
Datuk Siti Zauyah Md Desa (Appointed on 10/06/2020)	133,333.33	-	37,000.00	-	8,680.35	179,013.68
<b>NON-INDEPENDENT AND NON-EXECUTIVE ALTERNATE DIRECTOR</b>						
Iszad Jeffri Ismail (Alternate to Anis Rizana Mohd Zainudin (q Mohd Zainuddin) (Appointed on 01/07/2020)	-	-	3,000.00	-	6,519.30	9,519.30

## Corporate Governance Overview Statement

## A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

Name of Directors	Director Fee (RM)		Benefits Payable			Total Amount (RM)
			Allowance (RM)		Benefit In Kind (RM)	
	TM	Subsidiary	TM	Subsidiary		
<b>FORMER NON-INDEPENDENT AND NON-EXECUTIVE DIRECTORS</b>						
Rosli Man (Resigned on 10/05/2020)	129,677.42	64,838.70	21,000.00	3,000.00	82,735.35	301,251.47
Dato' Asri Hamidin (Q Hamidon) (Resigned on 30/06/2020)	120,000.00	-	20,500.00	-	65,463.85	205,963.85
<b>FORMER INDEPENDENT AND NON-EXECUTIVE DIRECTOR</b>						
Datuk Zalekha Hassan (Retired on 10/06/2020)	106,666.67	80,000.00	75,250.00	3,000.00	69,494.10	334,410.77
<b>NON-INDEPENDENT AND NON-EXECUTIVE ALTERNATE DIRECTOR</b>						
Iszad Jeffri Ismail (Alternate to Dato' Asri Hamidin (Q Hamidon)) (Ceased on 30/06/2020)	-	-	37,000.00	-	11,834.85	48,834.85
<b>TOTAL AMOUNT</b>	<b>2,460,000.00</b>	<b>713,838.70</b>	<b>987,000.00</b>	<b>25,000.00</b>	<b>736,568.13</b>	<b>4,922,406.83</b>

## Notes:

- <sup>a</sup> Inclusive of Company's contribution to provident fund  
<sup>b</sup> Car allowances in lieu of provision of company car  
<sup>c</sup> Inclusive of fee and allowance received from a subsidiary  
<sup>d</sup> Ex-gratia payment

## MD/GCEO AND SENIOR MANAGEMENT

MD/GCEO and Senior Management are paid salaries, allowances, performance based incentives including bonus and other customary benefits as appropriate to Senior Management. A significant portion of the Senior Management's compensation package has been made variable depending on the Company's performance during the financial year, which is determined based on the individual KPIs, and aligned to TM Group's Scorecard. The performance related elements include short term bonus and Long-Term Incentive Plan (LTIP). The MD/GCEO is not paid Director's fees or meeting allowances for Board and Board Committee meetings that he attends. In December 2020, MD/GCEO was granted a Shadow Performance Share Plan of which the granting and vesting criteria are consistent with the existing LTIP.

The performances of the MD/GCEO as well as that of the Pivotal Positions and the Group Company Secretary are reviewed annually by the NRC and recommendations are submitted to the Board on specific adjustments in their remuneration and/or reward payments, reflecting their contributions for the year. The Pivotal Positions include C-Suite Management members, Executive Vice Presidents of Lines of Business (LOBs) and/or any other positions that are deemed strategic for the Company by the NRC from time to time.

The MD/GCEO and Senior Management are rewarded according to a combination of achievement of targets and their 360-degree ratings. These payments are competitive in line with the Group's corporate objectives and strategy. The MD/GCEO recused himself during deliberations on his performance rewards and remuneration review at NRC and Board meetings.

Name of Top 5 Senior Management (excluding MD/GCEO)	Range of Remuneration (RM)
1. Ir Ts Azizi A Hadi (COO) <sup>1</sup>	1,350,000 – 1,400,000
2. Razidan Ghazalli (GCFO)	1,050,000 – 1,100,000
3. Tengku Muneer Tengku Muzani (CSO)	900,001 – 950,000
4. Mohd Farid Shah Mohd Basir (CHCO) <sup>2</sup>	850,000 – 900,000
5. Bassaharil Mohd Yusop (CPO)	700,000 – 750,000

Notes:

<sup>1</sup> Remuneration inclusive of his position as CNO and COO effective September 2020.

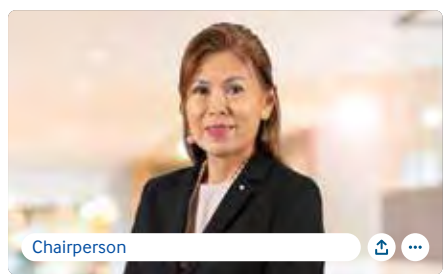
<sup>2</sup> Resigned on 31 December 2020.

TM has in place a LTIP for all eligible employees and ED as approved by the shareholders at the Extraordinary General Meeting of the Company held on 28 April 2016. The main objectives of the LTIP are to encourage performance culture and as a retention tool. The LTIP comprises Restricted Share (RS) and Performance Share (PS) grants, whereby the main differences are on 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. The LTIP is administered and managed by the LTIP Committee, a sub-committee of the NRC established in accordance with the LTIP By-Laws.

In 2020, two (2) new tranches of PS and one (1) RS tranch pursuant to the LTIP were granted. On 17 August 2020, PS of up to 1,407,400 units and RS of up to 15,028,100 units were granted followed by PS of up to 1,127,300 units on 4 December 2020. The details on the grants are disclosed under Financial Statements on page 74 to 79.

**A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)**

**NOMINATION AND REMUNERATION COMMITTEE** **NRC**



**Tunku Afwida Tunku Dato' A. Malek**  
**Meeting Attendance : 17/17**  
 Senior Independent Director  
 [Resigned as Chairman on 11 June 2020]

Members

**Dato' Mohamed Nasri Sallehuddin**  
**Meeting Attendance : 12/12**  
 Non-Independent Non-Executive Director  
 [Appointed on 11 June 2020]

**Balasingham A. Namasiwayam**  
**Meeting Attendance : 17/17**  
 Independent Non-Executive Director

**Dato' Ibrahim Marsidi**  
**Meeting Attendance : 17/17**  
 Independent Non-Executive Director

Former Member who served during the year under review

**Datuk Zalekha Hassan**  
**Meeting Attendance : 5/5**  
 Senior Independent Director  
 [Retired on 10 June 2020]

**KEY OBJECTIVE**

The NRC carries both nomination and remuneration roles since its inception. Both roles were combined for the purpose of expediency and practicality, whereby the same members are entrusted with both functions. In addition to the nomination and remuneration roles, NRC also oversees corporate governance matters.

**Membership**

Since the last report, there were several changes to NRC's composition with the retirement of Datuk Zalekha Hassan, who has been a long serving member of the NRC on 10 June 2020. Tunku Afwida Tunku Dato' A. Malek assumed the role as Chairperson and Dato' Mohamed Nasri Sallehuddin was appointed as a new member, thus maintaining the existing number of members to four (4), all of which are Non-Executive Directors.

Following the formalisation of her appointment as the SID on 1 November 2020, the NRC continued to be chaired by the SID with majority of its members being independent. MD/GCEO is invited as permanent invitee to NRC Meetings.

**Responsibilities**

In carrying its nomination function, the NRC's primary role is to assist the Board in reviewing and determining its appropriate size and balance, and ensuring the Directors bring characteristics to the Board which provide the required mix of responsibilities, skills and experiences. NRC ensures the Board composition meets the needs of the Company and develops, maintains and reviews the criteria to be used in the recruitment process and annual assessment of directors.

NRC's primary remuneration function is to support the Board in maintaining, assessing and developing policy framework on all elements of the remuneration for EDs and Pivotal Positions including terms of

employment, reward structure and benefits, with the aim to attract, retain and motivate. NRC also maintains and administers remuneration entitlements of the NEDs.

NRC also supports the Board in ensuring efficiency and transparency of TM's governance related matters or issues that may directly or indirectly affect the Board.

**Overview**

Throughout the year in review, NRC has been very active as evidenced by the number of meetings held and continued to provide critical support to the Board, especially in advising the change in the Board and leadership.

Key matters deliberated were on the succession plan for the Board, ED and Pivotal Positions. NRC has undertaken rigorous assessment in identifying and recommending the candidates for the MD/GCEO and the change of INED and NINED. NRC also deliberated on the assessment and succession plans for Pivotal Positions and their remuneration, in the effort to strengthen the leadership bench to undertake the Company's transformation initiatives.

Other key issues deliberated by NRC are the performance assessment and evaluation of the respective Pivotal Positions as well as the review of the Company's Scorecard, GCEO's KPIs whilst continue to oversee the implementation of the performance linked reward i.e. LTIP via its sub-committee, the LTIP Committee.

## Corporate Governance Overview Statement

## A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

## NOMINATION AND REMUNERATION COMMITTEE (CONTINUED)

NRC

## Main activities of NRC in 2020

The Board recognised NRC's contributions and its role in providing valuable advice and recommendation in regards to nomination, remuneration and governance matters. During the year, the NRC has undertaken the following activities:

## NOMINATION FUNCTION

## Considered and made recommendations to the Board on the following matters:

- Re-appointment and re-election of Directors at the 35<sup>th</sup> AGM.
- Appointment of new Chairman of the Company.
- Appointment of new NINED and INED.
- Appointment of new MD/GCEO.
- Review and implementation of Succession Plan for the Board.
- Succession Plan and appointment of Pivotal Positions.
- Annual assessment and review of composition of all TM Board Committees.
- Annual assessment of independence status of the INEDs.
- Appointment of SID.
- Review of Board membership of TM Group.

## REMUNERATION FUNCTION

## Considered and made recommendations to the Board on the following matters:

- Performance evaluation of the MD/GCEO, Pivotal Positions as well as the Company Secretary against pre-set KPIs.
- Performance Reward Pool and Salary Increment for TM employees.
- Review of 2020 TM Group Scorecard and KPIs.
- Review of 2020 Scorecard for Pivotal Positions.
- Compensation for MD/GCEO and Pivotal Position.
- Remuneration package for MD/GCEO.
- Review of remuneration for Pivotal Positions.
- Granting and vesting of shares pursuant to the LTIP-Performance Share Plan (PSP).
- LTIP for MD/GCEO and eligible TM employees.
- Review of Total Reward Framework.

## GOVERNANCE FUNCTION

## Considered and made recommendations to the Board on the following matters:

- Status of Directors' continuing education programme in compliance with the Board Training Programme (BTP).
- Observance and monitoring of governance requirements by the Directors pursuant to the Main LR and internal guidelines.
- Appointment of external advisor to conduct the BEE assessment for 2020.
- Annual review of the Board Charter.
- CG Overview Statement and CG Report.

## NRC Effectiveness Review and Performance

Based on the 2020 BEE findings, the Board is satisfied and acknowledged that NRC has performed its duties efficiently, providing significant value in assisting the Board. NRC's composition provides the appropriate balance in terms of skills, knowledge and experience to uphold the interests of all stakeholders and to meet the needs of the Group.

## Number of Meetings &amp; Circular Resolutions

**17** meetings and **5** circular resolutions

## Total Meeting Hours

**28** hours 00 minutes

## Meeting Dates

14 January, 23 January, 19 February, 26 February, 20 May, 19 June, 1 July, 24 July, 29 July, 17 August, 21 August, 1 October, 20 October, 28 October, 4 November, 23 November and 11 December



**A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)**

**BOARD LTIP COMMITTEE** **LTIP**



**Tunku Afwida Tunku Dato' A. Malek**  
 Meeting Attendance : 4/4  
 Senior Independent Director

Chairperson

- Members
- Balasingham A. Namasiwayam**  
 Meeting Attendance : 4/4  
 Independent Non-Executive Director
- Saheran Suhendran**  
 Meeting Attendance : 4/4  
 Independent Non-Executive Director

**KEY OBJECTIVE**

LTIP Committee was established as a sub-committee to the NRC to implement and administer TM's LTIP in accordance with TM LTIP By-Laws as approved by the shareholders during inception of the scheme in 2016, and supported by its own ToR as approved by the NRC and the Board.

**Membership**

LTIP Committee shall compose of not less than three (3) members including the Chairman. Since the last report, there were no changes to the LTIP Committee's composition.

**Responsibilities**

The powers, duties and responsibilities of the LTIP Committee is governed by its own ToR. Its main duty is to oversee the administration of the TM LTIP in accordance with the By-Laws. The LTIP Committee has the power to review and consider the transactions, agreements, deeds and documents, arrangements as may be required in connection with the administration of the TM LTIP.

**Overview**

LTIP Committee continued to perform its duties pursuant to its ToR and LTIP By-Laws.


**Main Activities of LTIP Committee**

During the year, LTIP Committee considered the vesting of the Restricted Shares (RS) which were granted in 2017 and the granting of new RS and PS pursuant to the LTIP By-Laws. The Committee also deliberated on the proposed enhancement to the existing granting and vesting of LTIP parameters as part of the review of the Total Rewards Strategy.

During the year, LTIP Committee considered the maximum allocation of LTIP grants for the then MD/GCEO and persons connected to him for recommendation to NRC. The recommendations were duly accepted by the Board and subsequently approved by the shareholders at the 35<sup>th</sup> AGM.

**LTIP Committee Effectiveness Review and Performance**

BEE 2020 showed that LTIP Committee has been effective and continued to provide strong and relevant support to the Board on every aspect of the LTIP's implementation.

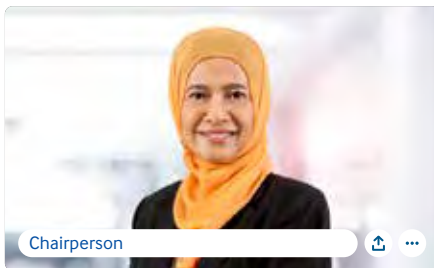
<p><b>Number of Meetings</b>  <b>4 meetings</b></p> <p><b>Total Meeting Hours</b>  <b>5 hours 35 minutes</b></p>	<p><b>Meeting Dates</b>  <b>11 February, 16 July, 27 July and 26 November</b></p>	
--	---	---

## Corporate Governance Overview Statement

## A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

## BOARD TENDER COMMITTEE

BTC



**Datuk Siti Zauyah Md Desa**  
Meeting Attendance : 4/4  
Independent Non-Executive Director  
[Appointed on 8 July 2020]

Chairperson

## Members

**Anis Rizana Mohd Zainudin @ Mohd Zainuddin**

Meeting Attendance : 4/4  
Non-Independent Non-Executive Director  
[Appointed on 8 July 2020]

**Dato' Mohamed Nasri Sallehuddin**

Meeting Attendance : 5/6  
Non-Independent Non-Executive Director  
[Appointed on 15 March 2020]

**Balasingham A. Namasiwayam**

Meeting Attendance : 10/10  
Independent Non-Executive Director

**Hisham Zainal Mokhtar**

Meeting Attendance : 10/10  
Independent Non-Executive Director

**Dato' Ibrahim Marsidi**

Meeting Attendance : 10/10  
Independent Non-Executive Director

## Alternate Member

**Iszad Jeffri Ismail**

Meeting Attendance : N/A  
Non-Independent Non-Executive Alternate Director  
[Previously Alternate Member to Dato' Asri Hamidin @ Hamidon and appointed as Alternate Member to Anis Rizana Mohd Zainudin @ Mohd Zainuddin on 8 July 2020]

## Former Members who served during the year under review

**Datuk Zalekha Hassan**

Meeting Attendance : 6/6  
Senior Independent Director  
[Retired on 10 June 2020]

**Dato' Noor Kamarul Anuar Nuruddin**

Meeting Attendance : 6/6  
GCEO/MD  
Non-Independent Executive Director  
[Re-designated as Permanent Invitee on 8 July 2020 and Resigned on 29 July 2020]

**Dato' Asri Hamidin @ Hamidon**

Meeting Attendance : 6/6  
Non-Independent Non-Executive Director  
[Resigned on 30 June 2020]

## KEY OBJECTIVE

BTC was established to consider all procurement proposals in TM Group based on the approved Limits of Authority (LoA) matrix in line with the Board's delegation of powers.

## Membership

During the year, the ToR on composition of BTC was reviewed to consist only of NEDs, and in relation thereto the MD/GCEO was redesignated as a permanent invitee to ensure more transparency and accountability in view of his position as a member of the Management team. Several changes were also made due to the changes in the Board composition during the year.

Dato' Mohamed Nasri Sallehuddin was appointed as additional member on 15 March 2020 to further strengthen BTC's composition. Anis Rizana Mohd Zainudin @ Mohd Zainuddin was appointed as a new member on 8 July 2020 in place of Dato' Asri Hamidin @ Hamidon, whilst Iszad Jeffri Ismail, previously alternate member to Dato' Asri, assumed the role of alternate member to Anis Rizana.

Considering her extensive experience in the Government sector and exposure to procurement roles in MOF, Datuk Siti Zauyah Md Desa was appointed as Chairperson on 8 July 2020 in place of Dato' Zalekha Hassan who retired on 10 June 2020.

## Responsibilities

The key functions of BTC are summarised as follows:

- Ensure that the procurement process is in accordance and complies with all applicable procurement ethics, policies and procedures.
- Verify the validity of technical and financial capabilities of the tenderers.
- Consider and approve bids which will benefit the Company and Group taking into consideration various factors, such as pricing, utilisation of goods/services, quantity, delivery/commissioning time frames and other relevant factors.
- Ensure that the objectives of the Bumiputera Entrepreneurship Development Programme and Vendor Programme are achieved through careful monitoring of the performance and track records of the companies/vendors appointed under these programmes.

## A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### BOARD TENDER COMMITTEE (CONTINUED) BTC

#### Overview

During the year, BTC has executed its duties and responsibilities well whilst providing sound advice on procurement governance for adoption by the Company. BTC is supported by management procurement committees chaired by the MD/GCEO, GCFO and CPO, depending on the level of authority accorded to them. The COO, CIO and CNO were invited as and when required to provide additional input on technical matters and Management Evaluation Committee members would be called in to brief BTC on specific issues if required.

#### Main Activities in 2020


During the year, BTC has deliberated on the following matters:

- Procurement proposals within its authority limits.
- Procurement performance report and status summary.
- Procurement plan and strategy.
- Identified procurement issues.

Significant matters reserved for Board’s approval and procurement proposals within the authority limits of TM Board were tabled at Board meetings.

#### BTC Effectiveness Review and Performance

Based on the BEE 2020, it was agreed that BTC has added significant value in assisting the Board in procurement related matters. Moving forward, more insights on technical issues on procurement will be introduced to facilitate better outcomes, and ensure continuous enhancements by applying the latest procurement practice and strategy.

<p><b>Number of Meetings &amp; Circular Resolution</b>  <b>10 meetings and 1 circular resolution</b></p> <p><b>Total Meeting Hours</b>  <b>25 hours 15 minutes</b></p>	<p><b>Meeting Dates</b>  <b>14 January, 13 February, 26 February,</b>  <b>11 March, 10 April, 11 May, 16 July, 13 August,</b>  <b>5 October and 5 November</b></p>	
--	--	---

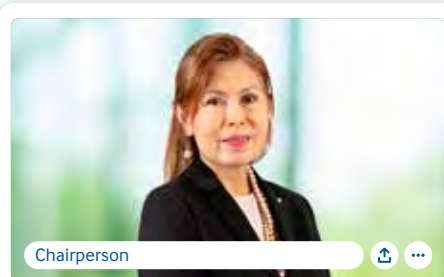


## Corporate Governance Overview Statement

## A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

## BOARD INVESTMENT COMMITTEE

BIC



Chairperson

**Tunku Afwida Tunku Dato' A. Malek****Meeting Attendance : 8/8**

Senior Independent Director

## Members

**Anis Rizana Mohd Zainudin @ Mohd Zainuddin****Meeting Attendance 3/3**Non-Independent Non-Executive Director  
[Appointed on 8 July 2020]**Dato' Mohamed Nasri Salehuddin****Meeting Attendance 8/8**

Non-Independent Non-Executive Director

**Dato' Mohd Naim Daruwish****Meeting Attendance 6/8**

Non-Independent Non-Executive Director

**Hisham Zainal Mokhtar****Meeting Attendance 8/8**

Independent Non-Executive Director

**Saheran Suhendran****Meeting Attendance 7/8**

Independent Non-Executive Director

**Iszad Jeffri Ismail****Meeting Attendance – Nil**Non-Independent Non-Executive Alternate Director  
[Appointed as Alternate Member to Anis Rizana Mohd Zainudin @ Mohd Zainuddin on 8 July 2020]

Former Member who served during the year under review

**Dato' Asri Hamidin @ Hamidon****Meeting Attendance 3/5**Non-Independent Non-Executive Director  
[Resigned on 1 July 2020]**KEY OBJECTIVE**

BIC was established to consider and evaluate strategic equity investment and/or divestment related proposals of TM Group for recommendation to the Board. It is also tasked to consider, deliberate and recommend to the Board proposals relating to TM Group's properties (i.e. land and buildings) and funding plans.

**Membership**

BIC shall consist of not less than three (3) members who possess the general knowledge in investment and financial matters with at least two (2) INEDs, one (1) of whom shall be the Chairman. During the year under review, BIC remains with six (6) members, three (3) of whom including its chairman are INEDs. Since the last report, Dato' Asri Hamidin @ Hamidon has resigned as BIC member on 1 July 2020 and Anis Rizana Mohd Zainudin @ Mohd Zainuddin was appointed as his replacement on 8 July 2020.

**Responsibilities**

The powers, duties and responsibilities of the BIC are incorporated in the Board Charter which is accessible to the public on the Company's website at [www.tm.com.my](http://www.tm.com.my).

Key BIC's responsibilities are summarised below:

- To review, evaluate and recommend to the Board the Management's recommendations on strategic equity investment and divestment related proposals.

- To review, evaluate and recommend to the Board the Management's recommendations on land matters related proposals.
- To review post investment review (PIR) report or post-investment implementation of major and strategic investment by TM Group and provide the necessary guidance as appropriate.
- To review and consider funding plans for recommendation to the Board.

**Overview**

Throughout 2020, BIC continued to perform its duties diligently and effectively during the year and provided clear guidance, input and advices to Management on related proposals upon due consideration of the justifications and business cases provided. BIC's deliberations were made in accordance with TM's internal policy and relevant governance taking into account the best interest of the Group and shareholders.

TM Board continues to have high regard of BIC's capability and opinions and accepted BIC's recommendations accordingly.

## A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### BOARD INVESTMENT COMMITTEE (CONTINUED) BIC


#### Main Activities in 2020

During the year, BIC continued to be active and undertook the following activities:

- Considered and recommended proposals on moving forward, rationalisation and/or monetisation of non-core assets and business units.
- Considered and reviewed the proposals on strategic investments and opportunities.
- Recommended further review and moving forward option on TM's investment in an innovation fund.
- Considered and reviewed the proposals on treasury and funding plans including a recommendation on proposed early redemption of sukuk.
- Recommended the exercise of the Exchangeable Medium Term Note (EMTN) issued by a joint venture partner in a subsidiary into ordinary shares.
- Reviewed TM properties framework.
- Considered and reviewed land and property matters including the options on leaseback arrangement for recommendation to the Board.

#### BIC Effectiveness Review and Performance

BEE 2020 showed that the BIC's role continues to be important and add significant value in facilitating the Board's decision on investment related matters. Moving forward, BIC would strive to be more aggressive in ensuring execution of investment plan and identify investment prospects in line with the EES plans in the future.

<p><b>Number of Meetings &amp; Circular Resolution</b> <b>8 meetings and 1 circular resolution</b></p> <p><b>Total Meeting Hours</b> <b>25 hours 35 minutes</b></p>	<p><b>Meeting Dates</b> 6 February, 15 May, 26 March, 30 March, 6 April, 23 July, 17 November and 19 December</p>	
---	---	---

## Corporate Governance Overview Statement

## A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

## BOARD RISK COMMITTEE

BRC



Chairman

**Balasingham A. Namasiwayam****Meeting Attendance : 6/6**

Independent Non-Executive Director

## Members

**Dato' Mohd Naim Daruwish****Meeting Attendance 5/6**

Non-Independent Non-Executive Director

**Tunku Afwida Tunku Dato' A.Malek****Meeting Attendance 6/6**

Senior Independent Director

**Saheran Suhendran****Meeting Attendance 6/6**

Independent Non-Executive Director

Former Member who served during the year under review

**Datuk Zalekha Hassan****Meeting Attendance 2/2**

Senior Independent Director

[Retired on 10 June 2020]

**KEY OBJECTIVE**

**BRC was established to oversee the Company's Enterprise Risk Management (ERM) framework and policies. BRC also monitors key business and strategic risks to safeguard shareholders' investments, TM's interests and assets as well as managing other stakeholders' concerns on risks matters.**

**Membership**

BRC comprise of not less than three (3) members including the Chairman and the majority shall be NEDs. Since the last report, BRC membership has reduced from five (5) to four (4) following the retirement of Datuk Zalekha Hassan.

**Roles**

BRC continues to play its role in providing guidance to Management in identifying and monitoring new corporate and strategic and other emerging risks as well as closely engaging Management on managing, mitigating and eliminating the inherent risk issues that may have impact on the Group. BRC has been effective in its functions in overseeing key mitigating actions taken by Management in controlling, minimising or eliminating critical and major risks.

The attendance of the MD/GCEO, GCFO, CSO and CRO as permanent invitees to BRC meetings provide input and clarity on the actions taken by TM Group in respect of strategic and business risks affecting the Group. Effective 2021, the COO is also invited as permanent invitee to BRC meetings. Other attendees, external or internal, were invited to attend all or part of meetings as and when appropriate and with the consent of the Chairman.

**Responsibilities**

BRC is responsible to enhance the Corporate Governance practices of TM Group with focus on risks issues and assist the Board in overseeing a sound and robust ERM framework and policies for TM Group.

The powers, duties and responsibilities of BRC are incorporated in the Board Charter which is accessible on the Company's website at [www.tm.com.my](http://www.tm.com.my).

**Overview**

As part of its functions, BRC oversees the following:

- The review of policies and plans for risk management.
- The effectiveness of implementation of the policies.
- The adoption of appropriate steps for potential, emerging and/or unpredictable risks.
- The management of risks to be within the appropriate and adequate levels of tolerance as approved by the Board.
- The dissemination of the risk management plans throughout the Group and integration in the Group's day-to-day activities.

BRC continues to work closely with the GIA and BAC and cross refer information and issues to ensure better monitoring of risks in TM Group.

BRC has assisted the Board to continuously review and improve the monitoring systems and processes. It continued to be proactive in highlighting corporate and strategic risk issues, and was open in discussing its views, concerns and/or reservations and provided guidance to Management on the risk controls to mitigate and/or pre-empt the risks. Management are more aware and mindful of the possible risks under BRC's guidance and advice in managing and monitoring the Group's risks specifically strategic related risks impacting the Group's operations, business direction and reputation.

## A BOARD LEADERSHIP AND EFFECTIVENESS (CONTINUED)

### BOARD RISK COMMITTEE (CONTINUED) BRC


#### Main Activities of BRC in 2020

During the year, BRC continued to be active and undertook the following activities:

- Reviewed the ToR of BRC and made recommendation thereof to the NRC and Board on the proposed amendments.
- Continued monitoring of the ERM and Corporate Risk Report on quarterly basis to ensure that the risks are monitored and mitigated to improve the risk movements.
- Advised Management to undertake appropriate actions in mitigating the risks identified including but not limited to relevancy of workforce, supply sustainability and geopolitical risk.
- Requested Management to enhance focus on strategic and emerging risks including data security, corruption, credit management and sustainability.
- Monitored the Roadmap and Program implementation of TM Business Continuity Management (BCM).
- Deliberated at length on the impact of Corporate Liability under the new Section 17A of the Malaysian Anti-Corruption Commission Act 2009 to the Group, reviewed and assessed the appropriateness of existing governance and controls as well as the proposed updates thereto to ensure that the Group has taken adequate measures to address the possible impact of the provision.
- Deliberated on TM Sustainability Statement of Purpose and TM Corporate Risk Appetite Statement for adoption.

#### BRC Effectiveness Review and Performance

BEE 2020 results indicated that BRC is effective in facilitating the Board in addressing and managing risks. Moving forward, BRC is to focus on strategic risks in line with TM's transformation initiatives.

<p><b>Number of Meetings</b></p> <p><b>6 meetings</b></p> <p><b>Total Meeting Hours</b></p> <p><b>13 hours 35 minutes</b></p>	<p><b>Meeting Dates</b></p> <p>6 February, 6 May, 18 June, 27 July, 11 September and 12 November</p>	
---	--	---

## Corporate Governance Overview Statement

## B EFFECTIVE AUDIT AND RISK MANAGEMENT

## BOARD AUDIT COMMITTEE

BAC



Chairman

**Hisham Zainal Mokhtar****Meeting Attendance: 9/9**

Independent Non-Executive Director

Member

**Tunku Afwida Tunku Dato' A. Malek****Meeting Attendance: 9/9**

Senior Independent Director

**Balasingham A. Namasiwayam****Meeting Attendance: 9/9**

Independent Non-Executive Director

**Dato' Ibrahim Marsidi****Meeting Attendance: 9/9**

Independent Non-Executive Director

**KEY OBJECTIVE**

**BAC plays a crucial role in providing assistance to the Board in fulfilling its oversight responsibilities through review of financial information and provides an unbiased review on the effectiveness and efficiency of the Group's internal control from an independent perspective.**

**Membership**

There is no change to BAC's composition throughout 2020. It continues to comprise four (4) INEDs which fulfilled the requirement of Paragraph 15.09 and 15.10 of the Main LR of Bursa Securities, Step-Up Practice 8.4 under the MCCG 2017, as well as Clause 5.1.2 of the Board Charter in terms of governance.

Hisham Zainal Mokhtar, the BAC Chairman, is a Chartered Financial Analyst and is not concurrently the Chairman of the Board. Tunku Afwida is a member of the Malaysian Institute of Accountants (MIA) and a qualified Chartered Accountant with the Institute of Chartered Accountants in England and Wales (ICAEW), meets the requirement of Paragraph 15.09(1)(c)(i) of the Main LR. None of the TM BAC members are alternate Directors.

All BAC members, as shown by their profiles on pages 152 to 156, are financially literate. They have sound judgement, objectivity, independent attitude, management experience, professionalism, integrity and knowledge of the industry. With diverse skills and experience, they were able to discharge their duties responsibly.

**Responsibilities**

The ToR establishes the powers, duties and responsibilities of the BAC, and is incorporated in the Board Charter which is accessible on the Company's website at [www.tm.com.my](http://www.tm.com.my).

During the year, the BAC ToR was amended following the mandate from the Board on the change of reporting structure of the Group Integrity and Governance (GIG) to BAC. The GIG is led by the Chief Integrity and Governance Officer (CIGO).

Arising thereto, the Group Internal Audit (GIA) ToR was also amended to remove scopes that relate to investigation, ethics and integrity, which are now part of the GIG's ToR. Specific revisions were mainly on areas of purpose, authority and responsibility to strengthen the internal controls, process, procedures and the internal audit position within the organization.

**B** EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

**BOARD AUDIT COMMITTEE (CONTINUED)** **BAC**

**How the Committee operates**

During the financial year, attendance at all BAC meetings met the requisite quorum as stipulated in the BAC ToR. All members were present at all meetings.

The BAC meetings were structured into two (2) deliberation clusters, ensuring efficient planning by Management and sufficient time spent for the members to deliberate and discuss the various matters:

Meetings	Financial Results	Other Audit Matters
<b>Dates</b>	20 February 18 May 21 August 20 November	16 January 10 March 16 April 14 July 13 October
<b>Matters Discussed</b>	<ul style="list-style-type: none"> <li>Quarterly results and related matters</li> </ul>	<ul style="list-style-type: none"> <li>Management issues under the purview of BAC</li> <li>Internal and external audit matters</li> <li>IAR matters</li> <li>Integrity, ethics and governance matters</li> </ul>

Operational issues that could potentially affect the Company's performance as highlighted by the GIA or external auditor that BAC warrants closer monitoring or constant updates will be segregated as separate agenda item until the issues are resolved to BAC's satisfaction. BAC has also during the year requested presentations by Management on issues that merit in-depth explanation to ensure appropriate resolutions.

The Company Secretaries act as the BAC Secretary in all BAC meetings. The meetings were also attended by the MD/GCEO, GCFO and Chief Internal Auditor (CIA) together with other members of Senior Management and external auditor, upon invitation, to brief BAC on pertinent issues. The reports from GIG were also presented to BAC from Quarter 2 onwards. Reports on the proceedings of the BAC were presented to the Board while minutes of BAC meetings are circulated to all members and extracts of the decisions made are escalated to relevant process owners for action.

Significant matters reserved for the Board's approval are tabled at TM Board meetings. The Chairman of BAC provides a report and highlights significant points on the decisions and recommendations of BAC to the Board. This segregation ensured efficient planning by Management and sufficient time spent for the members to deliberate and discuss the various matters.

**Main activities of BAC in 2020 (and up the date of this report)**

BAC executed various strategies and actions to discharge its duties and responsibilities effectively. Main activities performed during the financial year are as follows:

**1. Financial Reporting**

The following matters were reviewed by the BAC before being recommended to TM Board for approval:

- a) Reviewed quarterly audited and unaudited financial statements of TM Group in compliance with Malaysian Financial Reporting Standards (MFRS) 134 and the Main LR.
  - BAC noted the recommendation of Best Practices Committee (BPC) on the Company's quarter financial performance and deliberated on the Company's quarterly financial statements on 20 February 2020, 18 May 2020, 21 August 2020, 20 November 2020 and 22 February 2021 for the financial quarters of 4Q 2019, 1Q 2020, 2Q 2020, 3Q 2020 and 4Q 2020 respectively. BAC concluded that the reports presented a true and fair view of the Company's financial performance.
  - BAC also reviewed the draft announcements of the audited and unaudited financial statements for the full financial year and quarters respectively, to Bursa Securities, to ensure compliance with applicable and approval accounting standards in Malaysia and other legal on regulatory requirements.
  - BAC discussed the quarterly internal audit reviews to ensure compliance with MFRS 134.
- b) The audited financial statements of TM Group for the financial year (FY) ended 31 December 2019 in February 2020 and concluded that the financial reports presented a true and fair view of the Company's financial performance for the year and complied with regulatory requirements.
- c) The proposed dividend pay-outs, whereby:
  - In respect of FY 31 December 2019, final interim single-tier dividend was declared and announced on 21 February 2020; and
  - In respect of FY 31 December 2020, interim single-tier dividend and final interim single-tier dividend were declared and announced on 27 August 2020 and 24 February 2021, respectively.

BAC reviewed and received assurances from Management that the distribution of the said dividends were in accordance with the provisions of the Companies Act 2016.

## Corporate Governance Overview Statement

**B** EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

**BOARD AUDIT COMMITTEE (CONTINUED)**
**BAC**
**2. Internal Control**

- a) Deliberated on the Directors' Statement on Risk Management and Internal Control (SORMIC), which was reviewed by the external auditor, in February 2020 for inclusion in the IAR 2019. The SORMIC was supported by the 2019 Assurance Letter from the MD/GCEO and the GCFO.

On 22 February 2021, BAC also considered the SORMIC for inclusion in the IAR 2020 with input from the external auditor, which was supported by the Assurance Letter executed by the MD/GCEO and GCFO.

The assurances were supported by Special Review on Annual Risk Management and Internal Control Assurance and Internal Control Incident Report, for 2019 and 2020 respectively. Based on these documents, BAC reviewed and concluded that the SORMIC presented a true and fair view of the Company's state of internal control.

- b) Reviewed the reports on the adequacy, effectiveness and reliability of internal control systems based on controlled self-assessments performed annually by the Management of the Lines of Business (LoBs) and subsidiaries.

The issues were discussed at length to secure satisfactory conclusion on moving forward actions by Management.

- c) Deliberated on the quarterly reports from the CIA and GCFO on actions taken by Management to resolve significant internal control and accounting issues highlighted by the internal and external auditors. BAC deliberates and monitors the progress and status of the audit issues for TM Group raised by both internal and external auditors until satisfactory resolutions.
- d) Monitored specific issues or concerns affecting the Company's efficiency and performance until BAC is satisfied that sufficient controls are in place.
- e) Deliberated on the reports from the BPC, a BAC sub-committee, headed by the GCFO.

BPC assists BAC in ensuring compliances and best practices for TM Group in terms of statutory, regulatory and financial standards in TM Group's disclosures.

**3. External Audit**

- a) Reviewed the external auditor's report for the FY 31 December 2019 and FY 31 December 2020, and the respective 2019 and 2020 SORMIC in February 2020 and February 2021, before recommending to TM Board for approval.

- b) Reviewed the Internal Control Memorandum (ICM), together with Management's response to the findings.

The audit issues raised by the external auditors were deliberated and monitored by GIA and GCFO. The activity, status and progress thereof were reported on a quarterly basis to BAC by CIA and GCFO.

- c) The appointment of a new independent external auditor was proposed by BAC and considered by the Board, and subsequently approved by shareholders at the Company's 35<sup>th</sup> AGM held on 10 June 2020. Upon recommendation of the BAC, as part of the Group's effort in upholding good governance practice, starting from FY 2017, the appointment of the Group's external auditors had been made subjected to periodic procurement or Request for Proposal (RFP) process, thus resulting in the appointment of Messrs. Ernst & Young PLT (EY) for FY2020.
- d) Subsequent to EY's appointment, BAC reviewed the 2020 external auditor's audit plan for TM Group, encompassing the proposed audit approach, detailing the nature and scope for the year's audit, its delivery targets and engagement strategy in August 2020 prior to its implementation.
- e) BAC reviewed the overall performance and effectiveness of the external auditors for TM Group. Assessments of the effectiveness of the external auditors were conducted by relevant Management members and the BAC coordinated by the GIA. The external auditors declared that they have maintained their independence in the course of audit for TM Group during the year in accordance with the firm's requirement and the By-Laws on Professional Independence of the MIA. They further declared that upon review of the non-audit services to TM, none of the services provided compromise their independence as the Group's external auditors.
- f) Reviewed the 2020 Interim Audit Committee Report in November 2020 prior to the tabling of the final report for BAC's deliberation in February 2021. Key audit matters and areas of concern for TM and its subsidiaries were highlighted by the external auditors provided a level platform for Management and BAC to focus on. The external auditors also provided internal control recommendations and highlights matters of concern in preparation for the final year-end audit.
- g) Reviewed the terms of engagement of the external auditor for the 2020 statutory audit and SORMIC review, upon confirmation of its independence and objectivity. The engagement of the external auditors for TM Group was supervised and processed under the Group's umbrella to streamline their terms of engagement.
- h) Reviewed and approved the non-audit services provided by the external auditors while ensuring there was no impairment of independence or objectivity. This includes monitoring the fee of the total non-audit work carried out by the external auditors.

**B** EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

**BOARD AUDIT COMMITTEE (CONTINUED)**

**BAC**

BAC monitored the non-audit engagement of the external auditors on quarterly basis to ensure their independence was not impaired and that they remained objective throughout the financial year.

The non-audit engagements underwent relevant procurement processes and procedures. BAC has authorised the GCFO to approve the proposed non-audit engagement for any engagement valued below 50.0% of the cumulative value of the statutory audit fee for the current year. A report on the engagement of external auditor approved by the GCFO for non-audit work and the cumulative value is tabled every quarter to BAC.

Non-audit service fees paid to the external auditors and member firms of EY during the year and the value relative to the statutory audit fees are as follows:

Particulars	RM ('000)	
	Company	Group
<b>2020 Audit Fees</b>		
• Statutory Audit	1,367.9	2,800.0
• Other Audit Related Services	400.0	400.0
<b>Total Audit and Audit Related Services</b>	<b>1,767.9</b>	<b>3,200.0</b>
<b>2020 Non-Audit Fees</b>		
• Other services approved in previous financial years	376.8	376.8
• Consultancy services approved in current financial year	500.0	500.0
<b>Total Non-Audit Fees</b>	<b>876.8</b>	<b>876.8</b>
Percentage of Non-Audit Fees over Statutory Audit & Other Audit Related Services & Fees	49.6%	27.4%

The Company engaged the external auditors and its affiliates for the following non-audit work:

- Consultancy on special projects amongst others identity management systems, actuarial valuation and IT compliance tools; and
- Advisory in assessment and development of a proposal on digital business.

- i) BAC also exercised its right to hold meetings with the external auditors without Management’s presence. These sessions enabled open discussion between BAC and the external auditors, not confined to the audit matters only.

During the year, one (1) formal private session was held on 20 November 2020. BAC Chairman, CIA and external auditors also held private sessions without Management’s presence as and when required. These helped to reinforce the independence of the internal and external audit functions of the Company.

**4. Internal Audit**

- a) Review the internal audit budget to ensure adequate scope and comprehensive coverage of the Group’s activities.
- b) Reviewed the KPIs, performance, competency and resources of the internal audit functions to ensure that, collectively, GIA has the required expertise and professionalism to discharge its duties. The profile of CIA is set out on page 166.
- c) Deliberated on the internal audit reports, audit recommendations and Management’s action plan regarding these recommendations. Where appropriate, BAC instructed Management to rectify and improve the control systems based on GIA’s recommendations and suggestions for improvements. The summary of the major findings was presented and deliberated at the BAC meetings.
- d) Kept updated on Management’s implementation of the internal audit recommendations on outstanding issues on a quarterly basis to ensure that all key risks and control weaknesses were being properly addressed.
- e) Held private meetings and discussions with CIA on key internal controls and internal audit related matters.

**5. RPTs, Recurrent Related Party Transactions (RRPTs) and Conflicts of Interest**

- a) Reviewed reports of RPTs and possible conflict of interest transactions, 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.

Two (2) reviews of RPT and RRPT were conducted in February and September 2020, respectively. BAC considered and was satisfied that there was no new RPT entered into with related parties.



## Corporate Governance Overview Statement

**B** EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

**BOARD AUDIT COMMITTEE (CONTINUED)**
**BAC**

- b) Reviewed the estimated RRPT Mandate for the ensuing year and Circular to Shareholders on the Renewal of Shareholders' Mandate for RRPT, and recommended the same for TM Board's approval.

In February 2021, BAC reviewed the proposed estimates for RRPT Mandate for the shareholders' approval at the 36<sup>th</sup> AGM. Estimates were made based on the actual utilisation of the contract amount of previous mandated estimates and the approved annual operating plan.

- c) Periodically reviewed the RRPTs that were mandated at the 35<sup>th</sup> AGM held on 10 June 2020 and tracked the transactions against their mandated amount.

Based on the approved RRPT Mandate, BAC discovered that there were reasonable controls in monitoring and tracking of the RRPT amount transacted during the year.

**6. Integrity, Ethics and Governance**

BAC deliberated on reports in relation to internal control incidents, investigations and domestic inquiries and major cases of internal and external misconduct that breached the Group's CBE, ACG, Integrity Pact and whistle-blower programme via reports to the CIA and CIGO.

Subsequent to TM Board's mandate on governance and integrity reporting to BAC from May 2020, BAC provides oversight to GIG on matters related to governance, ethics and integrity by providing guidance on its implementation plan, strategies and activities. BAC also provides advice and recommend inputs to other relevant Board committees (e.g. BRC and NRC) to further improve on the framework of compliance on ethics, governance and integrity issues in TM.

**7. Whistle-Blowing and Fraud**

GIG covers Investigation Intelligence, Investigation, Complaint, Whistle-blowing, Awareness & Prevention and Prosecution & Special Tasks.

The existing whistleblowing and fraud reporting channels continues to be made available for employees and other stakeholders to raise concerns on possible misconduct, fraudulent acts and wrong-doings involving TM and its employees. The whistle blowing policy ensure that fair and transparent investigations are conducted and that strictest confidentiality and anonymity are maintained.

**8. Annual Reporting**

Reviewed the IAR 2019 and 2020 and recommended their adoption by the Board.

**9. Significant judgements and issues**

The following were identified by the external auditors as Key Audit Matters:

- Impairment and useful lives of property, plant and equipment (PPE), right-of-use (ROU) assets and spectrum; and
- Revenue recognition due to complex information technology systems and revenue from customised contracts with public sector and enterprise customers from the TM ONE segment.

Impairment on the PPE and ROU assets is considered whenever there is an indication of impairment and annually for the spectrum. For the purpose of impairment assessment, the Group and the Company determined the recoverable amounts of the PPE, ROU assets and spectrum based on value-in-use (VIU) and related cash generating unit was applied to determine whether the assets are impaired.

These matters require significant judgement from Management. In assessing the carrying values of PPE, Management exercised judgement in determining the VIU, useful economic lives, technological obsolescence and operating conditions. In addition to this, assessing the carrying value of goodwill and the identification of cash generating units (CGU) for which goodwill is allocated; required Management to apply significant judgement, as well as future market conditions affecting forecast cash flows such as growth rates, customer churn, average revenue per user, operating margins and discount rates.

Management continues to closely monitor relevant indicators that may be affected adversely by the COVID-19 pandemic which would influence the estimates used in arriving to the Group's reported financial results. As part of the review of subsequent events, Management assessed this on a monthly basis which includes review of forward looking macro-economic indicators used to determine expected loss rates of trade receivables and contract assets, as well as impact on expected cash flows attributable to the Group's assets. This is to ensure adjustment to subsequent events are reflected in estimates, where relevant.

**B** EFFECTIVE AUDIT AND RISK MANAGEMENT (CONTINUED)

**BOARD AUDIT COMMITTEE (CONTINUED)**

**BAC**

In ascertaining the quantum and timing of revenue recognised, Management considered significant estimates and made critical judgements on contract costs incurred, contractual rights and obligations being recognised and measured and recoverability of contract assets including service costs incurred to date. Correspondingly, in addressing the identified Key Audit Matters, BAC takes cognisance that EY has performed various procedures and did not identify any material exception. This was reported to the BAC by EY as set out in their Independent Auditors' Report on pages 140 to 143 of the Financial Statements.

The BAC has received the report by EY and is satisfied that the accounting treatments applied under the financial reporting standards, the significant judgement and key assumptions used in the preparation of the financial statements and conclusions reached are appropriate.

**Regulators and our financial reporting**

The quarterly financial result reports, upon approval by the Board were disseminated to the public through Bursa Securities and the relevant regulators, SC and MCMC.

**BAC Effectiveness Review and Performance**

The review of the effectiveness of BAC, including its structure and process, performance, accountability and responsibilities as well as the member's term of office and performance was duly assessed as part of the annual BEE.

Based on the 2020 BEE, it was agreed that BAC has remained effective in assisting the Board in discharging its duties.

**Training**

During the year, BAC members as part of the Board's Training Programme, attended various conferences, seminars and training programmes to enhance their knowledge in order to efficiently discharge their duties as Directors of the Company, generally to enhance their technical competencies in their respective fields of expertise but specifically in relation to accounting and auditing standards.

**Number of Meetings**

**9 meetings**

**Total Meeting Hours**

**31 hours 15 minutes**

**Meeting Dates**

**16 January, 20 February, 10 March, 16 April,  
18 May, 14 July, 21 August, 13 October and  
20 November**



## Corporate Governance Overview Statement

**C****INTEGRITY IN CORPORATE REPORTING AND MEANINGFUL RELATIONSHIP WITH STAKEHOLDERS****COMMUNICATION, INTERACTION AND RELATIONSHIP WITH STAKEHOLDERS**

The Board acknowledges the importance of an effective communication channel between itself and stakeholders, institutional investors and the investing public at large to provide a clear picture on the Group's performance and position. TM has continued to disseminate relevant and material information on the Group in order to maintain effective, comprehensive, timely and continuing disclosure of information. An Internal Communication Policy and Best Practices was established to facilitate the handling and disclosure of material information. The Policy, based on openness and transparency, two-way communication, accountability, timeliness, accuracy and simplicity, ensures compliance with the disclosure requirements of the Main LR and other relevant laws.

**CONDUCT OF GENERAL MEETING**

The 35<sup>th</sup> AGM was the first ever fully virtual AGM held by the Company due to the impact of the COVID-19 pandemic, in line with the guidelines as stipulated in the Guidance Note from the SC dated 18 April 2020. The broadcast venue of the AGM was attended by 20 essential individuals, comprising Chairman, Directors, advisor and relevant support staff. Shareholders participated in the AGM remotely via live streaming and online voting using Remote Participation and Electronic Voting (RPEV) Facilities.

A total of 230 shareholders and proxies registered and participated remotely via live streaming and online voting through the Boardroom Lumi AGM system. Questions to the Board were keyed-in directly via the system and responses to relevant questions were provided live or via email after the AGM. The results of the online voting were scrutinized by the independent scrutineers, Boardroom Corporate Services Sdn Bhd before the results were announced by the Chairman.

**COMPLIANCE STATEMENT**

This Statement together with the CG Report set out the manner in which the Company observes the Intended Outcome as prescribed in MCGG. As at 31 December 2020, TM observed the Intended Outcomes of the principles of the MCGG. The Company has adopted 34 recommended practices in the MCGG including the three (3) Step-up practices, out of the 36 practices.

The Board remains committed and steadfast in strengthening the Group's governance practices to protect the interest of all its stakeholders. This Statement is made in accordance with the resolution of the Board of Directors duly passed on 6 April 2021.

## > BOARD OF DIRECTORS' PROFILE

# TAN SRI DATO' SERI MOHD BAKKE SALLEH

Chairman  
Non-Independent Non-Executive Director



Nationality	Malaysian
Age/Gender	66/Male
Date of Appointment	11 May 2020
Date of Last Re-election	10 June 2020
Length of Tenure	10 Months

### BOARD COMMITTEE

- None

### QUALIFICATIONS

- Bachelor of Science (Economics) degree from the London School of Economics, United Kingdom
- Fellow of the Institute of Chartered Accountants in England and Wales and a member of the Malaysian Institute of Accountants

### DIRECTORSHIPS

#### Listed Issuers:

- Telekom Malaysia Berhad
- Eastern & Oriental Berhad

#### Public Company:

- PETRONAS

### OTHER INFORMATION

Non-Executive Chairman nominated by Special Shareholder of TM, the Minister of Finance (Incorporated), a body corporate established under the Minister of Finance (Incorporation) Act 1957 (MOF Inc.).

### WORKING EXPERIENCE:

He was the Chairman of Federal Land Development Authority (FELDA) a position he held from 1 July 2019 until 30 April 2020. Prior to that he was the Acting President and Group Chief Executive at Sime Darby Berhad from July 2010 and later confirmed in the position in November 2010. Post-demerger of Sime Darby Group in November 2017, he was appointed Executive Deputy Chairman and Managing Director (MD) of Sime Darby Plantation Berhad until his retirement at the end of June 2019.

Before joining Sime Darby Berhad in July 2010, Tan Sri Dato' Seri Mohd Bakke was the Group MD of Felda Holdings Berhad in 2005 and subsequently, the Group President and CEO of Felda Global Ventures Holdings Bhd (FGV) in January 2009. He was the Group MD and CEO of Lembaga Tabung Haji from 2001 to 2005 and served as the Chairman of Bank Islam Malaysia Berhad from April 2008 to July 2010.

He started his career in Malaysia in 1983 as an Audit Senior at Ernst & Young before joining Caltex Oil Malaysia Ltd as the Head of Internal Audit in 1984. He later joined Citibank Kuala Lumpur as the Head of Audit Division for Malaysia and Brunei in 1985, and subsequently became the Assistant Vice-President of the Real Estate Division until 1988. He then joined Island & Peninsular Berhad as the Chief Financial Officer and later became the General Manager (GM) of the Plantation Division and subsequently promoted to Group GM before leaving in 1993. Subsequently, he was appointed MD of Electra House Sdn Bhd and later joined Syarikat Perumahan Pegawai Kerajaan Sdn Bhd as MD from 1994 to 1998 and Federal Power Sdn Bhd from 1998 to 1999. He also served as Director, Property Division of Pengurusan Danaharta Nasional Berhad from 1999 to 2001.

He is currently an Independent Non-Executive Director of Petroliaam Nasional Berhad (PETRONAS) and a Non-Independent and Non-Executive Director of Eastern & Oriental Berhad. He is also the Chairman of Universiti Telekom Sdn Bhd and Yayasan Telekom Malaysia, Pro-Chancellor of Universiti Putra Malaysia (UPM) and Council Member of Yayasan Sime Darby.

### BOARD COMMITTEE AND ATTENDANCE

(Since appointment on May 2020)

Chairperson ● Member ●

**BOD**  
13/13

## Board of Directors' Profile

# IMRI MOKHTAR

Managing Director (MD)  
Group Chief Executive Officer (GCEO)  
Non-Independent Executive Director



Nationality	Malaysian
Age/Gender	47/Male
Date of Appointment	1 August 2020
Date of Last Re-election	Not Applicable
Length of Tenure	7 Months

### BOARD COMMITTEE

- None

### QUALIFICATIONS

- Bachelor of Engineering in Electronics Engineering and Management Studies with first class honours from University College London, UK
- Attended Leadership Programmes at Cambridge Judge Business School and Harvard Business School

### DIRECTORSHIP

#### Listed Issuer:

- Telekom Malaysia Berhad

#### Public Companies:

- None

### OTHER INFORMATION

Executive Director nominated by MOF Inc.

### WORKING EXPERIENCE:

He brings with him over 25 years of experience in telecommunications and strategy. His last position was as Chief Operations Officer at Celcom Axiata Berhad since 1 May 2020.

Imri previously served as TM's Chief Operating Officer (COO) responsible for overseeing the business operations of TM Group with special focus on unifi, TM ONE and TM Global (now known as TM WHOLESale) and the Performance Improvement Programme. During his time as COO, he also served as TM's Acting Group Chief Executive Officer from 16 November 2018 until 13 June 2019.

Prior to his appointment as COO, he was the Executive Vice President (EVP) of unifi. He first started his career with TM in 1996 and re-joined TM in 2005 and served in various positions in TM including as Vice President (VP), Programme and Performance Management Office and EVP, Consumer. Prior to re-joining TM in 2005, Imri was with a pay-TV operator in Malaysia and before that a consultant with a global management consulting firm.

He is also a director and Chief Executive Officer of Webe Digital Sdn. Bhd. (webe), the mobile arm of TM.

### BOARD COMMITTEE AND ATTENDANCE

(Since appointment on August 2020)

Chairperson ● Member ●

<b>BOD</b> ●
9/9

# ANIS RIZANA MOHD ZAINUDIN @ MOHD ZAINUDDIN

Non-Independent Non-Executive Director

Nationality	Malaysian
Age/Gender	51/Female
Date of Appointment	1 July 2020
Date of Last Re-election	Not Applicable
Length of Tenure	8 Months



## BOARD COMMITTEES

- Member of Board Tender Committee (BTC)
- Member of Board Investment Committee (BIC)

## QUALIFICATIONS

- Master of Business Administration (Finance), Graduate School of Management, Universiti Putra Malaysia
- Diploma in Public Administration, National Institute of Public Administration (INTAN), Kuala Lumpur
- Bachelor of Business Administration (Finance), Western Michigan University, Kalamazoo, USA
- Diploma in Investment Analysis, Mara Institute of Technology (ITM), Shah Alam, Selangor Darul Ehsan
- Completed the Advanced Leadership Management Programme at INTAN, the Advanced Management Programme (AMP) at Harvard Business School, Boston, USA and Advanced Leadership Development Programme at Razak School of Government

## DIRECTORSHIPS

### Listed Issuer:

- Telekom Malaysia Berhad

### Public Companies:

- Pelaburan Hartanah Berhad
- Aset Tanah Nasional Berhad

## OTHER INFORMATION

Non-Executive Director nominated by MOF Inc.

## WORKING EXPERIENCE:

Anis Rizana is currently the Deputy Secretary General (Investment) with the Ministry of Finance (MOF).

She started her career in early 1993 serving the private sector in the stockbroking firms and manufacturing industry before joining the public sector in 1994. She was appointed as the Senior Private Secretary to the Minister of Finance in 1999. She also served as the Principal Assistant Secretary in various divisions under the MOF such as the Finance Division; MOF Inc.; Privatisation and Coordination Division; Loan Management and Finance Policy Division; Economics and International Division and Budget Management Division. In 2008, she was appointed as the Deputy Under Secretary at the Investment, MOF Inc. and Privatization Division and subsequently after her two year stint at Malaysia Airports Holdings Berhad as the General Manager, Corporate Planning under the Cross Fertilization Programme (Khazanah Nasional Berhad/Public Service Department), served as the Head of Economic Stimulus Secretariat Unit, MOF. In 2009, Anis Rizana also served as a Special Function Officer to the Chief Secretary of the Government under the Prime Minister's Department. Subsequently in 2012, she was appointed as the Deputy Under Secretary, Remuneration Policy, Public Money, and Management Services Division.

Anis Rizana served as Director of the Integrity and Governance Division (NKRA Against Corruption) in 2014, before being appointed as the Senior Research Fellow and thereafter assumed the responsibility as the Head of Cluster for Development and Policy Research at INTAN, Bukit Kiara. In 2018, she was appointed as the Head of Cluster for the Economics and Public Finance Cluster in INTAN. She was thereafter promoted as the Deputy Secretary General (Operations) for the Ministry of Women, Family and Community Development in 2019 before assuming her current position.

She is currently a Director of Retirement Fund (Incorporated) (KWAP), Lembaga Tabung Angkatan Tentera (LTAT) and Member of the Energy Commission. She also serves as director in private companies under the purview of MOF.

## BOARD COMMITTEE AND ATTENDANCE

*(Since appointment during the year, where applicable)*

Chairperson ● Member ●

<b>BOD</b> ●	<b>BTC</b> ●	<b>BIC</b> ●
9/10	4/4	3/3

## Board of Directors' Profile

# DATO' MOHAMED NASRI SALEHUDDIN

Non-Independent Non-Executive Director



Nationality	Malaysian
Age/Gender	50/Male
Date of Appointment	26 August 2019
Date of Last Re-election	10 June 2020
Length of Tenure	1 Year and 6 Months

### BOARD COMMITTEES

- Member of Board Nomination & Remuneration Committee (NRC)
- Member of BTC
- Member of BIC

### QUALIFICATIONS

- Master of Business Administration from University of Strathclyde Business School, UK
- Utter Barrister by the Honourable Society of Gray's Inn
- LLB (Hons), Aberystwyth University, Wales

### DIRECTORSHIPS

#### Listed Issuer:

- Telekom Malaysia Berhad

#### Public Company:

- UEM Group Berhad

### OTHER INFORMATION

Non-Executive Director nominated by Khazanah, a major shareholder of TM

### WORKING EXPERIENCE:

Dato' Mohamed Nasri is currently the Executive Director of Corporate & Support Services, Company Secretary and Head of Legal at Khazanah Nasional Berhad (Khazanah). He oversees several key operational and administrative aspects of the organisation including Legal, Government Relations, Asset and Facilities Management, Procurement, ICT, Cyber Security and Secretarial.

Prior to joining Khazanah on 1 September 2009, Dato' Mohamed Nasri was a partner with a leading law firm in Malaysia, advising clients on corporate law and the legal aspects of corporate restructuring, take-overs and mergers.

Dato' Mohamed Nasri is a member of Khazanah's Management Committee, Digital and Technology Council and is a permanent invitee to the Investment Committee. He is also a Non-Independent Non-Executive Director of UEM Group Berhad and the Chairman of Taman Tugu Project Development Sdn Bhd.

### BOARD COMMITTEE AND ATTENDANCE

(Since appointment during the year, where applicable)

Chairperson ● Member ●

<b>BOD</b> ●	<b>NRC</b> ●	<b>BTC</b> ●	<b>BIC</b> ●
19/19	12/12	5/6	8/8

# DATO' MOHD NAIM DARUWISH

Non-Independent Non-Executive Director



Nationality	Malaysian
Age/Gender	60/Male
Date of Appointment	3 October 2018
Date of Last Re-election	29 May 2019
Length of Tenure	2 Years and 5 Months

## BOARD COMMITTEES

- Member of BIC
- Member of Board Risk Committee (BRC)

## QUALIFICATION

- Bachelor of Law (LLB), University of Malaya (UM)

## DIRECTORSHIP

### Listed Issuer:

- Telekom Malaysia Berhad

### Public Companies:

- None

## OTHER INFORMATION

Non-Executive Director nominated by EPF, a major shareholder of TM

## WORKING EXPERIENCE:

Dato' Mohd Naim is currently the Deputy Chief Executive Officer (Operations) of Employees Provident Fund Board (EPF), a position he held since 1 October 2014. He started his career in the Judiciary and Legal Services as Magistrate from 1985 to 1992. He joined EPF in 1992 as a Manager in the Prosecution/Litigation Division and has held several positions, including as Head of the Enforcement Department, the Legal Department and the Contribution Department.

From December 2011 to September 2014, he was seconded to the Companies Commission of Malaysia as Chief Executive Officer and later resumed service with the EPF in October 2014.

## BOARD COMMITTEE AND ATTENDANCE

Chairperson ● Member ●

<b>BOD</b> ●	<b>BIC</b> ●	<b>BRC</b> ●
15/19	6/8	5/6



## Board of Directors' Profile

# TUNKU AFWIDA TUNKU DATO' A.MALEK

Senior Independent Director

Nationality	Malaysian
Age/Gender	55/Female
Date of Appointment	28 April 2016
Date of Last Re-election	10 June 2020
Length of Tenure	4 Years and 10 Months



### BOARD COMMITTEES

- Chairman of NRC - Redesignated as Chairman effective 11 June 2020
- Chairman of the LTIP Committee, a sub-Committee of the NRC
- Chairman of BIC
- Member of Board Audit Committee (BAC)
- Member of BRC

### QUALIFICATIONS

- Bachelor of Science (Hons) in Economics and Accountancy, City University, UK
- Chartered Accountant of the Institute of Chartered Accountants in England and Wales (ICAEW)
- Member of Malaysian Institute of Accountants

### DIRECTORSHIPS

#### Listed Issuers:

- Telekom Malaysia Berhad
- Gamuda Berhad
- SAM Engineering & Equipment (M) Berhad

#### Public Companies:

- None

### OTHER INFORMATION

None

### WORKING EXPERIENCE:

Tunku Afwida has held senior roles in investment banks. From 2006 until 2008, she was CEO and Executive Director of Kenanga Investment Bank Berhad. Prior to that, from 2003 to 2006, she was CEO and ED of MIMB Investment Bank Berhad (now known as Hong Leong Investment Bank Berhad) and from 1995 to 2003, she was ED/Chief Investment Officer of Commerce Asset Fund Managers Sdn Bhd.

She is currently a Director and shareholder of Asia Equity Research Sdn Bhd, a company licensed by the Securities Commission of Malaysia to provide advisory services in corporate finance including compliance and funding advisory related services.

Tunku Afwida is also a Director of webe and GITN Sdn. Berhad, subsidiaries of TM.

### BOARD COMMITTEE AND ATTENDANCE

Chairperson ● Member ●

<b>BOD</b> ●	<b>BAC</b> ●	<b>NRC</b> ●	<b>LTIP</b> ●	<b>BIC</b> ●	<b>BRC</b> ●
19/19	9/9	17/17	4/4	8/8	6/6

# BALASINGHAM A. NAMASIWAYAM

Independent Non-Executive Director



Nationality	Malaysian
Age/Gender	69/Male
Date of Appointment	28 April 2016
Date of Last Re-election	10 June 2020
Length of Tenure	4 Years and 10 Months

### BOARD COMMITTEES

- Chairman of BRC
- Member of BAC
- Member of NRC
- Member of BTC
- Member of the LTIP Committee

### QUALIFICATIONS

- Bachelor of Science (Hons) in Electrical Engineering, Portsmouth Polytechnic, UK
- Diploma in Electrical Engineering, Technical College, Kuala Lumpur
- Fellow of the Institution of Engineers, Malaysia
- Member of the Institution of Engineering and Technology, UK
- Professional Engineer of the Board of Engineers, Malaysia

### DIRECTORSHIP

#### Listed Issuer:

- Telekom Malaysia Berhad

#### Public Companies:

- None

### OTHER INFORMATION

None

### WORKING EXPERIENCE:

Balasingham has been involved in the telecommunications industry for more than 45 years. He began his career with the then Jabatan Telekom Malaysia in 1972 as Technical Assistant, and thereafter served in various capacities, covering planning, implementation, maintenance and control of key technical projects and operational aspects within TM Group. His last position in TM was General Manager of Specialised Network Services, responsible for the marketing, implementation, operation and maintenance of networks for various customers.

In 2003, he was appointed as CEO of Fiberail Sdn Bhd (Fiberail), TM's joint venture company, involved in the deployment of fibre cable and sale of fibre products. In 2008, he was appointed Business Advisor of Fiberail, assisting the Board and Management in all aspects of the company, until the expiry of his contract in June 2009. He was previously a director of TIMEdotCom Berhad from July 2009 until mid-April 2016.

He was appointed as director of webe on 8 May 2017 and redesignated as Chairman of webe on 8 June 2018. He is also a Director and member of Board of Governors of UTSB.

### BOARD COMMITTEE AND ATTENDANCE

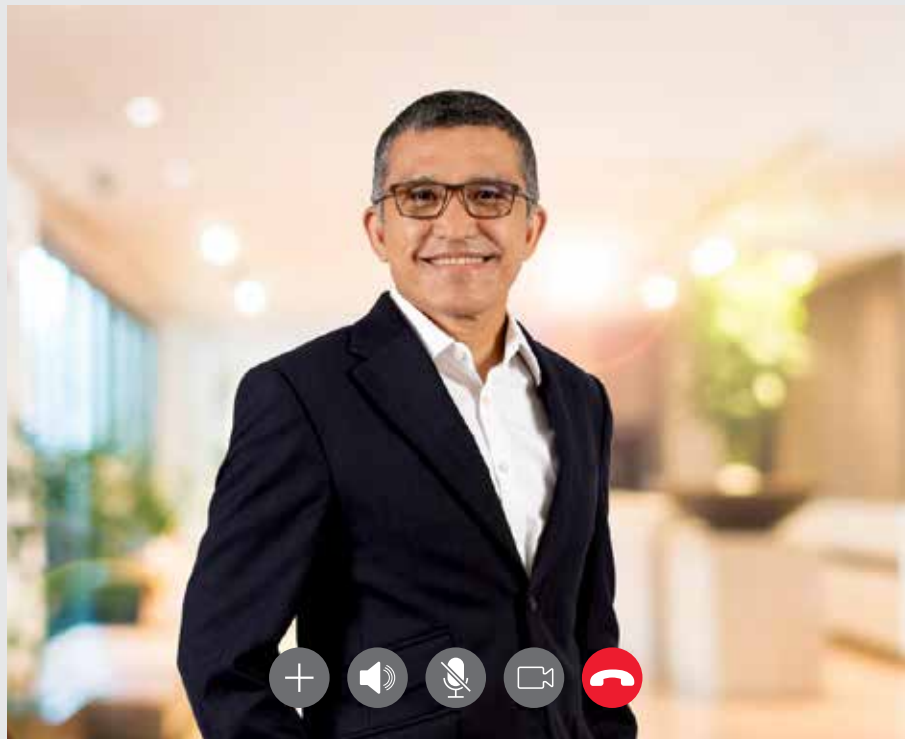
Chairperson ● Member ●

<b>BOD</b> ●	<b>BRC</b> ●	<b>BAC</b> ●	<b>NRC</b> ●	<b>BTC</b> ●	<b>LTIP</b> ●
19/19	6/6	9/9	17/17	10/10	4/4

## Board of Directors' Profile

# HISHAM ZAINAL MOKHTAR

Independent Non-Executive Director



**Nationality** Malaysian

**Age/Gender** 59/Male

**Date of Appointment** 3 October 2018

**Date of Last Re-election** 29 May 2019

**Length of Tenure** 2 Years and 5 Months

### BOARD COMMITTEES

- Chairman of BAC
- Member of BTC
- Member of BIC

### QUALIFICATIONS

- Master of Business Administration from Massachusetts Institute of Technology, USA
- Masters of Science in Mathematics from Illinois State University, USA
- Bachelor of Science from Illinois State University, USA
- Chartered Financial Analyst, CFA Institute

### DIRECTORSHIPS

#### Listed Issuers:

- Telekom Malaysia Berhad
- Media Prima Berhad (resigned on 1 April 2021)

#### Public Companies:

- Principal Asset Management Berhad
- VADS Berhad

### OTHER INFORMATION

None

### WORKING EXPERIENCE:

Hisham has served as a Director in the Group Managing Director's Office at Malaysian Industrial Development Finance Berhad Group since July 2018 until 31 March 2019, and is a Business Coach at Asia School of Business since August 2018.

He was the COO with Astro Overseas Limited from July 2014 until June 2018 and Director in the Investments Division at Khazanah from April 2009 to June 2014. He joined Khazanah in May 2005 from Tricubes Berhad where he was an Executive Director and Vice President of Corporate and Financing Planning. He started his career in the insurance industry at Universal Life and General Insurance in 1987 and thereafter William M. Mercer Sdn Bhd in 1988 before becoming an investment analyst initially with Crosby Research (M) Sdn Bhd in 1991. He later joined Barings Research (Malaysia) Sdn Bhd in 1994 and subsequently, UBS Research (Malaysia) Sdn Bhd in 1996.

In 1998, Hisham became a financial consultant at Sithe Pacific LLC, a regional independent power producer before he ventured out to set up a boutique investment advisory firm, KE Malaysia Capital Partners Sdn Bhd with another partner.

Hisham is also the Chairman of VADS Berhad, a wholly-owned subsidiary of TM.

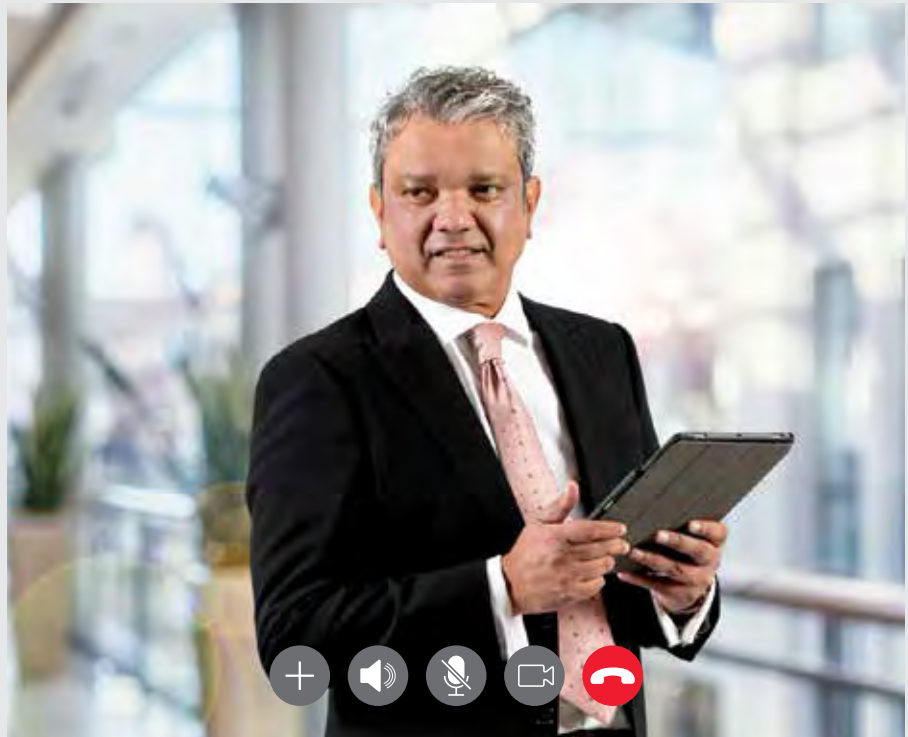
### BOARD COMMITTEE AND ATTENDANCE

Chairperson ● Member ●

BOD	BAC	BTC	BIC
19/19	9/9	10/10	7/7

# SAHERAN SUHENDRAN

Independent Non-Executive Director



Nationality	Malaysian
Age/Gender	60/Male
Date of Appointment	3 October 2018
Date of Last Re-election	25 May 2019
Length of Tenure	2 Years and 5 Months

## BOARD COMMITTEES

- Member of BRC
- Member of BIC
- Member of LTIP Committee

## QUALIFICATIONS

- LL.M from the University of Cambridge, UK
- LL.B (Hons) from the University of London, UK
- Barrister-at-law of Gray's Inn

## DIRECTORSHIP

### Listed Issuer:

- Telekom Malaysia Berhad

### Public Companies:

- None

## OTHER INFORMATION

None

## WORKING EXPERIENCE:

Saheran was admitted to the Bar of England and Wales in 1983, the Malaysian Bar in 1985 and the Singapore Bar in 2007.

He is currently a consultant with Messrs. Sanjay Mohan. He has been practicing law for over 35 years including as a consultant with Chua Associates and as a partner at Zul Rafique & Partners and Kadir Andri & Partners before forming Messrs. Sanjay Mohan in 2019.

Saheran has extensive experience in corporate and commercial disputes as well as corporate restructuring and insolvency work. He is highly regarded in the niche practice of corporate and commercial malpractices and corporate and shareholder disputes and has appeared in derivative actions and oppression petitions. He has considerable experience advising on contentious acquisitions and take-overs and has successfully defended many notable financial institutions and government-linked institutions.

## BOARD COMMITTEE AND ATTENDANCE

Chairperson ● Member ●

<b>BOD</b> ●	<b>BRC</b> ●	<b>BIC</b> ●	<b>LTIP</b> ●
18/19	6/6	7/8	4/4

## Board of Directors' Profile

# DATO' IBRAHIM MARSIDI

Independent Non-Executive Director



Nationality	Malaysian
Age/Gender	68/Male
Date of Appointment	12 June 2019
Date of Last Re-election	Not Applicable
Length of Tenure	1 Year and 8 Months

### BOARD COMMITTEES

- Member of BAC
- Member of NRC
- Member of BTC

### QUALIFICATION

- Bachelor of Economics (Analytical) (Hons), UM

### DIRECTORSHIPS

#### Listed Issuers:

- Telekom Malaysia Berhad
- Velesto Energy Berhad

#### Public Companies:

- None

### OTHER INFORMATION

None

### WORKING EXPERIENCE:

Dato' Ibrahim started his career with Malayan Banking Berhad in 1979 as a sub-accountant. He later joined Petronas in the same year and was actively involved in the development of Petronas's domestic marketing activities. Throughout his career with Petronas, he held a number of senior management positions including Senior Manager of Eastern and Northern Region, General Manager of Liquefied Petroleum Gas and Retail Business in Petronas Dagangan Berhad (PDB) and as the General Manager of Crude Oil Group, Petronas.

With his extensive experience, Dato' Ibrahim was appointed the Managing Director and Chief Executive Officer of PDB, which is listed on Bursa Malaysia Securities Berhad, the formation of which he had played a critical role in. During his tenure leading PDB, he spearheaded its transformation by developing the company's brand and business strategy as well as the development of administrative and electronic payment systems. Dato' Ibrahim retired from this position in December 2007. He previously served as an Independent Non-Executive Director of TM from 25 April 2008 until 30 April 2017 before rejoining TM Board on 12 June 2019.

He is also a director of Menara Kuala Lumpur Sdn Bhd, a wholly-owned subsidiary of TM.

### BOARD COMMITTEE AND ATTENDANCE

Chairperson ● Member ●

<b>BOD</b> ●	<b>BAC</b> ●	<b>NRC</b> ●	<b>BTC</b> ●
18/19	9/9	17/17	10/10

# DATUK SITI ZAUYAH MD DESA

Independent Non-Executive Director



Nationality	Malaysian
Age/Gender	61/Female
Date of Appointment	10 June 2020
Date of Last Re-election	Not Applicable
Length of Tenure	9 Months

### BOARD COMMITTEE

- Chairman of BTC

### QUALIFICATIONS

- Master in Business Administration (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), INTAN
- Completed the Oxford High Performance Leadership Programme at Said Business School, University of Oxford, UK

### DIRECTORSHIPS

#### Listed Issuer:

- Telekom Malaysia Berhad

#### Public Companies:

- Cagamas Holdings Berhad
- Cagamas SRP Berhad

### OTHER INFORMATION

None

### WORKING EXPERIENCE:

Datuk Siti Zauyah began her career in civil service in 1982 as a Quantity Surveyor with the Public Works Department and later moved on to hold several other positions with a higher learning institution and several private sectors before pursuing her Diploma in Public Administration at INTAN. Upon graduation, she joined the Ministry of Finance Malaysia (MOF) and served in the Contract Management Division as Assistant Secretary from 1989 to 1993 before pursuing her Master and graduating in 1995. She continued to serve as Assistant Secretary with the Tax Division and Finance Division at MOF before being promoted as Principal Assistant Secretary in 2001.

In 2003, she was seconded to the Asian Development Bank, Manila as Director's Advisor until August 2006. Upon her return, she continued her service with MOF in the Loans Management Division and was appointed as the Deputy Secretary (Economy, Public Transportation and Infrastructure), Investment, MOF (Inc.) and Privatisation Division in April 2008. She was promoted as Secretary, Loan Management Division in November 2012 and later as Secretary, Government Investment Company Division on 13 January 2014 and subsequently serve as Director of National Budget, National Budget Office from 12 December 2014 until 1 February 2016. Datuk Siti Zauyah was then appointed the Deputy Secretary General (Policy) from 2 February 2016 until her retirement on 13 November 2019.

Datuk Siti Zauyah is also a Council Member of Majlis Amanah Rakyat (MARA) appointed on 15 May 2020.

### BOARD COMMITTEE AND ATTENDANCE

(Since appointment during the year)

Chairperson ● Member ●

<b>BOD</b> ●	<b>BTC</b> ●
11/11	4/4

## Board of Directors' Profile

# ISZAD JEFFRI ISMAL

Non-Independent  
Non-Executive Alternate Director

**Nationality** Malaysian

**Age/Gender** 40/Male

**Date of Appointment** 1 July 2020

**Date of Last Re-election** Not Applicable

**Length of Tenure** 8 Months



## BOARD COMMITTEES

- Alternate member to Anis Rizana Mohd Zainudin @ Mohd Zainuddin in:
  - BTC
  - BIC

## QUALIFICATIONS

- Masters in Science from Daniels College of Business, University of Denver, USA
- Bachelor of Financial Engineering from Multimedia University, Cyberjaya

## DIRECTORSHIPS

### Listed Issuer:

- Telekom Malaysia Berhad

### Public Company:

- Keretapi Tanah Melayu Berhad

## OTHER INFORMATION

Alternate Director to Anis Rizana Mohd Zainudin @ Mohd Zainuddin, Non-Executive Director nominated by MOF Inc.

## WORKING EXPERIENCE:

Iszad is currently a Principal Assistant Secretary at the Government Investment Companies Division, Ministry of Finance (MOF), responsible for managing and monitoring corporate matters, investment and strategic direction of MOF Inc. companies, particularly on land public transportation sector. Apart from that, he is also the covering Section Head of Strategic Sector, which also covers MOF Inc. companies and interests in utilities, energy and telecommunication sectors. Due to his portfolio, he is involved in monitoring mega infrastructure projects such as Mass Rapid Transit (MRT) Line 1, MRT Line 2, East Coast Rail Link (ECRL), Rapid Transit System (RTS) and KL-Singapore High Speed Rail. He also serves as director in private companies under the purview of MOF.

Prior to his current position, Iszad was a Senior Private Secretary to the Minister of Finance II, responsible for managing and administering ministerial affairs for the said Minister.

Iszad also served as Principal Assistant Secretary at the Economic and International Division, MOF for six (6) years, where he was involved in the macro-economic policy and budget strategy formulation. He was also involved in the National Blue Ocean Strategy (NBOS) initiatives at MOF level. Iszad was a member of the National Budget Speech Team for two (2) years, responsible for drafting and formulating the national budget speech.

## BOARD COMMITTEE AND ATTENDANCE

(Since appointment during the year, where applicable)

Chairperson ● Member ●

BOD	BTC	BIC
N/A	1/1	N/A

### Additional Information of the Board of Directors

- Family Relationship** : Save as disclosed, none of the Directors has any family relationship with any Director and/or major shareholder of TM.
- Conflict of Interests** : Save as disclosed, none of the Directors has any conflict of interests with TM.
- Conviction for Offences** : None of the Directors has any conviction for offences, other than traffic offences, for the past 5 years.
- Public Sanction or Penalty** : None of the Directors has any sanction or penalty imposed on them by any regulatory bodies during the financial year ended 31 December 2020.

## > PROFILE OF COMPANY SECRETARIES



**HAMIZAH ABIDIN**  
Group Company Secretary

Age/Gender 50/Female



**QUALIFICATIONS:**

- Bachelor of Law (Hons) from the International Islamic University of Malaysia
- Licenced Company Secretary since December 1998

**WORKING EXPERIENCE:**

Hamizah started her career in private legal practice and was a qualified advocate and solicitor of the High Court of Malaya. She subsequently joined TM as an Assistant Company Secretary in 1996 and promoted to Assistant General Manager in 2007. She was appointed as Joint Secretary on 15 July 2011 and thereafter as General Manager of Company Secretarial Unit of Group Legal, Compliance and Company Secretarial Division in 2012. She was made the Group Company Secretary of TM effective 1 January 2017, heading the Group Company Secretarial Division (GCSD) of TM. She left TM on 31 December 2019 and rejoined on 1 September 2020.

Hamizah brings with her more than 25 years of experience on corporate secretarial, compliance and corporate governance matters as well as due diligence exercises and special projects.



**MOHAMMAD YAZMI MAT RASCHID**  
Joint Secretary

Age/Gender 47/Male



**QUALIFICATIONS:**

- Chartered Secretary of The Institute of Chartered Secretaries and Administrators (ICSA), now known as The Chartered Governance Institute, UK
- Associate member of the Malaysian Institute of Chartered Secretaries & Administrators (MAICSA) since 2001

**WORKING EXPERIENCE:**

A graduate from Institut Professional Baitulmal Kuala Lumpur, Yazmi started his career in a company secretarial firm in 1996. He joined TM in 2001 as an Assistant Company Secretary and was promoted to Assistant General Manager in 2013. He was appointed a Joint Secretary following his appointment as General Manager, GCSD on 1 January 2020. Yazmi has over 21 years' experience in corporate secretarial matters, corporate governance, compliance, special projects and due diligence exercises.



**ZAITON AHMAD**  
Joint Secretary

Age/Gender 60/Female



**QUALIFICATIONS:**

- Chartered Secretary of ICSA, now known as The Chartered Governance Institute, UK
- Associate member of the MAICSA since 1993

**WORKING EXPERIENCE:**

Zaiton started her career in a public listed company in 1984 and has more than 31 years' experience in corporate secretarial practice. She joined TM in 1991 as an Assistant Company Secretary and was named as one of the Joint Secretaries of TM since 1996. She became an Assistant General Manager in 2006 and remains as a Joint Secretary of TM and its Group of Companies.



## > PROFILE OF SENIOR MANAGEMENT

### IMRI MOKHTAR

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

Malaysian | Male | 47

Date of Appointment: 1 August 2020



Audio Stop Video

### Ir. Ts. AZIZI A HADI

Chief Operating Officer (COO)  
(Commercial & Technology)

Malaysian | Male | 56

Date of Appointment: 15 June 2011



Security 14 Chat

#### Qualifications

- Bachelor of Engineering in Electronics Engineering and Management Studies with first class honours from University College London, UK
- Attended Leadership Programmes at Cambridge Judge Business School and Harvard Business School

#### Working Experience

Imri brings with him over 25 years of experience in telecommunications and strategy. His last position was as Chief Operations Officer at Celcom Axiata Berhad since 1 May 2020.

He previously served as TM's Chief Operating Officer (COO) responsible for overseeing the business operations of TM Group with special focus on unifi, TM ONE and TM Global (now known as TM WHOLESALE) and the Performance Improvement Programme. During his time as COO, he also served as TM's Acting Group Chief Executive Officer from 16 November 2018 until 13 June 2019.

Prior to his appointment as COO, he was the Executive Vice President (EVP) of unifi. He first started his career with TM in 1996 and re-joined TM in 2005 and served in various positions in TM including as Vice President (VP), Programme and Performance Management Office and EVP, Consumer. Prior to re-joining TM in 2005, Imri was with a pay-TV operator in Malaysia and before that a consultant with a global management consulting firm.

Imri is also a director and Chief Executive Officer of Webe Digital Sdn. Bhd. (webe), the mobile arm of TM.

#### Directorship

##### Listed Issuer:

- Telekom Malaysia Berhad

##### Public Companies:

- None

#### Qualifications

- Masters in Business Administration from Universiti Putra Malaysia
- Bachelor of Science in Electrical Engineering from Wichita State University, USA
- Attended various leadership programmes at Harvard, Cambridge and Stanford universities

#### Working Experience

Ir. Azizi has been appointed as Chief Operating Officer (Commercial & Technology) on 1 September 2020 and is also covering the Chief Information Security Officer (CISO) position effective 1 August 2020. He served as Chief Network Officer (CNO) from 26 August 2019 until 31 August 2020 and responsible for the strategy, rollout and management of nationwide network. He has more than 30 years of experience in the telecommunications industry, which includes engineering, operations, sales, product development and management in both fixed and mobile industry.

He started his career with the Royal Malaysian Army as an Engineering Officer in the Royal Signals Regiment from 1987 to 1996, where his main responsibilities were in planning tactical radio networks, evaluating new equipment and training. He was also the Country Business Development Manager of Global One Communications as international telecommunications service provider where he was entrusted with the country's MNC sales in 1999. Prior to joining TM in 2006, he was with Maxis Communications Berhad as the Head of Broadband Business Unit and in Network Engineering and Operations.

Ir. Azizi first joined TM as the General Manager, Technology & Innovation. He was then promoted to Vice President (VP) of Retail Product on 1 February 2009 where he was responsible for the development and commercialisation of TM's products and services. He then became the Executive Vice President (EVP), SME in 2011 before assuming his role as Chief Operating Officer of webe in 2014 and later as Executive Director and Chief Executive Officer of webe on 1 August 2016. He was subsequently appointed EVP, TM ONE on 15 May 2017 and lead TM ONE through its transformation journey as a fully integrated digital enabler for enterprises and public sector.

Ir. Azizi also sits on the board of several subsidiaries of TM including Universiti Telekom Sdn Bhd, webe, Fibrecomm Network (M) Sdn Bhd and Fiberail Sdn Bhd.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

## Profile of Senior Management

### RAZIDAN GHAZALLI

Group Chief Financial Officer (GCFO)

Malaysian | Male | 58

Date of Appointment: 1 November 2019



Audio Stop Video

### TENGGU MUNEEER TENGGU MUZANI

Chief Strategy Officer (CSO)

Malaysian | Male | 46

Date of Appointment: 1 August 2019



Security Participants 14 Chat

#### Qualifications

- Bachelor of Commerce (Accounting & Finance) from University of Tasmania, Australia
- Post Graduate Diploma in Marketing from Chartered Institute of Marketing, UK
- Certified Practising Accountant (CPA) from CPA Australia
- Chartered Accountant of the Malaysian Institute of Accountants
- Associate member of the Chartered Institute of Marketing, UK

#### Working Experience

Razidan first joined TM as Financial Advisor on 16 September 2019 and subsequently appointed as Group Chief Financial Officer (GCFO) on 1 November 2019.

He has more than 35 years of working experience in public accounting and the commercial sectors within the telecommunications, plantation and oil & gas industry. He has a strong grasp of core finance functions including treasury corporate finance, merger and acquisition and corporate restructuring & transformation including international experiences in Indonesia, Vietnam, Germany, Singapore, Australia, Iran and Netherlands, amongst others.

Razidan also sits on the board of several subsidiaries of TM Group.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- Hijrah Pertama Berhad
- Tulip Maple Berhad

#### Qualifications

- Bachelor of Science majoring in Finance from The Daniel's College of Business, University of Denver, Colorado, USA
- Attended Strategy & Leadership Programme for Senior Management at INSEAD

#### Working Experience

Tengku Muneer was appointed as Chief Strategy Officer (CSO) of TM on 1 August 2019. He has over 23 years of experience in Strategy, Branding, Marketing, Sales, Retailing, Operations and Customer Service and Experience. He was in TM between 2006 and 2010 as Head of Content and Digital Homes and subsequently moved to Group Performance and Programme Management Office.

He was in Celcom Axiata Berhad between 2010 to 2017 and held various senior positions under the Axiata Group Accelerated Development Programme (GADP) as its Head of Strategy and Business Planning, Head of Enterprise Sales, Head of Touchpoint Strategy and Retail Operations, Head of Marketing and Head of Turnaround.

He was in Malaysia Airports Holding Bhd as its General Manager of Corporate Planning before joining Altel Holdings Sdn Bhd as its Chief Strategy and Implementation Officer. He was instrumental in the company's turnaround involving the rollout and completion of the National Digital Terrestrial Television Project.

He is the Chairman of Telekom Sales & Services Sdn Bhd and a Board member of Menara Kuala Lumpur Sdn Bhd, Fibrecomm Network (M) Sdn Bhd and Fiberail Sdn Bhd.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

## Profile of Senior Management

### BASSAHARIL MOHD YUSOP

Chief Procurement Officer (CPO)

Malaysian | Male | 52

Date of Appointment: 1 October 2019



### M. UMAPATHY SIVAN

Chief Information Officer (CIO)

Malaysian | Male | 47

Date of Appointment: 6 August 2019



#### Qualifications

- Bachelor Degree in Electrical Engineering (Electronic) from Columbia University, New York, USA
- Attended leadership programme for senior management at INSEAD

#### Working Experience

Bassaharil was appointed as CPO on 1 October 2019 responsible for driving the strategy and performance of all sourcing and procurement services across TM.

He has over 25 years of experience in telecommunication industry and started his career in 1991 as a project engineer with TM. In 1993, he joined Perneq Corporation, a main contractor to TM, as a project engineer in charge of implementation of point to multi-points transmission network for rural telecommunications.

In 1994, he joined Celcom Malaysia Berhad (Celcom) as a project engineer and subsequently promoted to be Manager, Switching Network Implementation for both fixed and mobile network. In 2001, he was promoted to become Head of Network Fundamental Planning and Network Finance and subsequently promoted to Senior Vice President of IT. In 2008, he was appointed as Celcom's Senior Vice President of Enterprise Business Solutions in 2012 and led Business Solutions Sales, Partners Management, Product, Business Development and Support teams.

In 2014, Bassaharil was appointed as Head of Celcom's Procurement where he led the revamping of the company-wide Limit of Authority with simplification and empowerment as a guiding principle to adapt to the continuous changing business environment.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

#### Qualifications

- Masters in Business Administration from University of London, UK
- Bachelor of Science majoring in Information System and Computing from University of Newcastle, Australia

#### Working Experience

Sivan was appointed CIO of TM on 6 August 2019 and is responsible for the overall formulation of an effective IT and digital services strategy for TM. Prior to joining TM, he was the Regional Service Delivery Director of Huawei and worked in 3 different Huawei organisations from 2010 until July 2019 covering the role of Service and Fulfillment Delivery, Solution Manager before being appointed as IT Business Director for Axiata Account. He was responsible in building and managing the first local Managed Services organisation in 2011 for Huawei's Malaysian office (BSS Center @ Kuala Lumpur) and was successful in setting-up the first Centers of Excellence (COE) for BSS support and maintenance in Malaysia and Brunei in 2013.

He started his career with WebGuruAsia (WGA) as a Web Project Manager where he supported the demand and project management of web and content development. Sivan led WGA to win the Best Integrated program in Asia Interactive Award 2001. In 2002, he joined Dell Inc where he managed Support. AP.DELL.com with personnel across 6 countries.

Sivan subsequently joined Shell IT Global in 2005 as the Senior Global Service Desk Manager for the End User Computing (EUC) organisation which consisted of 400+ employees in 4 global COE in Cyberjaya Malaysia, Beijing China, Manchester (UK) and Houston (USA). In 2008, Sivan helped Shell IT EUC centres to transition to Hewlett Packard (HP) Outsourcing where it became the largest programme in the energy industry to date.

He is the Chairman of Telekom Research & Development Sdn. Bhd., a wholly owned subsidiary of TM.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

#### Award/Recognition

- Awarded as a transformative technology leader with the title of Next-Gen at the World CIO 200 Awards.

## Profile of Senior Management

### MOHAMED TAJUL MOHAMED SULTAN

Chief Network Officer (CNO)

Malaysian | Male | 50

Date of Appointment: 1 November 2020



Audio Stop Video

### SHANTI JUSNITA JOHARI

Chief Marketing Officer (CMO)

Malaysian | Female | 45

Date of Appointment: 1 February 2021



Security Participants 14 Chat

#### Qualifications

- Masters in Business Administration from International Business School, Universiti Teknologi Malaysia
- Bachelor Degree in Electrical Engineering from Hanyang University, Seoul, South Korea

#### Working Experience

Tajul was appointed CNO of TM on 1 November 2020 where he is responsible for the end to end network planning, roll out and operations of TM network. His focus will be on TM network modernisation, process simplification and automation, as well as to ensure the best customer experience through excellent technical delivery, fulfillment and assurance for unifi, TM ONE and TM WHOLESALE customers.

Tajul, a home-grown talent of TM, has over 25 years' extensive experience in spearheading full spectrum of new technology adoption, operations management, service enhancements along with network infrastructure transformation within the telecommunication domain.

He started his career with TM at the Seberang Perai office in 1994 as a Switching Operation Executive. In 2002, he worked with a group of team that was responsible to set up Switching Operation Centre in Kuala Lumpur. Later between 2007 to 2011, he was tasked to oversee several roles in Northern Region Network Operation & Management prior to his promotion as General Manager, Network Management and Operation of Southern Region in 2012. He was then assigned to establish and lead Petaling Jaya State Business Unit in 2015 where he was successful in transforming and turning around the business. He went back to lead Network Management & Operation in 2017 and was promoted as Vice President in 2019 before assuming his current position as CNO.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

#### Qualifications

- Masters of Business Administration from Universiti Teknologi Malaysia with Tampere University, Finland (Strategic Management)
- Bachelor of Engineering (Electronics) from Vanderbilt University, USA

#### Working Experience

Shanti was appointed CMO of TM on 1 February 2021 and is responsible for the overall strategy, transformation and management of TM brand & marketing, customer experience (CX) and touchpoints.

She has 24 years experience in various strategy, commercial and operational roles in the telecommunication industry, mainly in areas of marketing, product management and sales both for Consumer and Enterprise market segments. Prior to joining TM, she was the Chief Customer Experience & Digital, Celcom Axiata Berhad where she was responsible for end to end CX, customer service operations and digital touchpoints.

Grown from TM's own talent pool, she started her career with TM in 1997 under the Corporate & Multinational Sales division, where she held roles in key account management, sales and product consultancy. In 2005, Shanti joined the TM Retail Business Strategy & Management office, responsible for the strategic development and management of TM Retail operations. She was later appointed as General Manager, Business Strategy in 2007 where her responsibility included the strategic development and management of TM's business strategy and plan. Shanti was subsequently appointed the Executive Vice President, TM SME in 2009, where she was responsible for commercial management of TM's business in the SME segment.

She left TM to join Maxis Berhad in 2011 as its Vice President, Marketing Strategy where her roles included Consumer marketing strategy. She was later appointed the Head of Enterprise Marketing & Product of Maxis from 2013 to 2019 where she was responsible for overall marketing, value proposition and product management of mobile, fixed and cloud enterprise solutions. She then moved to Celcom Axiata in 2019 and rejoined TM as CMO on 1 February 2021.

As part of her personal development, she has completed Directorship Technical Training by MINDA in 2018.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

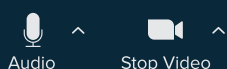
## Profile of Senior Management

**ANAND VIJAYAN**

Chief Commercial Officer (CCO)

Malaysian | Male | 46

Date of Appointment : 1 February 2020

**AHMAD TAUFEEK OMAR**

Executive Vice President, TM ONE

Malaysian | Male | 52

Date of Appointment : 26 August 2019

**Qualifications**

- Masters in Business Administration (e-Commerce) from Charles Sturt University, Australia
- Bachelor of Business (Accountancy) from Royal Melbourne Institute of Technology (RMIT) University, Australia
- Certified Practising Accountant from CPA Australia
- Certified Information Systems Auditor (CISA) from Information Systems Audit & Control Association (ISACA)

**Working Experience**

Anand was appointed CCO on 1 February 2020 and is primarily responsible for the unifi business. He has vast and diverse experience in consultancy, risk management, business turn-around and most notably telecommunications.

Prior to joining TM, he was with Time dotCom Berhad from 2009 until 2018. He served as an EXCO member and covered various portfolios including several strategic business units. It was under his leadership that the Consumer segment experienced exceptional growth. In 2017, he was appointed as the Chief Operating Officer and Executive Director at Symphony Communication in Bangkok, a public listed company within the Time dotCom Group and was instrumental in the turn-around of the company.

He started his career in 1996 in the professional services space and spent several years in the big four accounting firms working in assurance and advisory services across several countries including in Kazakhstan, Bulgaria, Russia, Albania and Uzbekistan.

**Directorships****Listed Issuers:**

- None

**Public Companies:**

- None

**Qualification**

- Bachelor of Business Administration (Hons) from International Islamic University, Malaysia

**Working Experience**

Ahmad Taufek was appointed as Executive Vice President of TM ONE on 26 August 2019 and is entrusted to lead TM ONE as a fully integrated digital enabler for enterprises and public sector to bring the industry forward in transitioning into Industrial Revolution 4.0.

He has vast experience in the telecommunication industry having worked with almost all major telcos namely Maxis, Digi, TIME and Celcom. He brings with him more than 29 years of experience, particularly in sales and marketing for enterprise businesses. He was the Head of Corporate Government and Wholesale Business at Maxis prior to joining TM.

Besides the telcos, Taufek also previously served as the Chief Digital Marketing and Information Technology Officer for QSR Brands and oversaw the setting up of PT Smartfren's enterprise business in Indonesia.

He sits on the board of several TM subsidiaries under TM ONE cluster including VADS Berhad and as President Commissioner of PT VADS Indonesia.

**Directorships****Listed Issuers:**

- None

**Public Company:**

- VADS Berhad

## Profile of Senior Management

### AMAR HUZAIMI MD DERIS

Executive Vice President, TM WHOLESAL

Malaysian | Male | 45

Date of Appointment : 1 September 2018



Audio Stop Video

### NORHAMIJAH MOHD HANAFIAH

Vice President, Talent Organisational Strategy  
Chief Human Capital Officer (Covering)

Malaysian | Female | 48

Date of Appointment : 1 January 2021



Security Participants 14 Chat

#### Qualifications

- Masters in Business Administration from Deakin University, Australia
- Bachelor of Commerce (Accounting and Finance) from Monash University (Clayton), Australia
- Fellow Certified Practising Accountant Australia (FCPA Australia)
- Attended various leadership programmes, including Proteus at London Business School, UK

#### Working Experience

Amar joined TM in 1998 under the Group Financial Controller Division, where he was involved in various business and operational capacities including revenue management and assurance; billing and invoicing; and strategic costs management. In 2005, he joined the Group Internal Audit Division and responsible for the effectiveness of TM risk management, internal controls and governance processes. In July 2009, he was promoted to Deputy Chief Internal Auditor in the same office and a year later as a General Manager (GM), Group Corporate and Regulatory, responsible for Economic Regulation.

In 2011, Amar was appointed as GM, Group CEO's Office where he was entrusted to manage key strategic initiatives portfolio for the Group and ensures its execution effectiveness. In October 2016, he assumed the position of VP Carrier Sales of TM GLOBAL, responsible to foster domestic and international carrier business opportunities; and managing TM regional offices in the UK, USA, Hong Kong, Singapore, Dubai and Australia. On 1 September 2018, he assumed the role of EVP TM GLOBAL overseeing the Group's global and wholesale business. He was redesignated as EVP TM WHOLESAL on 1 February 2020 following the realignment of TM Group structure.

Amar also sits on the board of several subsidiaries of TM Group under TM WHOLESAL cluster including as Chairman of Fiberail Sdn Bhd and is a Chairman of ACASIA Communications Sdn Bhd, a business alliance with 7 Asean countries.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

#### Awards/Recognitions

- CPA Australia's 40 Young Business Leaders in 2012 which showcases highly talented individual across regions and sectors.
- Included in Capacity Media's First Edition of Power 100, a global index on 100 of the most influential people in the Global Wholesale Telecommunication sector in 2019.

#### Qualifications

- Masters in Human Resource from Universiti Putra Malaysia (UPM)
- Bachelor of Human Resource from Universiti Teknologi Mara (UiTM)

#### Working Experience

Norhamijah was promoted to Vice President, Talent Organisational Strategy on 1 January 2021. She was also assigned an additional function to cover the Chief Human Capital Officer role effective the same date, responsible for manpower transformation agenda and optimised organisation.

A scholar of TM, Norhamijah joined the Company in 1997 as Assistant Manager and has since gathered extensive experience spanning almost 25 years, leading various HR functions such as organisation design, manpower planning, training, performance management, business partner and succession planning. Throughout her career in TM, Norhamijah has also successfully driven several initiatives including the implementation of Agile as a new way of working in unifi, a main Line of Business of TM which has increased revenue; and organisation transformation at the Group's mobile arm webe, resulting in reduced manpower cost and a leaner workforce.

In her previous capacity as General Manager, Talent Organisational Strategy since 2011, she led the Group-wide HR strategy, and played a key role in ensuring the manpower number and cost are within the approved budget, managed the attrition, exit plan and re-skilling the manpower according to the business needs.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

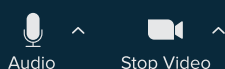
## Profile of Senior Management

### MOHAMAD MOHAMAD ZAIN

Chief Risk Officer (CRO)

Malaysian | Male | 57

Date of Appointment: 1 October 2019



### HAIKEL ISMAIL

Chief Internal Auditor (CIA)

Malaysian | Male | 46

Date of Appointment: 1 November 2019



#### Qualifications

- Chartered Insurance Practitioner
- Associate Member of the Chartered Insurance Institute, UK
- Member of the Society of Fellow Chartered Insurance Institute, UK
- Diploma in General Insurance from the Australian Insurance Institute
- Master of Communications Management from the University of Strathclyde, Glasgow, UK
- Member of Chartered Institute of Procurement & Supply, UK

#### Working Experience

Mohamad was appointed as CRO on 1 October 2019. Primarily responsible for identifying business challenges and driving risk strategy for the future sustainability of TM.

He gained vast experience in insurance services while serving a UK-based insurance company for six years including as officer in charge for agency and direct client underwriting, claim management and re-insurance, designing insurance for credit card company and bank assurance, serving both domestic and Multinational Corporation clients.

He joined TM in 1993 as Assistant Manager and has been tasked with managing the corporate insurance programme and implementing the Enterprise Risk Management programme for TM in 2001. In 2007, he was appointed as GM, entrusted with an expanded portfolio of Group Business Assurance (GBA) covering enterprise risk management, revenue assurance, fraud management, insurance management, credit management policy & monitoring, corporate compliance, business continuity management and enterprise business management. In 2011, he was promoted to Vice President, GBA and later became the CPO in 2014 prior to assuming his current role as CRO.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

#### Qualifications

- Master of Business Administration, Edinburgh Business School of Heriot Watt University, UK
- Bachelor of Commerce & Management, Lincoln University, New Zealand
- Certified Internal Auditor (CIA), The Global Institute of Internal Auditors, USA
- Certification in Risk Management Assurance (CRMA), The Global Institute of Internal Auditors, USA
- Certified Fraud Examiner (CFE) by the Association of Certified Fraud Examiners, USA
- Chartered Member of the Institute of Internal Auditors Malaysia (CMIIA)
- Associate, Chartered Management Accountant (ACMA), Chartered Institute of Management Accountants, UK
- Chartered Global Management Accountant (CGMA), Chartered Institute of Management Accountants, UK

#### Working Experience

Haikel joined TM as the Head of Advisory and Strategic Reorganisation within the Group Internal Audit Division on 1 March 2019 and subsequently was appointed as the CIA on 1 November 2019. He brings over 24 years of experience in internal audit, risk management and corporate governance.

He started his career with the Renong Berhad Group in 1997 as a Management Trainee and eventually moved into leadership roles within the group. Overall, Haikel has led various internal audit and risk management functions at both private and public listed companies covering industries that include construction, oil and gas, property, power, water utilities, telecommunication, infrastructure, public transportation and service industries.

Haikel is currently a member of the Board of Governors at the Institute of Internal Auditors Malaysia.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

## Profile of Senior Management

### ZULFIKRI AB MANAF

Chief Integrity & Governance Officer (CIGO)

Malaysian | Male | 55

Date of Appointment : 1 July 2019



Audio Stop Video

### HAMIZAH ABIDIN

Group Company Secretary

Malaysian | Female | 50

Date of Appointment : 1 September 2020



Security Participants 14 Chat

#### Qualification

- Diploma in Public Administration (Institut Teknologi MARA)

#### Working Experience

Zulfikri was assigned from the Malaysian Anti-Corruption Commission (MACC) to lead the Group Integrity & Governance (GIG) to champion and further strengthen good business conduct, and compliance to TM's Code of Business Ethics (CBE). He was appointed as TM's CIGO on 1 July 2019.

Zulfikri has over 29 years of experience in the areas of integrity, governance and corporate communications. He is a resource person for NACP (National Anti-Corruption Plan) under GIACC (Governance, Integrity and Anti Corruption Centre) and is a certified trainer for CeIO (Certified Integrity Officer) Programme under MACC. Prior to his assignment to TM, he was the Director of Integrity Department for Dewan Bandaraya Kuala Lumpur (DBKL)

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

##### Note:

Zulfikri's secondment to TM expired on 31 March 2021

#### Qualifications

- Bachelor of Law (Hons) from the International Islamic University of Malaysia
- Licenced Company Secretary since December 1998

#### Working Experience

Hamizah started her career in private legal practice and was a qualified advocate and solicitor of the High Court of Malaya. She subsequently joined TM as an Assistant Company Secretary in 1996 and promoted to Assistant General Manager in 2007. She was appointed as Joint Secretary on 15 July 2011 and thereafter as General Manager of Company Secretarial Unit of Group Legal, Compliance and Company Secretarial Division in 2012. She was made the Group Company Secretary of TM effective 1 January 2017, heading the Group Company Secretarial Division of TM. She left TM on 31 December 2019 and rejoined on 1 September 2020.

Hamizah brings with her more than 25 years of experience on corporate secretarial, compliance and corporate governance matters as well as due diligence exercises and special projects.

#### Directorships

##### Listed Issuers:

- None

##### Public Companies:

- None

#### Additional Information of the Senior Management (SM)

**Date of Appointment :** Date he/she was appointed as SM.

**Family Relationship :** Save as disclosed, none of the SM has any family relationship with any Director and/or major shareholder of TM.

**Conflict of Interests :** Save as disclosed, none of the SM has any conflict of interests with TM.

**Conviction for Offences :** None of the SM has any conviction for offences, other than traffic offences, for the past 5 years.

**Public Sanction or Penalty :** None of the SM has any sanction or penalty imposed on them by any regulatory bodies during the financial year ended 31 December 2020.



## > DIRECTORS' STATEMENT ON RISK MANAGEMENT AND INTERNAL CONTROLS

Pursuant to Paragraph 15.26(b) of the Main LR of Bursa Securities, the Board of Directors of listed issuers are required to include in their annual report a statement about the state of risk management and internal control of the listed issuer as a group. Accordingly, TM's Board of Directors (Board) is pleased to provide the following statement that has been prepared in accordance with the Statement on Risk Management and Internal Control: Guidelines for Directors of Listed issuers endorsed by Bursa Securities, which outlines the nature and scope of the risk management and internal control within TM Group during the financial year under review.



Scan QR code for more information about Board Charter

### RESPONSIBILITY AND ACCOUNTABILITY

#### The Board

The Board is responsible for the establishment as well as oversight of the Group's risk management framework and internal control systems that are designed to manage the Group's risk appetite within acceptable levels of tolerance as set by the Board and Management in order to achieve the Group's goals and objectives in generating returns to shareholders. The Board periodically reviews the effectiveness and adequacy of the framework and systems by identifying, assessing, monitoring and communicating key business risks to safeguard shareholders' investment and the Group's assets.

The two (2) Board committees that have primary risk management and internal control oversight responsibilities are:

#### Board Risk Committee (BRC)

The primary responsibility of the BRC is to assist the Board in ensuring a sound and robust Enterprise Risk Management (ERM) framework and its implementation to enhance the Group's corporate governance practices with a focus on risk issues. BRC also monitors TM's key business risk to safeguard shareholders' investments and the Company's interests and assets. The Terms of Reference (ToR) and primary duties of the BRC in relation to risk management are incorporated in the Board Charter, which is accessible on the Company's official website at [www.tm.com.my](http://www.tm.com.my).

#### Board Audit Committee (BAC)

The primary responsibility of the BAC is to assist the Board in assessing the effectiveness of the Group's internal control structure and review of the financial reporting. To achieve this, the BAC:

- Reviews the Group's internal control systems and management information systems' adequacy and integrity, including compliance with applicable laws, rules, directives, and guidelines through GIA function.
- Reviews and provide oversight on the Group's management of investigations and prosecutions, fraud and disciplinary issues, ethics, integrity principles and whistle-blowing processes through GIG function.
- GIA and GIG reports directly to the Board Audit Committee.

The BAC's ToR is stipulated in the Board Charter, accessible on the Company's website. The primary duties of the BAC in assessing the adequacy and effectiveness of the internal control systems implemented within the Group are detailed out on page 142.

Other Board Committees such as the NRC, BTC and BIC are also established with clearly defined duties and responsibilities to oversee various key business activities involved within the Group. The Board acknowledges that it remains responsible for all the committees' actions with regard to the execution of the delegated roles, including the outcome of the review and disclosure on key risks and internal control systems in this IAR.

# Directors' Statement on Risk Management and Internal Controls

## Management

Management is accountable to the Board and responsible for implementing the processes of identifying, evaluating, monitoring and reporting risks and the effectiveness of internal control systems, taking appropriate and timely corrective actions as required. The Management has assured the Board that the Group's risk management and internal control systems are operating adequately and effectively in all material aspects, based on the ERM framework and internal control systems adopted by the Group. In respect of risk management, Management has implemented the necessary processes to:

- Identify and analyse the risk appetite relevant to the business and determine the level of risk tolerance towards the achievement of the Group's objectives and strategies;
- Design, implement and monitor the ERM framework in accordance with the Group's strategic vision and overall risk appetite; and
- Identify changes to risks or emerging risks, take appropriate actions and bring these promptly to the Board's attention.

## ERM

### ERM Framework

ERM remains an integral part of the organisational governance processes in ensuring all inherent and emerging risks are assessed, mitigated and monitored to safeguard the Group's interests.

Over the years, TM has adopted the MS ISO 31000 Risk Management Standard, which serves as a guideline for identifying, evaluating, managing and monitoring significant risks by the Group to align its ERM process with industry best practices. Since 2019, TM has adopted the latest iteration of the standard ISO 31000:2018, which is designed to simplify the risk management practice to provide "Value Creation and Protection" to an organisation. Figure 1 illustrates TM's ERM framework.

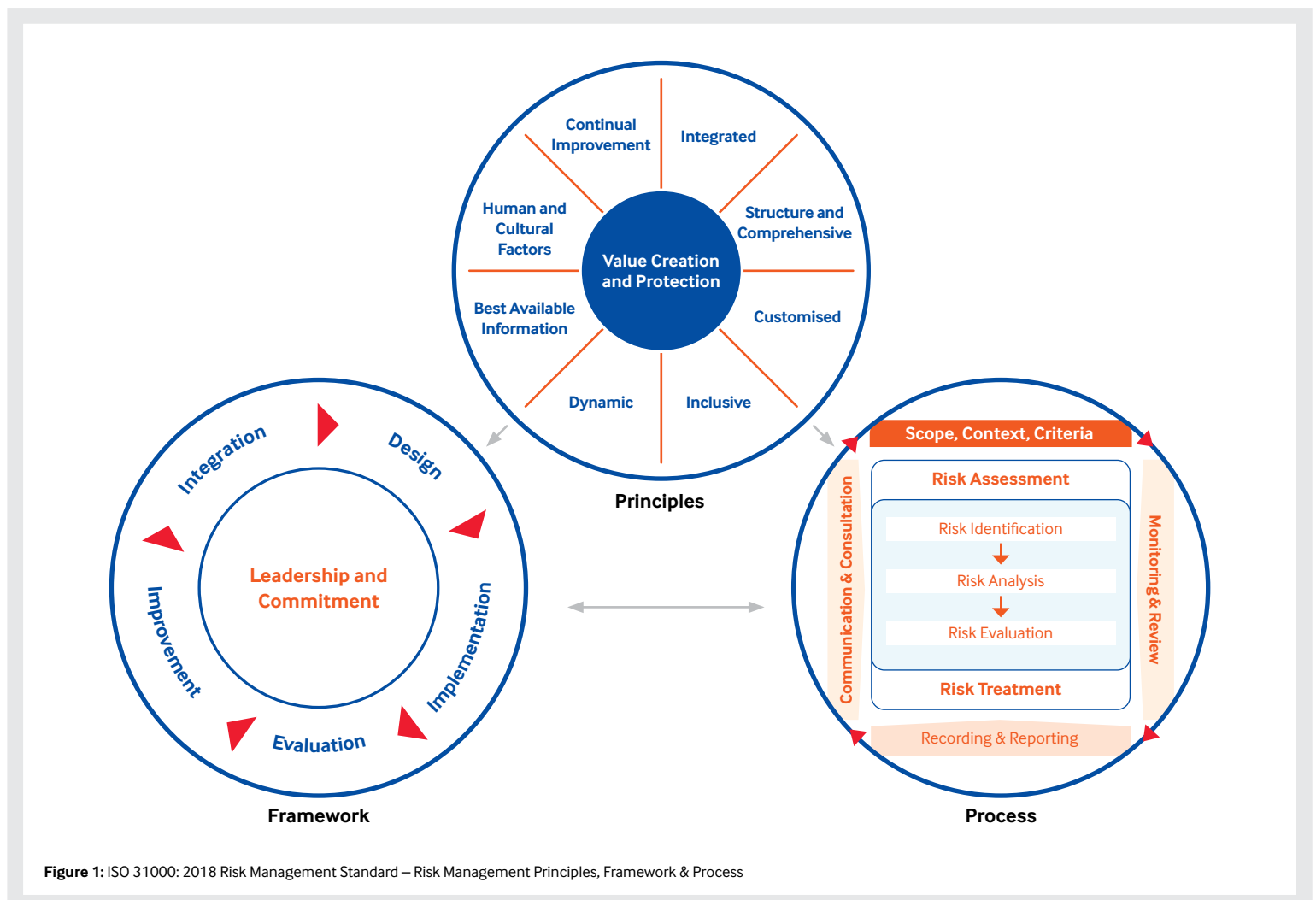


Figure 1: ISO 31000: 2018 Risk Management Standard – Risk Management Principles, Framework & Process

## Directors' Statement on Risk Management and Internal Controls

The ERM practice has been implemented throughout TM, including its subsidiaries, to support the convergence and digital strategies. Figure 2 below illustrates TM's ERM governance, context and framework.

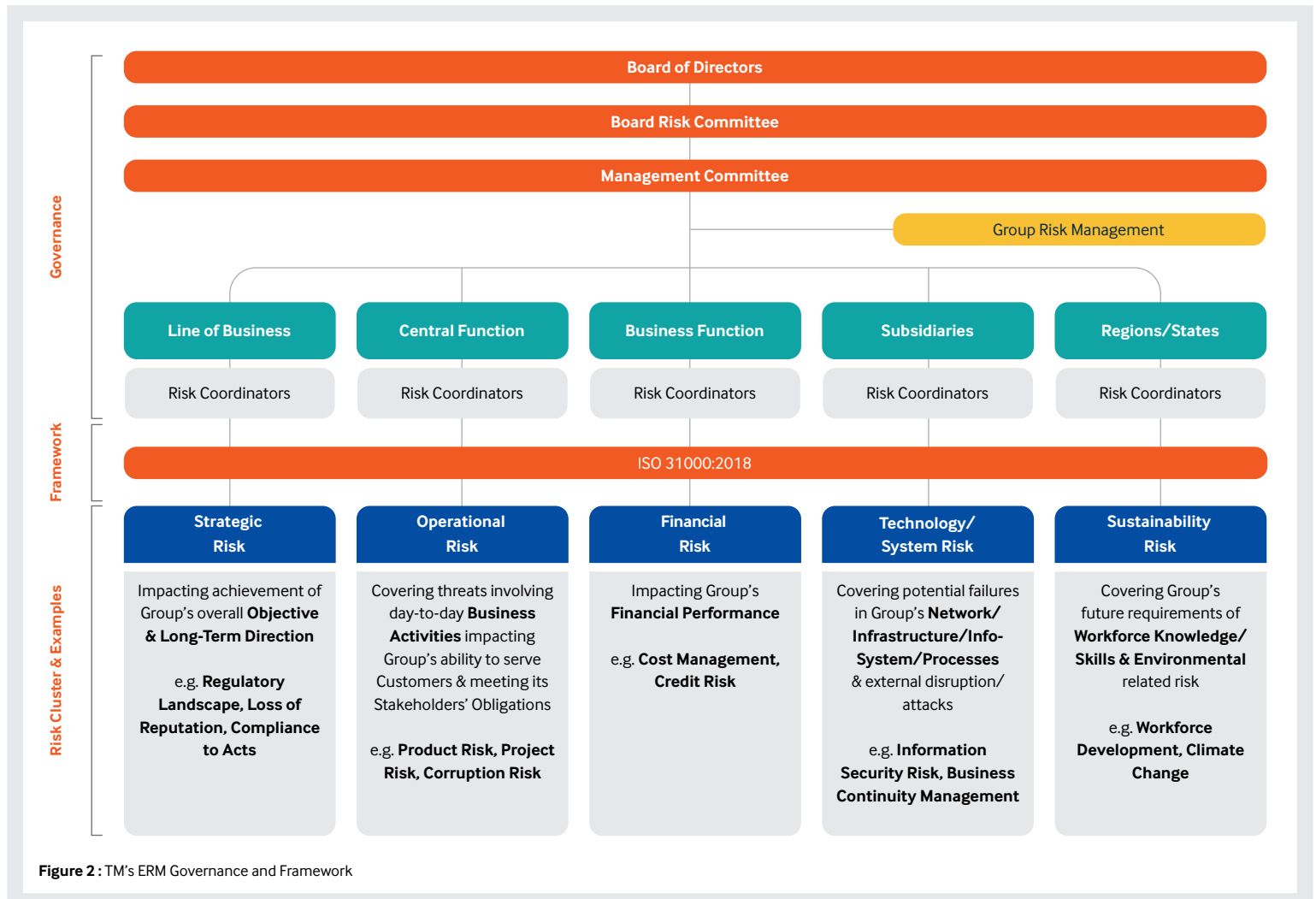


Figure 2 : TM's ERM Governance and Framework

TM's ERM structure spans the entire organisation, from the Board, right down to the operational level. Through such governance and framework, material risks are consolidated from all Business Segments to the Management Committee, escalated up to the BRC and finally to the Board. Risk Coordinators are identified at every Line of Businesses (LOBs), central function, business functions, subsidiaries, and regions/states to coordinate the ERM activities to build a risk-based decision-making culture staff with support from the respective Head of Divisions. In all ERM activities, the importance of the staff's role is always emphasised.

### Corporate Risk Selection Methodology

The Corporate Risk Selection Methodology was introduced to optimise the BRC and MC meetings by focusing and deliberating on key risk issues. Through this approach, corporate risks that meet any of the predefined criteria will be identified and reported in the Corporate Risk Dashboard for the Board's and MC's attention, as depicted in Figure 3. Risks that do not qualify for escalation to the Board and/or MC level are monitored and reviewed by the respective divisions.

Corporate Risk Selection Criteria	
<b>Residual Risk Rating</b>	Residual Risk impact and likelihood reached above the acceptable threshold level
<b>Risk Outlook Rating</b>	Risk outlook impact and likelihood reached above the acceptable threshold level
<b>Key Risk Indicator</b>	The indicators give signal that the risk is likely to trigger
<b>Key Control Indicator</b>	The indicators give signal that the control is far from meeting its target
<b>Risk Rating Movement</b>	The movement of residual risk rating and risk outlook rating are deteriorating

Figure 3 : Corporate Risk Selection Criteria for Board's and Management's Attention

## Directors' Statement on Risk Management and Internal Controls

### Principal Risks

A reporting format by risk cluster has been enhanced in which risks have been categorised and prioritised based on their rating and impact, namely **Strategic Risk, Financial Risk, Technology/System Risk, Operational Risk and Sustainability Risk**. The principal risks that have been clustered and monitored by the Board are listed on page 179.

Exposure to compliance risk is monitored through the Corporate Compliance Dashboard with potential and actual impacts of non-compliance presented to the BRC.

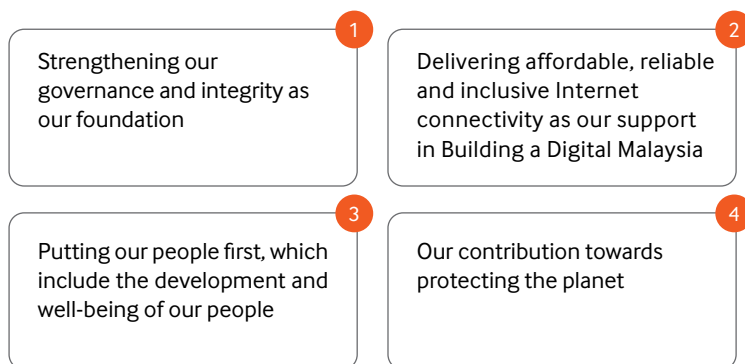
The BRC and MC continue to provide oversight and appraise the adequacy and the effectiveness of the ERM practices in view of the challenging operating environment.

### INTERNAL CONTROL

The Board acknowledges that the internal control systems are designed to manage and reduce risks that will hinder the Group from achieving its goals and objectives. It provides reasonable assurance against any material misstatement of management, including financial information, business, operational, environmental, compliance, and financial losses or fraud. The internal control systems are embedded within the Group's operating activities and exist for fundamental business reasons.

These systems are designed to manage rather than eliminate the risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The internal control systems are developed based on the Committee of Sponsoring Organisations of the Treadway Commission (COSO) Internal Control Integrated Framework. They are reviewed regularly throughout the year by the Board, taking into consideration any changes in regulation, applicable laws or the business environment to ensure the adequacy and integrity of the internal control systems.

Key elements of the internal control systems established by the Board that provide good governance and effective internal control systems that supports the sustainability of the Company are further elaborated into four (4) main focus:



### Strengthening Our Governance & Integrity

Good governance is considered a material matter to TM's long-term relationship with our stakeholders. Our corporate governance system is built on the principles of Ethics, Transparency, Accountability, and Responsibility.

### Governance:

- **Clearly defined lines of responsibility and Authority**

The Group has clearly defined lines of responsibility and authority to facilitate prompt responses in the continuously evolving business environment, adequate supervision of day-to-day business conduct, timely resolution of audit issues and accountability of the internal controls. These include a formal organisation structure and the establishment of a Limit of Authority (LoA) matrix that clearly outlines the Board and Management's limits and approval authorities across various key processes. The LoA is duly approved by the Board and subject to regular review and enhancement to ensure it reflects changes in accountability and the Group's risk appetite.

- **Strategic Theme, Objectives and Core Values**

In achieving the Group's vision to materialise "Life and Business Made Easier, for a better Malaysia", TM focuses on delivering a world-class customer experience and becoming Malaysia's service provider of choice. TM is well-equipped to accelerate the transition to Digital Malaysia. TM has a strong communication backbone, reliable connectivity network, state-of-the-art technology and infrastructure, expert knowledge and experience, and a dedicated leadership team. Moving towards digital will require going back to these basics and fixing core issues.

Therefore, our strategy for 2020 is anchored on "Fixing the Basics and Embracing Customer Experience". This is built on four (4) strategic pillars, i.e., Customer Excellence, Revenue Generation, Employee Productivity, Superior Network and driven by two (2) key enablers: Digital Warga TM and Technology. This is supported by the Group's KRISTAL Core Values' internalisation, namely Total Commitment to Customers, Uncompromising Integrity and Respect & Care.

- **Risk Management and Internal Control Policy Statement**

Our Risk Management and Internal Control Policy Statement is issued by the Board and Management to provide reasonable assurance that the Group will achieve the business objectives, safeguard and enhance shareholders' investments and Group's assets. The GCEO, Heads of Lines of Business, Heads of Business and Support Groups, and TM subsidiaries' CEOs are responsible for implementing the ERM framework and practices.

- **Policy, Manual and Procedures**

TM's Business Policy & Governance (BPG) is the primary reference document that outlines the overall business policies and governance with clearly defined process owners across key functional areas within the Group. The sub-policies, processes, procedures and guidelines are developed, periodically reviewed and maintained by the respective process owners to provide the details in supporting the overall policies and governance in BPG.

- **Insurance and physical safeguards**

Adequate insurance and physical safeguards for significant assets are in place to ensure the Group's assets are sufficiently covered to minimise material loss against any mishap.

## Directors' Statement on Risk Management and Internal Controls

- **Corporate Committees**

Three (3) Corporate Committees, namely MC, BOC and TechCom, were established to provide guidance and decision timely in their respective scope and focus. Demarcation of roles is clearly defined with specific authority level assigned to ensure effective and efficient business execution balancing with control.

MC focuses on strategic and policy matters, whilst BOC and TechCom concentrate on operational performance, execution, and deployment in business and technology deployment areas.

- **Best Practice Committee (BPC)**

BPC is a Management Committee that reports to the BAC. The BPC serves as a platform to update and discuss developments in best practices, corporate governance as well as changes in statutory and regulatory requirements set by the relevant regulatory authorities and statutory bodies.

- **Business Continuity Management (BCM)**

The BCM Steering Committee chaired by the GCEO is committed to enhancing the service reliability and resilience via an improved BCM program implementation. The program serves as guidance to identify potential adversities to the Group and its impacts on TM's business operations. Subsequently, an overall BCM framework is established to build organisational resilience with an adequate response capability mechanism to safeguard TM's key stakeholders' interest, reputation brand, and value-creating activities.

- **Recording to Reporting (R2R) Framework**

R2R is a financial non-compliance reporting framework adopted by the Management to enhance the quality and integrity of the recording to reporting process by instilling and enforcing behaviour change across the organisation. It serves as a mechanism for determining financial non-compliance incidents, the arising consequence management and at the same time promotes awareness of compliance and increase Senior Management's accountability.

- **Procurement Compliance Committee (PCC)**

PCC was established to ensure effective implementation of procurement consequence management, ensuring compliance with procurement policies and procedures, including the Authority Limits. Procurement personnel as the gatekeepers are required to highlight non-compliances. Subsequently, PCC is responsible for deliberating on the procurement compliance-related matters and identify the appropriate consequence actions.

- **TM Tender Evaluation Centre (TMTEC)**

As part of the Group's continuous efforts to mitigate the risk of sensitive information leakage during tender evaluations, TMTEC was established at Menara TM to centralise all procurement evaluation activities. The location is equipped with enhanced physical and IT security systems for an integrated audit trail of tender documents and information movement. TMTEC's Standard Operating Procedure guides the authorized evaluation committee to ensure compliance with the process and procedure in TMTEC.

- **TM Sponsorship Management Guidelines (TM SMG)**

This guideline is established to ensure a cohesive and systematic approach in planning, implementing and managing sponsorships for TM, where sponsorship activities are streamlined within Units, Divisions, LOBs, States and Subsidiaries. It assists in the effective facilitation of the evaluation of applications for sponsorship to ensure it benefits the deserving target group and will be implemented in accordance with TM policies and governance.

- **Integrity:**

The Group's commitment to upholding integrity in carrying out its duties is evidenced by:

- **TM Code of Conduct & Business Ethics (CBE) and Anti-Corruption Guide (ACG)**

TM is committed to conducting business in an open, honest and ethical manner. Our CBE and TM ACG have always been the primary reference for all employees when dealing with various internal and external stakeholders.

Ongoing awareness and briefing sessions are essential for TM employees to have sufficient knowledge and understanding of CBE. By having these sessions, employees are equipped with the knowledge of acceptable and unacceptable business conduct and zero-tolerance against all forms of corruptions. This includes a strong understanding of Corporate Liability Provision S17A of MACC Act 2009, which has been enforced since 1 June 2020. The sessions include both physical and virtual.

TM ACG, which supplements the CBE, sets out the policy statements and guidelines for all TM Employees in relation to the improper solicitation, bribery, or other corrupt activities and issues that may arise in the course of conducting business. TM adopts a zero-tolerance approach to all forms of corruption.

- **Uncompromising Integrity & Amanah E-Learning**

In ensuring full coverage of reaching out to the overall population in TM and taking advantage of technology in line with Digital Malaysia, GIG has rolled out two (2) e-Learning programs known as Uncompromising Integrity and AMANAH E-Learning. Both programs focus on the ethical practices/principles based on TM CBE, ACG and other related policies via interactive videos. These programs have been designed and developed to address how employees should demonstrate the value of integrity in their daily lives and common workplace scenarios.

Also, we injected the value of ethical business practices while making sales in the overall Now Everyone Can Sell (NECS) modules with a dedicated awareness module/contents on Integrity. One of this NECS program's objectives is to train TM employees who are involved in making sales and serving customers.

- **Snippet Communication**

Frequent reminders are essential for employees to stay alert on what is permissible under the TM CBE and related policies. This is to ensure our business is carried out in a clean and transparent environment. Various awareness snippets have been published on Section 17A, Corporate Liability Provision of MACC Act 2009, No Gift Policy, Whistle-blowing Policy, Management message on a Corruption case, and working at home integrity and many more.

## Directors' Statement on Risk Management and Internal Controls

- **MS ISO 37001: 2016 Anti-Bribery Management System (ABMS)**

TM has adopted MS ISO 37001, an international anti-bribery management system standard, to help TM implements, maintains and improves the anti-bribery compliance program in its effort to prevent, detect and respond to occurrences of corrupt practices in TM. ABMS is implemented in phases within TM, where the first phase of ABMS certification was conducted in 2020, covering four main LOBs/Divisions.

- **Enhanced Process and Procedures to address corporate liability provision of the Malaysian Anti-Corruption Commission Act 2009**

In view of the new corporate liability provision of the Malaysian Anti-Corruption Commission Act 2009, Section 17A, which has been enforced since 1 June 2020, CBE, ACG, TM SMG have been updated to reflect the necessary updates and compliance to address the Section S17A. The review and updates were required to ensure that TM has adequate control to conduct its business with integrity and eradicate corrupt practices.

- **Declaration of Assets & Interest and Integrity Pledge**

In ensuring transparency and integrity in daily business dealings and preventing a conflict of interest, 99.9% of TM Employees have completed the Declaration of Assets and Interest and executed the Integrity Pledge in 2020 via the SAP platform. The declaration of interest includes the employees' declaration of any employment or business outside TM as well as a declaration for their family members who are involved in business dealings with TM.

- **Whistle-Blowing Policy**

The Whistle-Blowing Policy enables any employee, supplier and/or any other third party to report actual or suspected malpractice, misconduct or violation of the Group's policies and regulations safely and confidentially through the Ethics Line.

- **Fraud Investigation**

TM carries out internal investigations on any misconduct and unethical business practices, including corporate fraud and corruption-related offences committed by employees or parties dealing with TM, as well as investigations on telecommunications fraud.

### **Building a Digital Malaysia**

TM has always been at the forefront of connecting people. Since our humble beginnings, we continue to fulfil the communication needs in Malaysia as well as internationally. We are tapping into cutting edge technology to deliver innovative and inclusive products and solutions to our customers. We emphasise meeting our business and retail customer needs, enabling them to thrive in an increasingly digital world. In 2020, with the announcement of the JENDELA action plan by the Government, we were committed to fiberise six (6) million premises passed by 2022. Our coordination between our people, partners and across our value chain is guided by our established policies and frameworks to ensure adequate controls established to support our commitment towards the nation.

- **Product Governance Framework**

Product Governance Framework is established to govern and oversee value creation and value management activities in TM especially cross-functional collaborations in creating values via Product Initiatives to support TM's Vision.

- **Procurement Policy**

Procurement policies, processes, and guidelines are established to govern the procurement process, i.e., related activities in the procurement value chain, relevant authority limits, and the stakeholders' accountability, including TM's employees and suppliers. The procurement governance in TM is made in reference to the GLC Red Book on Procurement Guidelines and Best Practices. TM's procurement activities are driven by the 5R, namely Right Quality, Right Quantity, Right Time, Right Place and Right Price.

- **Data Leakage Prevention**

Data leakage prevention system can detect unauthorized information flows or stop unauthorised flows of sensitive information. It is designed to detect potential data breach incidents on time and prevent them by monitoring data while in-use (endpoint actions), in-motion (network traffic), and at-rest (data storage).

- **Management Information Systems**

TM Group utilises key information systems to support processes, promote effective and efficient operations, and timely and accurate communication with internal and external stakeholders. Governing these key systems is the Information Security Policy, which is in place to control and monitor access adequately.

### **Putting People First**

We nurture a high-performance work culture throughout TM. Through GHCM, we established systems that provide employees with fair and lucrative compensation and policies and unions that allow our employees to work in a comfortable and safe environment.

Among our established policies to ensure controls are in place in managing our internal and external workforce are:

- **Human Capital Policy**

TM has a comprehensive set of written Human Capital policies and procedures covering all employees that guide TM Group in managing and developing its human capital in Leadership & Talent Management, Learning & Development, Organisation Design, Remuneration & Performance Management, Workforce Planning and Industrial Relations.

- **OSH Policy**

As national connectivity and digital infrastructure provider, TM is committed to achieving the highest attainable level in providing a safe, healthy and environmentally-sustainable workplace for its employee, contractors, visitors and other persons throughout all of its activities. To achieve this, TM will demonstrate leadership and commitment through its leaders, comply with legislation and other requirements; proactive steps to prevent and eliminate the risk of injuries and health hazards, prevent pollution and damage to properties, awareness and continuous improvement in the OSHE management system.

## Directors' Statement on Risk Management and Internal Controls

In 2020, as the World Health Organisation (WHO) declared COVID-19 as a global pandemic, TM has put in place several key control measures to ensure the safety of our people while adapting to the new normal:

- **Special Work Arrangement**

Our people are given explicit instruction, equipped with standard procedures on Work From Home (WFH) and Return to Work (RTW) during MCO period. Digital conferencing tools are provided to ensure staff productivity is not negatively affected due to working from home. COVID-19 mobile application and Stay Alert portal are the platforms available to ensure information and communication on COVID-19 are up to date at all times. Those working as TM frontliners or in critical functions vital to ensuring continuous service connectivity to TM customers are given special allowances.

- **Crisis Management Plan**

TM has established COVID-19 Crisis Response Team (CRT) on 28 February 2020 to conduct staff Contact Tracing and provide timely reminders to our people on COVID-19 SOP compliance, people's safety, and well-being during the COVID-19 pandemic. Subsequently, TM Corporate Crisis Management Team (CCMT) was also established on 23 March 2020 to oversee the situation, provide leadership, guidance and recommendations required to ensure TM business continuity, minimise service disruptions to customers and periodically update the Board. Any staff, tenant or visitor to TM premises must undergo a temperature check and provide a health declaration upon entering the premises.

- **Enhanced SOP and Guideline**

Key SOPs and guidelines were enhanced to ensure business and operational continuity while at the same time minimising the COVID-19 exposure to TM's field workforce and frontliners. These include Enhanced SOP/Guideline for Network Field Staff and Contractors and Guidelines for unifi Channels.

### **Protecting the Planet**

In addition to economic development, TM's role in empowering a Digital Malaysia is also driven by our potential contribution towards minimizing climate change risk. Inside our **Environmental Policy**, we have stated our commitment to conduct operations in a way that is protective of the environment. TM maintains an environmental management system that serves as a framework to achieve regulatory compliance, prevent pollution, and prevent accidents.

- **Sustainability Management Function**

Led by the CRO, a dedicated function focuses on the overall sustainability management in TM including planning and executing sustainability programs across TM. We further enhance and strengthen our group-wide ERM to integrate sustainability-related risks to further expand our horizon for a holistic view of ERM in the organisation. With structured sustainability management and risk framework in place, TM progressively assesses the emerging EES risks such as Climate change, supply chain, customer experience & privacy, safety & health and social well-being.

This progressive effort will prepare the organisation with an appropriate mitigation plan and strategy to address the emerging risks and minimise impact to the organisation, subsequently improving overall business and sustainability performance.

### **INTERNAL AUDIT**

GIA is an in-house internal audit function that reports to the BAC with the objective of providing risk-based and objective assurance, advice, and insight designed to enhance and protect organisational value. GIA helps the Group accomplish its objectives by bringing a systematic, disciplined approach to evaluate and improve ERM effectiveness, control, and governance processes. During the financial year, the internal audit function provided continuous assurance on matters that relate to governance and internal controls. It further evaluated the effectiveness and efficiency of the governance, ERM framework, and internal control systems and provided recommendations for improvement. The Management then followed through and reviewed the status of actions taken on the internal auditors' recommendations.

Audit reviews are carried out on units identified through a risk-based approach, in line with the Group's objectives and policies in the context of its evolving business and regulatory environment, taking into consideration input from the Senior Management and the Board.

Further information on Internal Audit is provided on pages 175 to 177 of this IAR.

### **ADEQUACY AND EFFECTIVENESS OF THE GROUP'S RISK MANAGEMENT AND INTERNAL CONTROL SYSTEMS**

In the Risk Management Self-Assessment Survey for the year 2020, 95.8% of TM Leaders have responded positively on their self-assessment of the effectiveness, adequacy and integrity of appropriate risk and control framework in their division for 2020. This indicates that TM is on the right path of building a risk-based decision making culture amongst the staff with the support from the respective Head of Divisions.

The Board has received assurance from the GCEO and GCFO that the Group's risk management framework and internal control systems are operating adequately during the financial year under review. Taking into consideration the Management's assurance and input from the relevant assurance providers, the Board is of the view that the risk management framework and internal control systems are satisfactory and adequate to safeguard shareholders' investments, customers' interests and the Group's assets and have not resulted in any material loss, contingency or uncertainty. TM's internal control systems do not apply to its associate companies, which fall within their majority shareholders' control.

Nonetheless, TM's interests are served through representation on the boards of directors and Senior Management posting(s) to the various subsidiaries as well as 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.

### **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 in accordance with 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.

## > STATEMENT OF INTERNAL AUDIT

**Group Internal Audit (GIA) assists TM Group in achieving its business objectives by implementing a systematic and disciplined approach to evaluate and improve the effectiveness of risk management measures, controls and governance processes. GIA provides an independent, objective assurance and consulting services designed to enhance and protect the organisational value. The internal audit charter approved by the BAC defines the purpose, authority and responsibility of GIA.**

GIA, headed by the Chief Internal Auditor (CIA), reports directly to the BAC to preserve its independence and objectivity and ensure audit personnel is free from any relationships or conflicts of interest which could impair their objectivity and independence. The CIA has an administrative reporting line to the GCEO, which enables the requisite stature and authority of Internal Audit to fulfil its responsibilities.

The CIA’s detailed background can be found in the “Profile of Key Senior Management” section of this annual report.

BAC reviews and approves GIA’s annual audit plans, budget and human resources requirements to ensure resources with the relevant competencies are sufficient to carry audit functions that are aligned with the Group’s objectives. The CIA periodically reports on the activities performed by GIA as well as key strategic and control issues to the BAC. In addition to the above, the BAC approves and reviews GIA’s and the CIA’s performance to observe their progress and achievements.

GIA adopts the International Professional Practices Framework (IPPF)® inclusive of the mandatory elements – Core Principles for the Professional Practice of Internal Auditing, International Standards for the Professional Practice of Internal Auditing of the Institute of Internal Auditors (IIA), the definition of Internal Auditing and Code of Ethics – to manage its functions and perform the audit engagements.

### PRACTICES AND FRAMEWORK

GIA is guided by the internal policies, procedures and framework as well as the Internal Control Framework of the COSO and Control Objectives for Information and Related Technology (COBIT) in assessing and reporting on the adequacy and effectiveness of the design, implementation and efficiency of the Group’s overall internal control system, risk management and governance.

### SCOPE AND COVERAGE

GIA continues to adopt a risk-based audit plan approach to provide independent assurance to the Board that the audit plans are prioritised based on the Group’s strategies, objectives and key risk areas.

During the year, GIA conducted 50 reviews on governance, risk management and controls that covered the following areas:





## Statement of Internal Audit

The audits and audit scopes for the above areas evolved around the following six (6) key themes:

Components	Definition
1. <b>Governance, Monitoring &amp; Oversight</b>	• To determine gaps and challenges in the oversight of business, projects and initiatives, including product.
	• To review the business case's availability for every planned Capital Expenditure to enhance revenue generation.
	• To ensure accountability for performance. Clear roles and responsibilities.
2. <b>Procurement &amp; Contract Management</b>	• To identify weaknesses in contract design, execution and monitoring, managing outsourced parties and performance.
	• Fair and transparent procurement process.
	• To review contract provision and utilisation.
	• Value for money.
3. <b>Measuring &amp; Reporting Performance</b>	• To deliver programme or project benefits.
	• To focus on the integration of performance information in planning, management and internal controls framework.
	• Reliable and transparent performance reports: measuring the right thing, leading and lagging indicators/metrics for effective performance monitoring.
4. <b>Managing Risks to Financial Sustainability</b>	• Ability to meet the financial obligation challenges to income, cost management and managing liquidity.
	• To fund and determine the pricing model for projects, products and services.
	• It covers aspects of billing and collection as well.
	• CAPEX Post Implementation Review.
	• To maintain and replace assets.
5. <b>Strategy, Planning &amp; Delivery</b>	• Focus on evidence in decision-making and planning: forecasting (demand), product management.
	• To deliver services/products where they are needed.
6. <b>Managing Information</b>	• To manage data: quality data, training and knowledge management data and records management.
	• Security of systems and information.

All internal audit reports are presented to the BAC. Each audit issue is supported by GIA's recommendations and the relevant feedback from the Management was obtained for issue closure. As part of the audit process, GIA monitors and verifies the implementation of the management action to address the audit issues on a monthly basis.

In providing value to the organisation, GIA's key performance indicators include key contribution and value add recommendations to the Management in the form of cost avoidance, opportunity loss, cost optimisation, income realisation, revenue recovery, cost reduction as well as significant process improvements identified during the audit engagements.

Building on the improvements implemented in 2020, GIA adopted agile auditing starting from January 2021. With business conditions rapidly transforming and increasing in complexity, the agile audit approach would allow GIA to keep pace with the changes and enable closer collaboration between GIA and the Management in addressing governance-related issues.

In addition to performing audit engagement, GIA has also involved the Management in strengthening compliance teams within their units, sharing best practices as well as knowledge on internal auditing, risk management and internal controls to the various stakeholders in TM.

### RESOURCES

A total of **RM6.83 million** was spent on internal audit activities in 2020. A summary of the internal audit costs are as follows:

Category	RM (million)	% of total cost
Manpower	5.83	85.3%
Supplies and Material	0.07	1.0%
Other operating costs	0.89	13.1%
Depreciation	0.04	0.6%
<b>Total</b>	<b>6.83</b>	<b>100%</b>

## Statement of Internal Audit

Excluding the administrative staff, GIA consist of 44 internal auditors from various education backgrounds, as follows:

Education Background	No. of Internal Auditors as at 31 December 2020	Percentage %
Accounting & Finance	20	45.5%
Engineering/ Network	15	34.1%
Information Technology/ Computer Science	6	13.6%
Marketing	1	2.3%
Business Administration/ Economics	1	2.3%
Procurement/ Human Resources/ Law	1	2.3%
<b>Total</b>	<b>44</b>	<b>100%</b>

### INTERNAL AUDIT QUALITY

The CIA develops and maintains a Quality Assurance and Improvement Programme that covers all aspects of internal audit activities. The quality assurance programme assesses the efficiency and effectiveness of GIA processes and identifies opportunities for improvement via internal and external assessments.

Effective 1 January 2020, the CIA established two (2) Deputy Chief Internal Auditor posts to oversee the audit operations that are divided into Corporate & Business and Technical & Operations respectively.

As part of its Quality Assurance, GIA maintains a 3-tier quality review mechanism to ensure relevant, reliable and sufficient assessment to support audit engagement's results and conclusions. Audit reports are prepared by the respective GIA head of units, which is then reviewed by the two (2) Deputy Chief Internal Auditors and finally by the CIA. This assurance review process ensures that all risk areas are adequately assessed by the internal auditors prior to communicating the final engagement results to the Management and BAC.

In view of the COVID19 pandemic, GIA adjusted to remote auditing throughout the year. This is to ensure that the committed Audit Plan approved by the BAC was not affected. Meetings and interviews were conducted via secure video conferencing channels and sharing of documents was via official emails and TM's Cloud system, TM ONE Box.

In maintaining the quality of audit work, GIA ensures that all audits conform to the Internal Audit IPPF standards. The IPPF was incorporated into an Audit Manual that was established for internal auditors to follow, where regular compliance reviews were conducted to ensure that internal audits comply with the Audit Manual.

### PROFESSIONAL QUALIFICATIONS & CONTINUOUS COMPETENCY DEVELOPMENT

GIA is committed to equipping its internal auditors with sufficient knowledge, skills and competencies to discharge their duties and responsibilities. The internal auditors are also encouraged to obtain appropriate professional certifications and qualifications. As at 31 December 2020, GIA had a total of 19 qualified professionals who possess various professional qualifications and/or certifications, as shown below:

Qualification	No. of Certifications
1) MBA/ Masters	11
2) FCCA/ CPA/ CA/ ACCA	5
3) Information Technology Infrastructure Library (ITIL)	2
4) Certified Internal Auditor (CIA)	4
5) Certified Fraud Examiner (CFE)	1
6) Certified Professional Engineer (Ir.)	1
7) Certified Professional Requirements Engineering	1
8) Certified Tester, Foundation Level (CTFL)	1
9) Certified IT Disaster Recovery	1
10) Certified Tester, Advanced Level Test Analyst (CTAL-TA)	1
11) Certified Data Scientist Analyst	1
12) Certified Data Engineer Associate	1
13) Qualified Risk Auditor (QRA)	2
<b>Total</b>	<b>32</b>

Note: FCCA – Fellow Chartered Certified Accountant, CPA – Certified Public Accountant, CA – Chartered Accountant, ACCA – Association of Chartered Certified Accountant

In 2020, the internal auditors attended 4,550 hours of external and internal online training in multiple technical disciplines and professional certification programs to enhance their job performance and career prospects.

GIA continues to strengthen its processes and approach to ensure the audit coverage is comprehensive. Key strategies implemented by GIA include workforce realignment and continuous upskilling of auditors. The GIA organisation structure is a portfolio focused that supports talent development within GIA and enables the auditors to have adequate exposure performing audits across the full TM value chain.

**Haikel Ismail**  
Chief Internal Auditor

**Hisham Zainal Mokhtar**  
Chairman, Audit Committee

## > ENTERPRISE RISK MANAGEMENT (ERM) – RISK COMMITTEE REPORT

### INTRODUCTION

The COVID-19 pandemic has made 2020 one of the most challenging years in recent memory. It created an unprecedented landscape of heightened uncertainty, and TM has faced its share of challenges throughout the year. The focus of the Group's risk management activities in 2020 has primarily been on addressing risks associated with the pandemic, such as economic downturn, digital threats, health and safety and supply sustainability, while at the same time capitalising on the opportunities presented.

The challenging economic conditions brought about by the pandemic continued to put additional pressures on the Group's revenue. However, this was countered by increased opportunities to expand our network and services, as demand for connectivity and digital solutions rose in the wake of the pandemic. Along with such shifts, a greater risk of data protection and cybersecurity is expected to emerge. As more information is passed online and more customers rely on digital tools and systems, the emerging risks of cyber-attacks and data leakages drive TM to strengthen its cybersecurity mitigation strategies.

2020 also saw increased regulatory governance on corruption risk, with the enforcement of Section 17A of the Malaysian Anti-Corruption Commission Act 2009 (Amendment 2018) expanding the scope of corporate liability. In accordance with TM's zero-tolerance stance on corruption, the Group has implemented several key action plans and initiatives in 2020, such as adapting ISO 37001 ABMS, conducting in-depth risk assessments, and increasing communication and awareness on corruption risks across the Group.

The BRC continues to be the platform where the Group's corporate risks are deliberated and assessed. Through consolidated risk reporting, which encompasses a wide range of TM risk landscape, the BRC is able to carry out its oversight and advisory function; ensuring that the appropriate risk impacts are identified and adequate mitigation actions are taken.

### SUMMARY OF PRINCIPAL ACTIVITIES

Throughout 2020, various planned activities have been implemented to further enhance the robustness of the Group's ERM implementation.

Among key activities carried out include:






Activities	Details
Assessment	Common risks registration and assessment (i.e., corruption risk and occupational safety and health (OSHE)) for divisions, LoBs and subsidiaries throughout TM
	Implementation of project and product risk assessment through an online risk management system
	Implementation of opportunity assessment methodology
	Corporate risk deep dive into reviewing risk heartbeat
Engagement	Syndication with leaders for regional/state risk assessment
	Quarterly engagement with leaders on Corporate Risk status for escalation to higher levels
	Sustainability related risk engagements with key divisions covering areas of network/technology, procurement, environmental and people
Awareness and Training Session	Online engagement and awareness sessions on common risks (i.e., Corruption and OSHE risks)
	MERICS refresher training to increase system capability awareness and to uplift MERICS utilisation
	Group-wide communications/snippets for sustainability-related risks
ISO 37001:2016 Anti-Bribery Management System (ABMS)	ABMS workshop to identify and assess corruption risk
	Communication and awareness
	Enhancement of key policy and guidelines (i.e. ACG and CBE)
	Corruption risk registration as part of a common risk
	ABMS certification audit

Note: MERICS – Management of Enterprise Risk, Compliance, Incident and Insurance System

# Enterprise Risk Management (ERM) – Risk Committee Report

## MANAGING CORPORATE RISKS

ERM implementation at TM covers the width and breadth of the Group’s operations. To provide a more structured overview, the Group’s corporate risks are defined by the following risk clusters:

<p><b>Strategic Risk</b></p> <p>refers to the risks affecting Group’s overall objectives and long-term direction as set out by the Management and the Board of Directors arising from both external and internal factors.</p> 	<p><b>Operational Risk</b></p> <p>relates to the risks involved in the day-to-day activities of TM. It covers threats that may jeopardise the Group’s ability to serve its customers or meet its stakeholders’ obligations.</p> 	<p><b>Financial Risk</b></p> <p>are risks that will directly impact the Group’s financial performance or liquidity.</p> 	<p><b>Sustainability (Social)-related Risk</b></p> <p>looks into meeting the Group’s future requirements regarding the workforce’s knowledge and skillset required, such as data analytics, Cloud, cybersecurity and AI.</p> 	<p><b>Technology/ System Risk</b></p> <p>covers any potential failures or breakdowns in the Group’s network infrastructure and information systems or processes, as well as any external disruptions or attacks.</p> 
--	--	---	---	---

Risk Cluster	List of Key Risks	Key Mitigation & Controls	Opportunity/Benefits
<b>Strategic Risk</b>	<ul style="list-style-type: none"> <li>• Competition</li> <li>• Regulatory Landscape</li> <li>• Loss of Reputation</li> </ul>	<ul style="list-style-type: none"> <li>• Increased promotional campaigns</li> <li>• Actively engaged with regulators</li> <li>• Managed negative sentiment of social media</li> </ul>	<ul style="list-style-type: none"> <li>• Increase innovation by offering products and services tailored to customer’s needs</li> <li>• Improve engagement with regulators</li> </ul>
<b>Operational Risk</b>	<ul style="list-style-type: none"> <li>• Supply Sustainability</li> <li>• Prolonged Service Disruption</li> <li>• OSHE</li> <li>• Corruption Risk</li> </ul>	<ul style="list-style-type: none"> <li>• Improved the end-to-end supply sustainability management</li> <li>• Enhanced the service restoration plan</li> <li>• Implemented effective OSH inspection</li> <li>• Actively monitored corporate compliance to external acts/guidelines</li> <li>• Implemented corruption risk awareness, assessment and enhancement of internal documentation and processes</li> </ul>	<ul style="list-style-type: none"> <li>• Roll out of a new operating model to improve end to end material supply (e.g., CPE, fibre optic cables, installation accessories) management</li> <li>• Strengthen operational processes for improved service restoration</li> <li>• Strive towards self-regulated OSH implementation at the Divisional level</li> <li>• Maintain and elevate the company’s corporate reputation and stature</li> <li>• Compliance with MACC Act 2009 (Amendment 2018)</li> </ul>
<b>Financial</b>	<ul style="list-style-type: none"> <li>• Credit Risk</li> <li>• Cost Management</li> </ul>	<ul style="list-style-type: none"> <li>• Actively monitored customer credit ratings</li> <li>• Aggressively negotiated with service providers/suppliers</li> </ul>	<ul style="list-style-type: none"> <li>• Improve credit assessment controls</li> <li>• Better economy of scale with an ability to sell products/services at competitive pricing</li> </ul>
<b>Sustainability – Social</b>	<ul style="list-style-type: none"> <li>• Workforce Development</li> </ul>	<ul style="list-style-type: none"> <li>• Implemented the employee development plan</li> <li>• Developed future skilling subject matter experts</li> <li>• Focused on key skill areas such as 5G, Cloud, Data Analytics and Cybersecurity</li> </ul>	<ul style="list-style-type: none"> <li>• Develop human capital with future skills</li> <li>• Future-proof the organisation</li> <li>• Spearhead innovation for IR 4.0</li> </ul>
<b>Technology/ System</b>	<ul style="list-style-type: none"> <li>• Digital and Disruptive Technology</li> <li>• Cybersecurity</li> </ul>	<ul style="list-style-type: none"> <li>• Ensured process improvements</li> <li>• Strengthened IT security policy and updated cybersecurity hardware and software</li> <li>• Uplifted technical expertise of the workforce</li> </ul>	<ul style="list-style-type: none"> <li>• Build resilience against technology disruption</li> <li>• Enhance the robustness of systems and operations</li> </ul>

## Enterprise Risk Management (ERM) – Risk Committee Report

## EMERGING RISKS AND OPPORTUNITIES

As the world emerges from the effects of the COVID-19 pandemic, the drastic changes made by many businesses and individuals to adapt to the new normal will become common procedures moving forward. Many industries have accelerated their push towards IR 4.0 and taken tremendous leaps in embracing technological and digital solutions.

Throughout this tumultuous period of uncertainty, TM remains firm in its core objectives. As such, the Group is steadfast in applying sound risk management fundamentals to manage the following key emerging risks and opportunities moving forward.

**Competition**

Increased demand for connectivity and digital solutions creates a highly competitive market within the telecommunications industry. Various service providers will be competing not only in terms of pricing but also in terms of quality of service and innovative solutions. Managing the competition risk in the years ahead will require strategic insight and creativity, and also speedy and efficient execution on the ground.

To meet the rigorous competitive demands, TM will continue to improve its network and services to provide the best customer experience, thus retaining and expanding its market share, as well as meeting the requirements of the nation for improved connectivity and network inclusiveness.

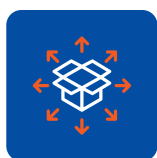
**Customer Experience**

The onset of the new normal has changed the expectations of our customers. To keep up with the accelerated pace of technological change and disruption, TM is committed to providing a more personalised and proactive style of customer experience, driven by digital tools such as data analytics across multiple channels as well as robust and flexible Business Support System (BSS). Additionally, ensuring the highest network quality will enable TM to provide a fully-fledged comprehensive customer experience.

**Future-Proof Workforce**

The acceleration of IR 4.0 brought about by the pandemic has put further pressure on companies to ensure that their human capital can meet the challenges and demands of this new technology era. Knowledge of digital tools and technology and soft skills such as problem-solving, critical thinking and people management will be essential to ensure the organisation is ready for IR 4.0.

TM is committed to ensuring its workforce is fully prepared by investing in the appropriate training and creating subject matter experts in various fields needed to make the Group future-ready.

**Network Delivery**

With the announcement of JENDELA action plan by the Government in 2020, TM is set to become a major contributor in expanding the coverage and quality of broadband and digital service in Malaysia. In achieving the project's aspirations, significant investment and resources are needed in the network expansion. To ensure timely network delivery, proper planning, constant monitoring of timelines, internal processes and material supplies are among the continuous mitigation actions taken to ensure the risks are addressed.

**Digital Innovation**

The growing demand for innovative digital solutions will lead to increased competition among service providers. Digital innovation in the telecommunications market is progressing at such incredible speed that TM continues to innovate new digital products and services that maintain the Group's competitive edge in the years to come.

Along with the rise of digital innovation to spearhead the nation's journey to IR 4.0, there are increased risks associated with digitisation and heightened connectivity, such as cyber risks, data protection and technological resilience. Having the majority of services and transactions online makes data vulnerable to malicious attacks in the form of ransomware and data theft. The Group has continued to strengthen its IT and security systems by using the latest anti-virus and anti-malware protection to mitigate these risks. At the same, the Group's IT and data protection policies are further enhanced to safeguard against threats and leakages.

## Enterprise Risk Management (ERM) – Risk Committee Report



### Cybersecurity

The pandemic has become the predominant driving force in pushing digital strategy adoption and implementation among many businesses. As movement restrictions force significant portions of the workforce to work from home, companies and individuals are increasingly focused on stable connectivity, unlimited data provider, Cloud technology and digital tools. Hence, exposure to cybersecurity risk is expected to be higher and will continue to be one of the top concerns for businesses in 2021 and beyond.

Cyber-attacks such as ransomware, phishing and virus attacks will remain a prominent source of threats. As systems become more automated, the frequency of such attacks will likely increase. In addition to this, cybersecurity threats will evolve alongside new digital tools such as Cloud technology and AI. Lack of proper expertise in the latest cybersecurity controls will leave many businesses at risk of cyber-attack. It is crucial for the Group to implement effective mitigations to protect customer data, ensure smooth business operations, and avoid leakage of confidential information.

TM remains adamant in ensuring that its controls and protection for cybersecurity remain current and effective to combat this emerging risk. Updating group-wide protection software and information security policies and procedures to ensure compliance with the latest security standards are among the actions taken.

On the flip side, the ubiquitous nature of cybersecurity provides an excellent opportunity for TM to provide its digital security service via TM ONE. Demand for security products and services will likely increase and the Group is in a position to capitalise on the opportunities.



### Prolonged Pandemic

It is uncertain how long the pandemic will last. The socio-economic impact resulting from the controls and actions taken by many countries to curb its spread will possibly be long term. The continued uncertainty and difficult recovery period will likely see the current set of pandemic risks - such as weakening economic prospects, a shift in customer behaviours and demands and health and safety risks - remain present for the foreseeable future.

To ensure TM's resilience in the face of these challenges, the controls and mitigations used in 2020 to combat these risks will be further enhanced and implemented diligently.



### Geo-Political Risks

Strained political and economic relations between the United States and China will likely continue in 2021. Although the U.S will begin the year under a new president, it remains unclear how the new administration will alleviate tension between the two (2) world superpowers. These conflicts will mainly affect TM in terms of the supply of materials and services for the Group's network. To counter this risk, the Group put in place mitigation actions to improve supply chain management and set aside contingency plans to ensure services are not disrupted.



### Sustainability Related Risks

TM further enhanced and strengthened the group-wide ERM with the integration of sustainability-related risks into the ERM framework and policies. This integration will further expand our horizon for a holistic view of ERM in the organisation. One of the key improvements made was establishing sustainability risk clusters comprising EES sub-clusters. To complement the well-established current risk clusters, the new risk clusters will assist TM in better navigating EES-related risks & opportunities.

In today's volatile world, companies are increasingly exposed to emerging EES risks. With structured sustainability management and risk framework in place, TM is progressively assessing the emerging EES risks such as climate change, supply chain, customer experience & privacy, safety & health and social well-being. This progressive effort will prepare the organisation with an appropriate mitigation plan & strategy to address the emerging risks and minimise its impact on the organisation, subsequently improving overall business and sustainability performance.

As we strive to manage the threats and uncertainties faced by the Group in the wake of the global pandemic, we are also aware of the increased opportunities presented by the increased demand for connectivity and the new normal way of life and working. TM shall continue to enhance its risk management implementation to increase the Group's resilience and meet the challenges of the future.

## > BUSINESS CONTINUITY MANAGEMENT

### Facts at a Glance



**Managing COVID-19 Pandemic Crisis** throughout Business Continuity Plan (BCP) control measures implementation in the organisation



**Northeast Monsoon 2020/2021** preparedness by TM States Operation

### TM BUSINESS CONTINUITY MANAGEMENT (BCM) – CONTEXT

TM is fully supportive of the continuing infrastructure investment in line with the Government’s aspiration to make communication services a basic utility to drive the country towards becoming a digital society. TM’s leading role as the National connectivity and Digital infrastructure provider supports these aspirations by accelerating the country’s digital connectivity through widespread deployment of mobile, fibre and fixed wireless access and paving the way for 5G under the 12<sup>th</sup> Malaysia Plan (2021–2025).

TM’s leading role in network infrastructure capability and delivery coupled with our robust BCP to ensure timely recovery of our network and services during crisis or disaster that will assure we are able to minimise disruption to our customers.



### Managing COVID-19 Pandemic Crisis through effective BCP control measures

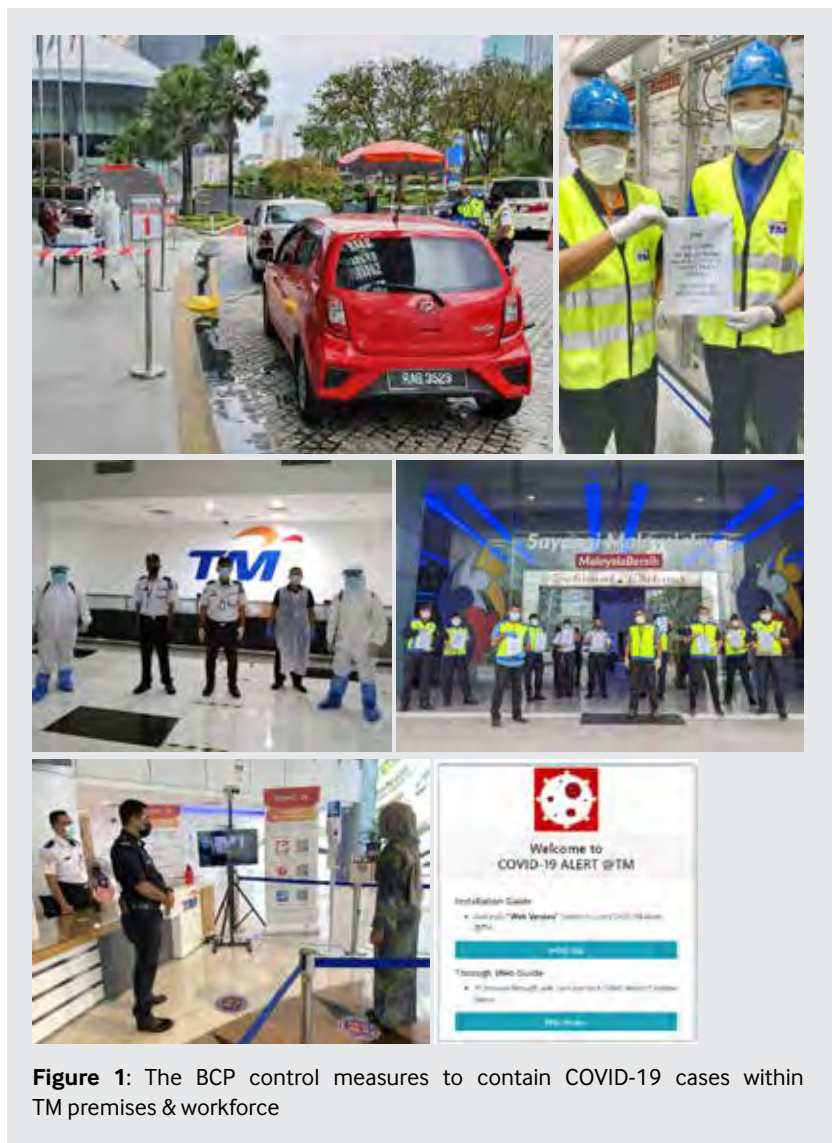
World Health Organisation (WHO) declared the COVID-19 outbreak as a global pandemic on 11 March 2020 as the coronavirus rapidly spread across the world to more than 60 million people from Asia to the Middle East, Europe and the United States. Nearly 221 countries have reported cases of the pandemic until the third wave COVID-19 outbreak.

Following the WHO announcement, the Ministry of Health (MOH) Malaysia on 11 March 2020 has also announced the implementation of a Movement Control Order (MCO) enforcement in phases to minimise the spread of COVID-19 outbreak.

In line with the announcement, TM implemented BCP control measures and SOP on the workforce to further contain COVID-19 cases among Warga TM. As a response to the crisis, TM formalised its COVID-19 CRT since 28 February 2020. Subsequently, the Group activated its CCMT on 23 March 2020 to oversee the pandemic situation, provide guidance and recommendations for business continuity, minimise service disruptions to customers, and provide periodical updates to the Board of Directors (BOD).

The key control measures successfully implemented include:

- Communications and enforcement of safety SOPs (i.e. health declaration, social distancing, use of personal protective equipment (PPE) and temperature screening at TM’s premises).
- Contact tracing, reporting and escalation via in-house developed COVID-19 mobile applications and web portal.
- Disinfection and sanitisation work at TM commercial buildings premises.
- SWA, including WFH and Return-to-Work (RTW) initiatives.
- Enhancement of key Standard Operating Procedures (SOP) and guidelines for TM’s field workforce and frontliners to ensure business and operational continuity while at the same time minimising COVID-19 exposure.



**Figure 1:** The BCP control measures to contain COVID-19 cases within TM premises & workforce

## Business Continuity Management

As part of continuous and robust BCP, TM critical business functions (CBF) continued to work as usual to ensure continuity of essential services to the public sector, enterprises and other customers, where stable broadband connectivity is of paramount necessity.

TM will continue to protect Warga TM's safety by enhancing related SOPs under the Government's latest regulations and directions. In the wake of COVID-19, Warga TM and its partner's ecosystem adopt the "new normal" to ensure minimum exposure to COVID-19 at the workplace and their overall well-being while continuing to serve and deliver services to customers.

With effective measures in place, our BCP will continue to assure stakeholders through our ongoing efforts to ensure seamless and uninterrupted services to our customers. These exemplary efforts have led to TM receiving the Kincentric COVID Resilience Award 2020 to recognise our efforts and commitment to managing the COVID-19 pandemic.



### Northeast Monsoon 2020/2021 Preparedness by TM State Operations

The annual northeast monsoon primarily affects the East Coast of Peninsular Malaysia (i.e. Kelantan, Terengganu and Pahang), Johor, Sabah and Sarawak; bringing forth continuous heavy rains and strong winds that can lead to floods and landslides. Consequently, this may result in disastrous impacts on TM's network infrastructures and services.

In ensuring our readiness to address such calamities, TM put in place various business continuity programmes in 2020 to further improve the effectiveness of our DRP in collaboration with the respective TM States Operation. Among the key programmes are:

- Implementing physical hardening by raising plinth for outside plant cabinet involving Fixed and Mobile network infrastructure at identified flood-prone areas by State Network Operations.
- Conducting desktop exercise/simulation by TM National Command Control Centre (TMNC3) and TM State Operations Centre (TSOC) to evaluate and improve the effectiveness of SOPs for BCP preparedness.
- Deploying unifi Service Disaster Recovery Equipment (DRE) and Cellular on Wheel (CoW) to improve recovery speed for fixed and mobile broadband services.
- Implementing BCP for customer premise equipment (CPE) and material stock by logistic operations to compliment Rakan Rangkaian (RR) and local partners in minimising service disruptions.
- Facilitating temporary TM Relief Centres for affected employees and family by State HCBD, OSHE, Network Operations, Facilities, Security and Fleet management.
- Providing group-wide communication to all states operation for alert notification on annual northeast monsoon.



**Figure 2:** Physical hardening by TM State Operations as part of Northeast monsoon preparedness

TM continues to ensure our readiness to face the calamity of disasters across regions for the continuity of TM's critical network, mobile and essential services during the Northeast monsoon season. The extreme precipitation and flooding can destroy TM physical assets and infrastructure, while supply chains vulnerability can severely impact TM's service ecosystem rendered to customers. Through our robust BCP, we are able to minimise the impact on our physical assets, infrastructure and supply chain and maintain an overall good customer experience.

### MOVING FORWARD

TM continues to ensure its BCM programme is effectively embedded and implemented in critical business functions focusing on high probability scenarios in managing crisis or disaster-related events. As we forge ahead to become the champion of Digital Malaysia, business continuity impact assessment and review will become even more critical for TM in improving our organisational resilience in the face of crises and disasters.



## > ADDITIONAL COMPLIANCE INFORMATION

The following information is provided in compliance with the Main LR of Bursa Securities:

### 1.0 UTILISATION OF PROCEEDS RAISED FROM CORPORATE PROPOSALS

There were no proceeds raised from corporate proposals 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 2020 or entered into since the end of the previous financial year ended 31 December 2019.

*[Disclosed in accordance with Appendix 9C, Part A, items 21 and 22 of the Main LR]*

### 3.0 LISTING OF PROPERTIES

The Company has on 3 May 2002, obtained a waiver from Bursa Securities from having to disclose detailed particulars of its properties for the Company's 2001 Annual Report and subsequent annual reports. The net book value of land and buildings, and usage of properties for the financial year ended 31 December 2020 is disclosed on pages 147 to 148 of Financial Statements.

*[Disclosed in accordance with Appendix 9C, Part A, item 25 of the Main LR]*

### 4.0 EMPLOYEE SHARE SCHEME - LONG TERM INCENTIVE PLAN (LTIP)

In the year under review, the shareholders at the 35<sup>th</sup> AGM has approved the maximum allowable grants pursuant to the LTIP to Nor Hisham Md Nordin and Ahmad Hafiz Ibrahim, Persons Connected to Dato' Noor Kamarul Anuar Nuruddin, previous MD/GCEO of TM and Dato' Ibrahim Marsidi, a director of the Company, respectively of up to 70,000 and 5,000 new ordinary shares of the Company (TM Shares). There was no Performance Shares granted to Dato' Noor Kamarul pursuant to the LTIP following his resignation on 29 July 2020. Nor Hisham Md Nordin has been granted 4,500 Restricted Shares (RS) on 17 August 2020. Whilst, 600 RS was granted to Ahmad Hafiz Ibrahim.

Since commencement of the scheme, the aggregate maximum allocation applicable to Senior Management identified in pages 160 to 167 was 6.44% of the total shares made available under the LTIP and the actual percentage granted to them was 5.63%.

During the year under review, up to 15,109,600 units of RS and 2,563,900 units of PS were granted under the LTIP. The second LTIP grant (i.e. RS(2)) granted to TM employees on 1 June 2017 had been fully vested on 3 August 2020.

Details of the LTIP is also provided in Note 14 of the Audited Financial Statements.

*[Disclosed in accordance with Appendix 9C, Part A, item 27 of the Main LR]*

### 5.0 RECURRENT RELATED PARTY TRANSACTIONS OF A REVENUE OR TRADING NATURE (RRPT)

At the 35<sup>th</sup> AGM held on 10 June 2020, 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 19 May 2020 (RRPT Mandate). This RRPT Mandate is valid until the conclusion of the forthcoming 36<sup>th</sup> AGM of the Company to be held on 25 May 2021.

## Additional Compliance Information

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 2020 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 Transactions (RM'000)
Our Company and/or our subsidiaries	Axiata Group Berhad (Axiata) and/or its subsidiaries (Axiata Group)	Minister of Finance Incorporated (MOF Inc.), Khazanah Nasional Berhad (Khazanah), Tan Sri Dato' Seri Mohd Bakke Salleh, Imri Mokhtar, Anis Rizana Mohd Zainudin (Q Mohd Zainuddin, Iszad Jeffri Ismail, Dato' Mohamed Nasri Sallehuddin	In addition to their shareholdings in our Company, Khazanah and MOF Inc. have direct and indirect shareholdings of 37.47% in Axiata.  Tan Sri Dato' Seri Mohd Bakke Salleh, Imri Mokhtar, Anis Rizana Mohd Zainudin (Q Mohd Zainuddin and her Alternate, Iszad Jeffri Ismail, are representatives of MOF Inc. on our Board.  Dato' Mohamed Nasri Sallehuddin is Khazanah's representative on our Board.	<b>Revenue</b>	
				- Interconnect revenue from Axiata Group.	18,783
				- Provision of leased-line services to Axiata Group.	4,314
				- Provision of data and bandwidth related services to Axiata Group.	92,260
				- Site rental for telecommunications infrastructure, equipment and related charges by TM Group to Axiata Group.	39,334
				- Provision of Internet access and broadband services to Axiata Group.	280
				- Provision of contact centre and business process outsourcing services by VADS Berhad (VADS) to Axiata Group.	25,840
				- Provision of fibre optic core and bandwidth services by Fiberail Sdn Bhd to Axiata Group.	1,122
				- Provision of fibre optic, bandwidth, space and facility by Fibrecomm Network (M) Sdn Bhd (Fibrecomm) to Axiata Group.	3,034
				- Core rental and mobile services charges to Axiata Group.	258
				<b>Cost</b>	
				- Interconnect charges by Axiata Group.	17,731
				- Leased-line charges by Axiata Group.	1,382
				- Fibre optic and leased-line charges by Axiata Group to Fibrecomm.	3,529
				- Core rental and mobile services from Axiata Group to TM Group.	1,570
				- Network sharing charges using Domestic Roaming and Multi Operator Core Network by Celcom to Webe Digital Sdn Bhd.	80,463
				- Site rental for telecommunications infrastructure, equipment and related charges by Axiata Group to TM Group.	38,672
<b>TOTAL</b>					<b>328,572</b>
Our Company and/or our subsidiaries	Tenaga Nasional Berhad (TNB) and its subsidiaries (TNB Group)	MOF Inc., Khazanah, Tan Sri Dato' Seri Mohd Bakke Salleh, Imri Mokhtar, Anis Rizana Mohd Zainudin (Q Mohd Zainuddin, Iszad Jeffri Ismail and Dato' Mohamed Nasri Sallehuddin	In addition to their shareholdings in our Company, Khazanah and MOF Inc. have direct and indirect shareholdings of 25.77% in TNB.  Tan Sri Dato' Seri Mohd Bakke Salleh, Imri Mokhtar, Anis Rizana Mohd Zainudin (Q Mohd Zainuddin and her Alternate, Iszad Jeffri Ismail, are representatives of MOF Inc. on our Board.  Dato' Mohamed Nasri Sallehuddin is Khazanah's representative on our Board.	<b>Revenue</b>	
				- Provision of connectivity services, ICT equipment and security surveillance devices to TNB Group.	26,010
				- Provision of fibre optic and bandwidth for telecommunication services to TNB Group.	18,542
				- Rental of Office Premises to TNB Group.	2,506
				<b>Cost</b>	
				- Leasing of fibre optic from TNB Group.	18,233
				- Leasing of infrastructure for telecommunication services from TNB Group.	12,174
<b>TOTAL</b>					<b>77,465</b>

## > OTHER INFORMATION

### CORPORATE DIRECTORY


#### HEAD OFFICE


Level 51, North Wing, Menara TM  
Jalan Pantai Baharu, 50672 Kuala Lumpur  
Tel : +603-2240 9494  
100, if you are calling from a fixed  
line in Malaysia  
+603-2241 1290 if you are calling  
from overseas  
Website : [www.tm.com.my](http://www.tm.com.my)

#### unifi

Level 39 South Wing  
Menara TM, Jalan Pantai Baharu  
50672 Kuala Lumpur  
Website : [www.unifi.com.my](http://www.unifi.com.my)

 @weareunifi

 @unifi

 @unifi

 unifi

#### TM ONE

Menara TM ONE  
No. 1, Jalan Damansara  
60000 Kuala Lumpur  
Website : [www.tmone.com.my](http://www.tmone.com.my)

#### TM WHOLESALE

Level 53, North Wing  
Menara TM, Jalan Pantai Baharu  
50672 Kuala Lumpur  
Website : [www.tm.com.my/TMWholesale](http://www.tm.com.my/TMWholesale)

#### NETWORK OPERATIONS CENTRE

Ground Floor, TM NOC Cyberjaya  
Jalan Teknokrat 2  
63000 Cyberjaya  
Selangor

#### GITN SDN BERHAD

Level 12, Menara TM ONE  
No. 1, Jalan Damansara  
60000 Kuala Lumpur  
Email : [corporate@gitn.com.my](mailto:corporate@gitn.com.my)

#### TM INFO-MEDIA SDN BHD

Level 41 North Wing, Menara TM  
Jalan Pantai Baharu  
50672 Kuala Lumpur  
Tel : +61 300 88 9355

#### TELEKOM APPLIED BUSINESS SDN BHD

Level 2, Left Wing, TM IT Complex  
3300 Lingkaran Usahawan 1 Timur  
63000 Cyberjaya, Selangor  
Tel : +603-8318 1709

#### VADS BERHAD

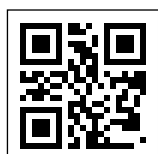
Menara TM ONE  
No. 1, Jalan Damansara  
60000 Kuala Lumpur

#### PT VADS INDONESIA

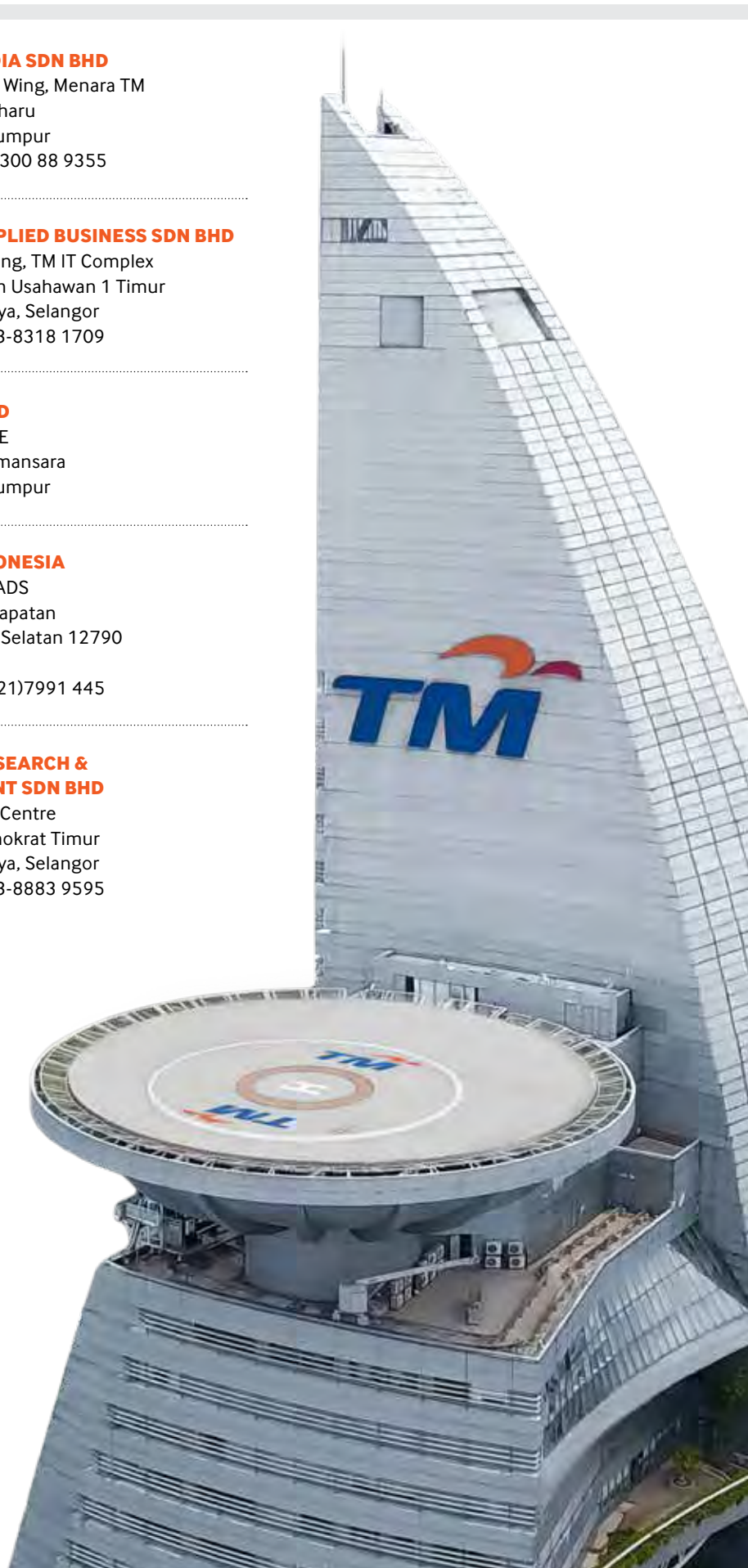
Gedung Puri VADS  
Jl. Mampang Prapatan  
No. 39, Jakarta Selatan 12790  
Indonesia  
Tel : (62-21)7991 445

#### TELEKOM RESEARCH & DEVELOPMENT SDN BHD

TM Innovation Centre  
Lingkaran Teknokrat Timur  
63000 Cyberjaya, Selangor  
Tel : +603-8883 9595



Scan QR code for more  
information about TM



**TELEKOM SALES & SERVICES SDN BHD**

Level 38, North Wing, Menara TM  
 Jalan Pantai Baharu  
 50672 Kuala Lumpur  
 Tel : +603-2240 3000

**WEBE DIGITAL SDN BHD**

Level 48, North Wing, Menara TM  
 Jalan Pantai Baharu  
 50672 Kuala Lumpur  
 Tel : +6011-1000 1000  
 Website : www.webe.com.my

**FIBERAIL SDN BHD**

Level 7, Wisma TM  
 Taman Desa, Jalan Desa Utama  
 58100 Kuala Lumpur  
 Tel : +603-7980 9696  
 Website : www.fiberail.com.my

**FIBRECOMM NETWORK (M) SDN BHD**

Level 35, North Wing, Menara TM  
 Jalan Pantai Baharu  
 50672 Kuala Lumpur  
 Tel : +603-2240 1533  
 Website : www.fibrecomm.net.my

**SUPPORT BUSINESS**

Kompleks Telekom Shah Alam  
 Lot 1, Persiaran Jubli Perak  
 Seksyen 17  
 40200 Shah Alam  
 Selangor

**UNIVERSITI TELEKOM SDN BHD**

Persiaran Multimedia  
 63100 Cyberjaya, Selangor  
 Tel : +61 300 80 0668  
 Fax : +603-8312 5022  
 Website : www.mmu.edu.my

**MENARA KUALA LUMPUR SDN BHD**

No. 2, Jalan Punchak  
 Off Jalan P. Ramlee  
 50250 Kuala Lumpur  
 Tel : +603-2020 5444  
 Fax : +603-2020 5502  
 Website : www.menaraki.com.my

**TMF AUTOLEASE SDN BHD**

Kompleks Telekom Shah Alam  
 Lot 1, Persiaran Jubli Perak  
 Seksyen 17  
 40200 Shah Alam  
 Selangor  
 Fax : +603-5548 8200  
 : +603-5510 0286

**PROPERTY MANAGEMENT**

Level 11, Wisma TM  
 Taman Desa, Jalan Desa Utama  
 58100 Kuala Lumpur  
 Fax : +603-7982 1429

**FACILITIES MANAGEMENT**

Mezzanine Floor, Wisma TM  
 Taman Desa, Jalan Desa Utama  
 58100 Kuala Lumpur  
 Fax : +603-7987 6006

**SECURITY MANAGEMENT & OSHE**

Level 12, North Wing  
 Menara TM, Jalan Pantai Baharu  
 50672 Kuala Lumpur  
 Tel : +603-2240 1469  
 Fax : +603-2240 0996

**TM REGIONAL OFFICES (TMRO)**

**Australia**

Telekom Malaysia (Australia) Pty Ltd  
 Suite 1A Level 2  
 802 Pacific Highway  
 Gordon NSW 2072  
 Australia  
 Tel : +61 408 885 752  
 Email : romulo.carlos@tm.com.my

**Dubai**

Telekom Malaysia DMCC  
 PO Box 25391  
 Dubai, United Arab Emirates  
 Tel : +971 52 421 928 (Dubai)  
 Tel : +6013 360 1318 (Malaysia)  
 Email : khairol@tm.com.my

**Hong Kong**

Telekom Malaysia (Hong Kong) Ltd  
 Suite 1502, 15th Floor  
 Malaysia Building, 50 Gloucester Road  
 Wanchai, Hong Kong  
 Tel : +852 2992 0190  
 Fax : +852 2992 0570  
 Email : general@telekommalaysia.com.hk

**Singapore**

Telekom Malaysia (S) Pte Ltd  
 175A Bencoolen Street  
 #07-10/11/12, Burlington Square  
 Singapore 189650  
 Tel : +65 6532 6369  
 Fax : +65 6532 3742  
 Email : general@tmro.com.sg

**United Kingdom**

Telekom Malaysia (UK) Ltd  
 6 Snow Hill  
 London EC1A 2AY  
 United Kingdom  
 Phone : +44 0 207 002 7845  
 Email : general@tmeurope.co.uk

**United States of America**

Telekom Malaysia (USA) Inc  
East Coast Office  
 7925 Jones Branch Drive  
 Suite LL100, McLean, Virginia 22102, USA

West Coast Office

6701 Koll Center Pkwy Suite 250  
 Pleasanton, CA 94566, USA

Phone : +1 703 467 5962  
 Fax : +1 703 467 5966  
 Email : info@usa-tm.com

## > GLOSSARY

<b>SGDP</b>	5G Demonstration Project	<b>COBIT</b>	Control Objectives for Information and Related Technology
<b>A</b>		<b>COO</b>	Chief Operating Officer
<b>AAG</b>	Asia-America Gateway	<b>COSO</b>	Committee of the Sponsoring Organisation of the Treadway Commission
<b>AAPG</b>	Audit and Assurance Practice Guide	<b>COVID-19</b>	Coronavirus Disease 2019
<b>ABMS</b>	Anti-Bribery Management System	<b>CoW</b>	Cellular on Wheel
<b>ACG</b>	Anti-Corruption Guide	<b>CPA</b>	Certified Public Accountant
<b>ACCA</b>	Association of Chartered Certified Accountants	<b>CPE</b>	Customer Premise Equipment
<b>AGM</b>	Annual General Meeting	<b>CPO</b>	Chief Procurement Officer
<b>AI</b>	Artificial Intelligence	<b>CPRC</b>	Crisis Preparedness and Response Centre
<b>AMP</b>	Advanced Management Programme	<b>CR</b>	Corporate Responsibility
<b>Apps</b>	Applications	<b>CRM</b>	Customer Relationship Manager
<b>ARPU</b>	Average Revenue Per User	<b>CRO</b>	Chief Risk Officer
<b>ASR</b>	Automatic Speech Recognition	<b>CRT</b>	Crisis Response Team
<b>ASTAP</b>	Asia-Pacific Telecommunity Standardisation Program	<b>CSO</b>	Chief Strategy Officer
<b>B</b>		<b>CSR</b>	Corporate Social Responsibility
<b>B2B</b>	Business to Business	<b>CTAL-TA</b>	Certified Tester, Advanced Level Test, Analyst
<b>BAC</b>	Board Audit Committee	<b>CTFL</b>	Certified Tester, Foundation Level
<b>BBF</b>	Broadband Fiberisation	<b>CX</b>	Customer Experience
<b>BCM</b>	Business Continuity Management	<b>C-RAN</b>	Centralised-Radio Access Network
<b>BCP</b>	Business Continuity Plan	<b>D</b>	
<b>BDM</b>	Batam-Dumai-Melaka	<b>DBKL</b>	Dewan Bandaraya Kuala Lumpur
<b>BEA</b>	Bumiputera Empowerment Agenda	<b>DC</b>	Data Centres
<b>BEE</b>	Board Effectiveness Evaluation	<b>DDD</b>	Data-Driven Decision
<b>BIA</b>	Business Impact Analysis	<b>DMA</b>	Duct and Manhole Access
<b>BIC</b>	Board Investment Committee	<b>DMCS</b>	Dumai (Sumatera) Melaka Cable System
<b>Board</b>	Board of Directors	<b>DoA</b>	Declaration of Assets
<b>BOC</b>	Business of Operations Council	<b>DoE</b>	Department of Environment
<b>BPC</b>	Best Practice Committee	<b>DRE</b>	Disaster Recovery Equipment
<b>BPG</b>	Business Policy and Governance	<b>DRP</b>	Disaster Recovery Plan
<b>BPIP</b>	Board Performance Improvement Programme	<b>DRS</b>	Dividend Reinvestment Scheme
<b>BPO</b>	Business Process Outsourcing	<b>E</b>	
<b>BPOC</b>	Building/Premises OSHE Committees	<b>EBIT</b>	Earnings Before Interest and Tax
<b>BRC</b>	Board Risk Committee	<b>EBITDA</b>	Earnings Before Interest, Tax, Depreciation and Amortisation
<b>BSS</b>	Business Support System	<b>EC</b>	Experience Centre
<b>BTC</b>	Board Tender Committee	<b>ECRL</b>	East Coast Rail Link
<b>BTP</b>	Board Training Programme	<b>ED</b>	Executive Director
<b>Bursa Securities</b>	Bursa Malaysia Securities Berhad	<b>EENT</b>	Enterprise Energy Management System
<b>BVDP</b>	Bumiputera Vendor Development Programme	<b>EEO</b>	Energy Efficiency Optimisation
<b>C</b>		<b>EES</b>	Economic, Environment and Social
<b>CAN</b>	CEO Action Network	<b>EGM</b>	Extraordinary General Meeting
<b>CAGR</b>	Compound Annual Growth Rate	<b>EPA</b>	US Environment Protection Agency
<b>CAPEX</b>	Capital Expenditure	<b>EPC</b>	Energy Performance Contracting
<b>CBE</b>	Code of Business Ethics	<b>EPE</b>	Employee Productivity Enhancement
<b>CBF</b>	Critical Business Functions	<b>EPF</b>	Employee Provident Fund Board
<b>CBCI</b>	Certificate of the Business Continuity Institute	<b>EPU</b>	Economic Planning Unit
<b>CCO</b>	Chief Commercial Officer	<b>EQ</b>	Emotional Intelligence
<b>CCMT</b>	Corporate Crisis Management Team	<b>ERM</b>	Enterprise Risk Management
<b>CDN</b>	Content Delivery Network	<b>ERP</b>	Enterprise Resource Planning
<b>CFE</b>	Certified Fraud Examiner	<b>ESG</b>	Environmental, Social and Governance
<b>CG</b>	Corporate Governance	<b>ESI</b>	Energy Saving Initiatives
<b>CGU</b>	Cash Generating Units	<b>EUC</b>	End User Computing
<b>CGPA</b>	Cumulative Grade Point Average	<b>EVP</b>	Executive Vice President
<b>CIA</b>	Chief Internal Auditor	<b>EWAR</b>	Early Warning, Alert & Response
<b>CICCM</b>	Certified International Commercial Contract Manager	<b>EY</b>	Ernst & Young PLT
<b>CIGO</b>	Chief Integrity and Governance Officer	<b>F</b>	
<b>CIO</b>	Chief Information Officer	<b>FGV</b>	Felda Global Ventures Holdings Bhd
<b>CISA</b>	Certified Information Systems Auditor	<b>FIRA</b>	Fast Internet for Rural Area
<b>CISO</b>	Chief Information Security Officer	<b>FLAG</b>	Fiber-Optic Link Around the Globe
<b>CL</b>	Corporate Liability	<b>FMC</b>	Fixed-Mobile Convergence
<b>CLSO</b>	Chief Legal and Secretarial Officer	<b>FNSV</b>	FNS Value Co., Limited
<b>CMIIA</b>	Chartered Member of the Institute of Internal Auditors Malaysia	<b>FWA</b>	Fixed Wireless Access
<b>CMO</b>	Chief Marketing Officer	<b>F-SAN</b>	Full-Service Access Network
<b>CNC</b>	Certified Network Contractors		
<b>CNO</b>	Chief Network Officer		

<b>G</b>	<b>GBA</b>	Group Business Assurance	<b>LTI</b>	Lost Time Injury		
	<b>GBC</b>	Group Brand and Communication		<b>LTIFR</b>	Loss Time Injury Frequency Rate	
	<b>GCEO</b>	Group Chief Executive Officer		<b>LTIP</b>	Long-Term Incentive Plan	
	<b>GCFO</b>	Group Chief Financial Officer		<b>M</b>	<b>MACC</b>	Malaysian Anti-Corruption Commission
	<b>GDP</b>	Gross Domestic Product			<b>MACCA</b>	Malaysian Anti-Corruption Commission Act
	<b>GDRN</b>	GLC/GLIC Disaster Response Network			<b>MAEPS</b>	Malaysia Agro Exposition Park
	<b>GHCM</b>	Group Human Capital Management			<b>MAICSA</b>	Malaysian Institute of Chartered Secretaries and Administrators
	<b>GHG</b>	Greenhouse Gas			<b>Main LR</b>	Main Market Listing Requirements
	<b>GIA</b>	Group Internal Auditor			<b>MARA</b>	Majlis Amanah Rakyat
	<b>GIACC</b>	Governance, Integrity and Anti Corruption Centre			<b>MBOR</b>	Malaysia Book of Records
	<b>GIC</b>	Government Investment Companies			<b>MC</b>	Management Committee
	<b>GIG</b>	Group Integrity and Governance			<b>MCCG</b>	Malaysian Code on Corporate Governance
	<b>GITD</b>	Group IT & Digital			<b>MCIM</b>	Member of Chartered Institute of Marketing
	<b>GITN</b>	Government Integrated Telecommunications Network			<b>MCMC</b>	Malaysian Communications and Multimedia Commission
	<b>GLC</b>	Government-linked Company			<b>MCO</b>	Movement Control Order
	<b>GM</b>	General Manager			<b>MCT</b>	Malaysia-Cambodia-Thailand
	<b>GNT</b>	Group Network Technology			<b>MD</b>	Managing Director
	<b>GRI</b>	Global Reporting Initiative		<b>MDEC</b>	Malaysian Digital Economy Corporation	
	<b>GRM</b>	Group Risk Management		<b>MDSCS</b>	Malaysian Domestic Submarine Cable System	
	<b>GS</b>	Group Strategy		<b>MD&amp;A</b>	Management Discussion & Analysis	
	<b>GSMA</b>	Global System Mobile Association		<b>MEA</b>	Middle East and Africa	
<b>GTM</b>	Go-to-Market	<b>MFRS</b>	Malaysian Financial Reporting Standards			
<b>H</b>	<b>HCBD</b>	Human Capital Business Driver	<b>MICPS</b>	Member of Chartered Institute of Procurement Supply		
	<b>HTML</b>	HyperText Markup Language	<b>ML</b>	Machine Learning		
	<b>HRBF</b>	High-Rise Broadband Fiberisation	<b>MMLR</b>	Main Market Listing Requirements		
	<b>HSBA</b>	High Speed Broadband Access	<b>MMU</b>	Multimedia University		
	<b>HSBB</b>	High Speed Broadband	<b>MNOs</b>	Mobile Network Operations		
	<b>I</b>	<b>IAR</b>	Integrated Annual Report	<b>MoC</b>	Memorandum of Collaboration	
		<b>ICAEW</b>	Institute of Chartered Accountants in England and Wales	<b>MOCN</b>	Multi-Operator Core Node	
		<b>ICI</b>	Internal Control Incident	<b>MOE</b>	Ministry of Education	
<b>ICM</b>		Internal Control Memorandum	<b>MOF</b>	Minister of Finance		
<b>ICSA</b>		Institute of Chartered Secretaries and Administrators	<b>MOF INC.</b>	Minister of Finance (Incorporation)		
<b>ICT</b>		Information & Communications Technology	<b>MOH</b>	Ministry of Health		
<b>IDP</b>		Individual Development Plan	<b>MOHE</b>	Ministry of Higher Education		
<b>IGU</b>		Integrity and Governance Unit	<b>MORAN</b>	Multi-Operator Radio Access Network		
<b>IIRC</b>		International Integrated Reporting Council	<b>MPC</b>	Malaysia Productivity Corporation		
<b>IMD</b>		Institute for Management Development	<b>MQA</b>	Malaysian Qualifications Agency		
<b>INED</b>		Independent Non-Executive Director	<b>MRT</b>	Mass Rapid Transit		
<b>INTAN</b>		National Institute of Public Administration	<b>MSAP</b>	Mandatory Standard on Access Pricing		
<b>IoT</b>		Internet of Things	<b>MTE</b>	Malaysia Technology Expo		
<b>IPDC</b>		Iskandar Puteri Data Centre	<b>MTTR</b>	Mean Time to Repair		
<b>IPPF</b>		International Professional Practices Framework	<b>MYDIGITAL</b>	Malaysia Digital Economy Blueprint		
<b>IR4.0</b>		Industrial Revolution 4.0	<b>M100</b>	Malaysia's 100		
<b>ISMS</b>		Information Security Management System	<b>N</b>	<b>NACP</b>	National Anti-Corruption Plan	
<b>ISO</b>		International Organisation for Standardisation		<b>NBA</b>	Next Best Action	
<b>ISP</b>		Internet Service Provider		<b>NBOS</b>	National Blue Ocean Strategy	
<b>ITU</b>		International Telecommunication Union		<b>ND</b>	Network Delivery	
<b>J</b>		<b>JENDELA</b>		Jalanan Digital Negara	<b>NDIL</b>	National Digital Infrastructure Lab
	<b>K</b>	<b>KOBK</b>		Koperasi Bukit Kepong	<b>NEA</b>	National Energy Awards
		<b>KPI</b>		Key Performance Indicator	<b>NEC</b>	Non-Executive Chairman
		<b>KRISTAL</b>		TM's Core Values	<b>NECS</b>	Now Everyone Can Sell
		<b>KVDC</b>		Klang Valley Data Centre	<b>NED</b>	Non-Executive Director
<b>KWAP</b>		Kumpulan Wang Persaraan		<b>NFV</b>	Network Function Virtualisation	
<b>L</b>	<b>L&amp;D</b>	Learning and Development		<b>NGBH</b>	Next Generation Backhaul	
	<b>LIA</b>	Langkawi International Airport		<b>NGO</b>	Non-Government Organisations	
	<b>LoA</b>	Limit of Authority		<b>NINE</b>	Non-Independent Non-Executive	
	<b>LOBs</b>	Lines of Businesses		<b>NINED</b>	Non-Independent Non-Executive Director	
	<b>LR</b>	Listing Requirements	<b>NIOSH</b>	National Institute for Occupational Safety and Health		
	<b>LTAT</b>	Lembaga Tabung Angkatan Tentera	<b>NMO</b>	Network Management Operation		
	<b>LTE</b>	Long-Term Evolution	<b>NOC</b>	Network Operations Centre		
			<b>NOCC</b>	Network Operation Command Centre		
			<b>NPS</b>	Net Promoter Score		

## Glossary

<b>NRC</b>	Nomination and Remuneration Committee	<b>SBP</b>	Sekolah Berasrama Penuh
<b>NRP</b>	New revenue Project	<b>SC</b>	Securities Commission
<b>NSC</b>	National Security Council	<b>SCM</b>	Sustainability Champions
<b>NTMSP</b>	NIOSH-TM Safety Passport	<b>SDGs</b>	Sustainable Development Goals
<b>NUGATE</b>	Nusantara Gateway	<b>SD-Branch</b>	Software-Defined Branch
<b>NUTE</b>	Kesatuan Kebangsaan Pekerja-Pekerja Telekomunikasi Semenanjung Malaysia	<b>SICDA</b>	Securities Industry (Central Depositories) Act 1991
		<b>SID</b>	Senior Independent Director
<b>O</b>		<b>SIRIM</b>	Standards and Industrial Research Institute of Malaysia
<b>ODL</b>	Online Distance Learning	<b>SKRM</b>	Sistem Kabel Rakyat Malaysia
<b>OIP</b>	Open Innovation Platform	<b>SME</b>	Small Medium Enterprise
<b>ONE PASS</b>	TM ONE Predictive Analytics Screening Solution	<b>SOC</b>	States OSHE Committees
<b>OPEX</b>	Operating Expenditure	<b>SOP</b>	Standard Operating Procedure
<b>OSH</b>	Occupational Safety & Health	<b>SORMIC</b>	Statement on Risk Management and Internal Control
<b>OSHA</b>	Occupational Safety and Health Act	<b>SPC</b>	Supplier Performance Committee
<b>OSHE</b>	Occupational Safety, Health and Environment	<b>SPM</b>	Malaysian Certificate of Education
<b>OTT</b>	Over-The-Top	<b>SRF</b>	Subsidiaries' Board Remuneration Framework
		<b>SRR</b>	Service Request Reservation
<b>P</b>		<b>SS</b>	Sustainability Stewards
<b>PATAMI</b>	Profit After Tax and Minority Interests	<b>SUTE</b>	Kesatuan Pekerja-Pekerja Telekom Malaysia Berhad Sabah
<b>PBL</b>	Project-Based Learning		
<b>PCC</b>	Procurement Compliance Committee	<b>SUTEN</b>	Kesatuan Pekerja-Pekerja Telekomunikasi Malaysia Berhad Sabah
<b>PCG</b>	Putrajaya Committee on GLCs High Performance		
<b>PDB</b>	Petronas Dagangan Berhad	<b>SWA</b>	Special Work Arrangement
<b>PDPA</b>	Personal Data Protection Act	<b>SWIMS</b>	Smart Water Integrated Management System
<b>PDRM</b>	Polis Diraja Malaysia	<b>S&amp;P</b>	Standard & Poors
<b>PENJANA</b>	Pelan Jana Semula Ekonomi Negara		
<b>PIP</b>	Performance Improvement Programme	<b>T</b>	
<b>PIR</b>	Post Investment Review	<b>TB</b>	Terabyte
<b>PLAKS</b>	Program Latihan Amalan Kerja Selamat	<b>TCO2E</b>	Metric Tonnes of Carbon Dioxide Equivalent
<b>PMI</b>	Procurement Maturity Index	<b>TechCom</b>	Technology Committee
<b>POC</b>	Proof of Concept	<b>TIARANITA</b>	Persatuan Isteri-isteri dan Anggota Wanita TM
<b>PoPs</b>	Point-of-Presences	<b>TM R&amp;D</b>	TM Research and Development
<b>PPDBP</b>	Bangsar / Pudu District Education Office	<b>TM SMG</b>	TM Sponsorship Management
<b>PPE</b>	Personal Protective Equipment	<b>TMCC</b>	TM Convention Centre
<b>PS</b>	Performance Share	<b>TMNC3</b>	TM National Command Control Centre
<b>PSP</b>	Performance Share Plan	<b>TMTEC</b>	TM Tender Evaluation Centre
<b>P&amp;T</b>	Post Office & Telegraph	<b>TMW</b>	TM WHOLESALE
		<b>TMW SOC</b>	TMW Service Operation Centre
<b>Q</b>		<b>TMWL</b>	To Malaysia with Love
<b>QoQ</b>	Quarter-on-Quarter	<b>TNB</b>	Tenaga Nasional Berhad
<b>QRA</b>	Qualified Risk Auditor	<b>TNPS</b>	Transactional Net Promoter Score
		<b>ToR</b>	Terms of Reference
<b>R</b>		<b>TSOC</b>	TM State Operations Centre
<b>R&amp;D</b>	Research & Development	<b>TVET</b>	Technical and Vocational Education and Training
<b>R2R</b>	Recording to Reporting		
<b>RAN</b>	Radio Access Network	<b>U</b>	
<b>RFP</b>	Request for Proposal	<b>UCL</b>	University College London
<b>RFQ</b>	Request for Quotation	<b>UM</b>	University of Malaya
<b>RO</b>	Regional Offices	<b>UN SDG</b>	United Nation's Sustainable Development Goals
<b>ROD</b>	Record of Depositors	<b>UNEP</b>	United Nations Environment Programme
<b>ROHS</b>	Restriction of Hazardous Substances	<b>UPM</b>	Universiti Putra Malaysia
<b>ROI</b>	Return on Investment	<b>USA</b>	United States of America
<b>RPA</b>	Robotic Process Automation	<b>UTES</b>	Kesatuan Pekerja Telekom Malaysia Berhad Sarawak
<b>RPT</b>	Related Party Transactions		
<b>RR</b>	Rakan Rangkaian	<b>V</b>	
<b>RRPTs</b>	Recurrent Related Party Transactions	<b>VCPP</b>	VMWare Cloud Provider Platform
<b>RS</b>	Restricted Shares	<b>VMS</b>	Visitor Management System
<b>RTN</b>	Return-to-Normal	<b>VP</b>	Vice President
<b>RTO</b>	Recovery Time Objective	<b>VWAMP</b>	Volume Weighted Average Market Price
<b>RTS</b>	Rapid Transit System		
<b>RTW</b>	Ready to Work	<b>W</b>	
<b>RTW</b>	Return to Work	<b>WAN</b>	Wide Area Networks
		<b>WEBE</b>	Webe Digital Sdn Bhd
<b>S</b>		<b>WFH</b>	Work From Home
<b>SA</b>	Standalone	<b>WHO</b>	World Health Organisation
<b>SAP</b>	Systems, Applications and Products	<b>WUR</b>	World University Ranking
<b>SAT3-WASC-SAFE</b>	South Atlantic 3 - West Africa Submarine Cable-South Africa Far East		
<b>SB</b>	Support Business	<b>Y</b>	
		<b>YoY</b>	Year-on-year
		<b>YTM</b>	Yayasan TM

## > NOTICE OF ANNUAL GENERAL MEETING

**NOTICE IS HEREBY GIVEN THAT** the Thirty-sixth Annual General Meeting (36<sup>th</sup> AGM) of Telekom Malaysia Berhad (“TM” or “the Company”) will be held fully virtual via the meeting platform <https://web.lumiagm.com> with the Broadcast Venue at Kristal Hall, TM Convention Centre, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia on Tuesday, 25 May 2021 at 10:00 a.m to transact the following businesses, with or without modifications:

- 1.0 To receive the Audited Financial Statements for the financial year ended 31 December 2020 together with the Reports of the Directors and Auditors thereon.

*Please refer to Explanatory Note A*

- 2.0 To re-elect the following Directors, who retire pursuant to Clause 106(2) of the Company’s Constitution and being eligible, offer themselves for re-election:

- |   |                                |
|---|--------------------------------|
| (i) Datuk Siti Zaayah Md Desa                   | <b>(Ordinary Resolution 1)</b> |
| (ii) Anis Rizana Mohd Zainudin @ Mohd Zainuddin | <b>(Ordinary Resolution 2)</b> |
| (iii) Shazril Imri Mokhtar                      | <b>(Ordinary Resolution 3)</b> |

*Please refer to Explanatory Note B*

- 3.0 To re-elect the following Directors, who retire by rotation pursuant to Clause 112 of the Company’s Constitution and being eligible, offer themselves for re-election:

- |                              |                                |
|------------------------------|--------------------------------|
| (i) Dato’ Mohd Naim Daruwish | <b>(Ordinary Resolution 4)</b> |
| (ii) Hisham Zainal Mokhtar   | <b>(Ordinary Resolution 5)</b> |
| (iii) Suhendran Sockanathan  | <b>(Ordinary Resolution 6)</b> |

*Please refer to Explanatory Note C*

- 4.0 To approve the payment of the following Directors’ fees with effect from the 36<sup>th</sup> AGM until the next AGM of the Company:

- |   |  |
|---|--|
| (i) RM30,000 per month for the Non-Executive Chairman (NEC), RM22,250 per month for Senior Independent Director (SID) and RM20,000 per month for each Non-Executive Director (NED); and |  |
| (ii) RM15,000 per month and RM10,000 per month for NEC and NEDs respectively, of Tier 1 subsidiaries.   |  |

*Please refer to Explanatory Note D* **(Ordinary Resolution 7)**

- 5.0 To approve the payment of benefits payable to NEC and NEDs of the Company up to an amount of RM2,350,000 from the 36<sup>th</sup> AGM until the next AGM of the Company.

*Please refer to Explanatory Note E* **(Ordinary Resolution 8)**

- 6.0 To re-appoint Ernst & Young PLT (EY), having consented to act as Auditors of the Company, for the financial year ending 31 December 2021 and to authorise the Board of Directors to determine their remuneration.

*Please refer to Explanatory Note F* **(Ordinary Resolution 9)**

- 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 annual general meeting, 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 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;



## Notice of Annual General Meeting

**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 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.

*Please refer to Explanatory Note G*

**(Ordinary Resolution 10)**

### 7.2 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 its Subsidiaries (Axiata Group)

**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 Axiata Group as set out in Appendix I of the Company's Circular to Shareholders dated 23 April 2021 which are necessary for the day-to-day operations **PROVIDED THAT** such transactions 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 annual general meeting 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 annual general meeting 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 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 Renewal of Shareholders' Mandate with Axiata Group.

*Please refer to Explanatory Note H*

**(Ordinary Resolutions 11)**

### 7.3 Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions of a Revenue or Trading Nature (Proposed Renewal of Shareholders' Mandate) with Tenaga Nasional Berhad and its Subsidiaries (TNB Group)

**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 TNB Group as set out in Appendix I of the Company's Circular to Shareholders dated 23 April 2021 which are necessary for the day-to-day operations **PROVIDED THAT** such transactions 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 annual general meeting 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 annual general meeting 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 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 Renewal of Shareholders' Mandate with TNB Group.

*Please refer to Explanatory Note H*

**(Ordinary Resolutions 12)**

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 36<sup>th</sup> AGM, the Company shall be requesting 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 18 May 2021. Only a depositor whose name appears on the ROD as at 18 May 2021 shall be entitled to attend the said meeting or appoint proxies to attend, speak and vote on his/her behalf.

### BY ORDER OF THE BOARD

**Hamizah Abidin** (LS 0007096) (SSM Practicing Certificate No. 201908001071)  
**Mohammad Yazmi Mat Raschid** (MAICSA 7028878) (SSM Practicing Certificate No. 202008001905)  
**Zaiton Ahmad** (MAICSA 7011681) (SSM Practicing Certificate No. 201908004017)  
Secretaries

Kuala Lumpur  
23 April 2021

### Notes:

1. The 36<sup>th</sup> AGM will be conducted fully virtual through live streaming. Members can attend, participate and vote remotely online using the Remote Participation and Electronic Voting (RPEV) facilities provided by Boardroom Share Registrars Sdn Bhd at <https://web.lumiagm.com>. Please follow the procedures provided in the Administrative Details of the 36<sup>th</sup> AGM in order to register and participate remotely via the RPEV facilities.
2. The Broadcast venue of the 36<sup>th</sup> AGM is strictly for the purpose of complying with Section 327(2) of the CA 2016 which requires the Chairman of the 36<sup>th</sup> AGM to be present at the main venue of the general meeting and to facilitate the conduct of the fully virtual meeting.
3. Members, proxies or corporate representatives are not allowed to be physically present at the Broadcast Venue.
4. 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.
5. 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 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.
6. Where a Member appoints two proxies, the appointments shall be invalid unless the proportions of the holdings to be represented by each proxy are specified.
7. 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 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. If the proxy form is signed under the hand of an officer duly authorised, it should be accompanied by a statement "signed as authorised officer under an Authorisation Document which is still in force, and no notice of revocation has been received". If the proxy form is signed under the attorney duly appointed under a Power of Attorney, it should be accompanied by a statement "signed under a Power of Attorney which is still in force, and no notice of revocation has been received". A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed with the proxy form.
8. 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.
9. The instrument appointing the proxy together with the duly registered Power of Attorney referred to in Note 7 above, if any, must be deposited or submitted in the following manner not less than 24 hours before the time appointed for the taking the poll or no later than 12:00 noon on 24 May 2021:
  - a) In hard copy:  
By hand or post to the office of the Share Registrar of the Company, Boardroom Share Registrars Sdn Bhd, 11<sup>th</sup> Floor, Menara Symphony, No. 5, Jalan Prof. Khoo Kay Kim, Seksyen 13, 46200 Petaling Jaya, Selangor, Malaysia.
  - b) By electronic means:  
By electronically submission via Boardroom Smart Investor Portal at <https://boardroomlimited.my>. Please refer to the Administrative Details of the 36<sup>th</sup> AGM for further information on electronic submission.

## Notice of Annual General Meeting

### Explanatory Notes:

#### 1. Note A

The Audited Financial Statements are laid before the shareholders pursuant to the provisions of Sections 266(1)(a) and 340(1)(a) of the CA 2016 for discussion only and will not be put forward for voting.

#### 2. Notes B and C

Clause 106(2) of the Company's Constitution provides that any Director appointed shall hold office only until the next AGM and shall then be eligible for re-election. Datuk Siti Zauyah Md Desa, Anis Rizana Mohd Zainudin (q Mohd Zainuddin and Shazril Imri Mokhtar who were appointed since the last AGM are standing for re-election as Directors and they have consented to be re-elected as Directors of the Company.

Clause 112 of the Company's Constitution provides that all Directors shall retire from office once at least every three (3) years, but shall be eligible for re-election. At every AGM of the Company, one third of the Directors of the Company for the time being or if not a multiple of three (3), nearest to one third, shall retire by rotation. Clause 113 of the Company's Constitution provides that the Directors to retire, shall be the one that has been longest in office since his/her last re-election. At this AGM, three (3) out of eight (8) eligible Directors are to retire in accordance with Clause 112 of the Company's Constitution. Dato' Mohd Naim Daruwish, Hisham Zainal Mokhtar and Suhendran Sockanathan being the longest in office since their last retirement are standing for re-election as Directors and have consented to be re-elected as Directors of the Company.

The Board has conducted an assessment on the Directors via the 2020 Board Effectiveness Evaluation as well as the independence of the Independent Directors who are seeking re-election at this 36<sup>th</sup> AGM, inclusive of their skills, experience, character, integrity, competency, commitment and contribution and is satisfied that they complied and satisfied the independence criteria as required by the Main LR which is also provided in the Board Charter. The profiles of Directors seeking re-elections are set out in the Profile of Directors' section on pages 148 to 157 inclusive of the Integrated Annual Report (IAR) 2020.

#### 3. Note D and E

Section 230(1) of CA 2016 provides amongst others, that 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 for the payment of fees and benefits payable to NEC and NEDs, in two (2) separate resolutions as follows:

- (i) Ordinary Resolution 7 on the payment of Directors' fees for the Company and Tier 1 Subsidiaries from the date of the 36<sup>th</sup> AGM until the next AGM.

The Board is recommending the Directors' fees for the Company and Tier 1 Subsidiaries as approved at the 33<sup>rd</sup> AGM of the Company held on 26 April 2018, for shareholders' approval. There is no revision to the amount proposed since then.

- (ii) Ordinary Resolution 8 on the payment of benefits payable to the NEC and NEDs from the 36<sup>th</sup> AGM until the next AGM.

The existing benefits payable applicable to NEC and NEDs comprise meeting fees, emoluments and claimable benefits as stipulated below:

- (a) Meeting fee structure for Board and Board Committees:

	TM Board (RM)	Board Audit Committee (RM)	Nomination & Remuneration Committee (RM)	Board Tender Committee (RM)	Board Risk Committee (RM)	Board Investment Committee (RM)	LTIP Committee (RM)
Chairman	3,500	3,250	2,500	3,250	2,500	2,500	2,500
NED	3,000	2,500	2,000	2,500	2,000	2,000	2,000

- (b) Pursuant to the Subsidiaries' Remuneration Framework (SRF), NEC and NEDs appointed on the boards of TM subsidiaries are entitled to the following meeting fees:

Category of TM Subsidiaries	NEC	NED	Committee Fee	
	Meeting Fee (RM)	Meeting Fee (RM)	Chairman Meeting Fee (RM)	Member Meeting Fee (RM)
Tier 1	1,500	1,000	500	300
Tier 2	1,500	1,000	Nil	Nil

- (c) Customary benefits such as claimable benefits on annual overseas business development trips, 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, Board Committees and boards of subsidiaries as well as the number of NEDs involved in these meetings were considered. As there is no change to the prevalent benefits payable, the Board is recommending an estimated total amount of RM2,350,000 as per the previous AGM.

Subject to the shareholders' approval of Ordinary Resolutions 7 and 8, the payment for fees and benefits for the period commencing from the 36<sup>th</sup> AGM until next AGM will be made by the Company and its subsidiaries on a monthly basis and/or as and when incurred. The Board opined that the payments to the NEC and NEDs are just and equitable taking into account their roles and responsibilities towards the Group and the services that they have rendered to the Company and its subsidiaries.

NEDs who are shareholders of the Company will abstain from voting on the aforesaid resolutions at the 36<sup>th</sup> AGM.

## Notice of Annual General Meeting

4. **Note F**  
The Board Audit Committee (BAC) and the Board at their Meetings on 22 February 2021 and 24 February 2021 respectively have considered the re-appointment of Ernst & Young (EY) as Auditors of the Company and collectively agreed that EY has met the relevant criteria as prescribed under Paragraph 15.21 of the Main LR of Bursa Securities.
5. **Note G**  
Ordinary Resolution 10 is for the proposed renewal of the authority for Directors to allot and issue new ordinary shares in the Company in respect of dividends to be declared, if any, under the DRS, until the conclusion of the next AGM.
6. **Note H**  
Ordinary Resolutions 11 and 12, if passed, will authorise the Company and/or its subsidiaries to enter into recurrent related party transactions with related parties i.e. Axiata Group and TNB Group in the ordinary course of business which are necessary for the Group's day-to-day operations and are on normal commercial terms 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. The Interested Directors as indicated in Section 6 of the Circular to Shareholders dated 23 April 2021 and their Persons Connected will abstain from voting on Ordinary Resolutions 11 and 12.

## > STATEMENT ACCOMPANYING NOTICE OF THE 36<sup>TH</sup> AGM

pursuant to Paragraph 8.72(2) and Appendix 8A of the Main LR of Bursa Securities

### 1.0 Re-election of Directors pursuant to the Company's Constitution

- 1.1 The profiles of the following Directors who are retiring pursuant to Clause 106(2) of the Company's Constitution as per Ordinary Resolutions 1, 2 and 3 are stated in the Integrated Annual Report (IAR) 2020, respectively:
  - (i) Datuk Siti Zaayah Md Desa (Ordinary Resolution 1) - page 157
  - (ii) Anis Rizana Mohd Zainudin @ Mohd Zainuddin (Ordinary Resolution 2) - page 149
  - (iii) Shazril Imri Mokhtar (Ordinary Resolution 3) - page 148
  
- 1.2 The profiles of the following Directors who are retiring pursuant to Clause 112 of the Company's Constitution as per Ordinary Resolutions 4, 5 and 6 are stated in the IAR 2020, respectively:
  - (i) Dato' Mohd Naim Daruwish (Ordinary Resolution 4) - page 151
  - (ii) Hisham Zainal Mokhtar (Ordinary Resolution 5) - page 154
  - (iii) Suhendran Sockanathan (Ordinary Resolution 6) - page 155
  
- 1.3 None of the above Directors has any interest in the securities of the Company, save for Shazril Imri Mokhtar, whose interests in shares are disclosed on page 22 of the Financial Statements.
  
- 1.4 None of the above named Directors has any family relationship with any Director and/or major shareholder of the Company, save for Dato' Mohd Naim Daruwish, who is an employee and nominee director of Employees Provident Fund Board, TM's major shareholder. He does not have any conflict of interest with TM, convicted for any offences other than traffic offences for the past five (5) years, or has been imposed any sanction or penalty by any regulatory bodies during the financial year ended 31 December 2020.
  
- 1.5 The three (3) independent directors, Datuk Siti Zaayah Md Desa, Hisham Zainal Mokhtar and Suhendran Sockanathan satisfy the criteria of independent directors as defined under Paragraph 1.01 of Bursa Securities' Main LR, 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 DETAILS FOR THE 36<sup>TH</sup> AGM

### FULLY VIRTUAL MEETING

In light of the COVID-19 pandemic which resulted in unprecedented measures being implemented by the Government to curb the spread of COVID-19, in particular its official guidance on social distancing, and pursuant to the Guidance and FAQs on the Conduct of General Meetings for Listed Issuers issued by the Securities Commission, the 36<sup>th</sup> AGM of the Company shall be held fully virtual and entirely via Remote Participation and Electronic Voting (RPEV) facilities, as stipulated below:

ADMINISTRATIVE DETAILS	
<b>Date:</b>	Tuesday, 25 May 2021
<b>Time:</b>	10:00 a.m.
<b>Broadcast Venue:</b>	Kristal Hall, TM Convention Centre Menara TM, Jalan Pantai Baharu 50672 Kuala Lumpur, Malaysia
<b>Meeting Mode &amp; Platform:</b>	Fully virtual basis through live streaming and online remote voting via meeting platform <a href="https://web.lumiagm.com">https://web.lumiagm.com</a>
<b>Mode of Communication:</b>	Type text in the meeting platform. The Messaging window facility will be opened concurrently with the Virtual Meeting Portal, i.e. one (1) hour before the AGM, which is from 9:00 a.m on Tuesday, 25 May 2021.

#### Step 1 –

##### Register Online with Boardroom Smart Investor Portal (for first time registration only)

[Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2. Submit request for Remote Participation user ID and password.]

- Access website <https://boardroomlimited.my>
- Click <<Login>> and click <<Register>> to sign up as a user.
- Complete registration and upload softcopy of MyKad (front and back) or Passport in JPEG or PNG format.
- Please enter a valid email address and wait for Boardroom’s email verification.
- Your registration will be verified and approved within one business day and an email notification will be provided.

#### Step 2 –

##### Submit Request for Remote Participation User ID and Password

[Note: The registration for remote access will be opened on 23 April 2021]

##### Individual Members

- Login to <https://boardroomlimited.my> using your user id and password above.
- Select “Virtual Meeting” from main menu and select the correct Corporate Event “TM 36<sup>th</sup> Virtual AGM”.
- Read and agree to the terms and conditions.
- Enter your CDS Account Number and thereafter submit your request.

##### Corporate Shareholders, Authorised Nominee and Exempt Authorised Nominee

- Write in to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) by providing the name of Member, CDS Account Number accompanied with the Certificate of Appointment of Corporate Representative or Form of Proxy to submit the request.
- Please provide a copy of Corporate Representative’s MyKad (Front and Back) or Passport as well as his/her email address.
  - You will receive a notification from Boardroom that your request has been received and is being verified.
  - Upon system verification against the AGM’s Record of Depositories, you will receive an email from Boardroom either approving or rejecting your registration for remote participation.
  - You will also receive your remote access user ID and password along with the email from Boardroom if your registration is approved.
  - Please note that the closing time to submit your request is **12:00 noon on 24 May 2021**.

#### Remote Participation and Electronic Voting (RPEV)

- Please note that the RPEV is available to **(i) Individual Member; (ii) Corporate Shareholder; (iii) Authorised Nominee; and (iv) Exempt Authorised Nominee.**
- If you choose to participate in the Meeting online, you will be able to view a live webcast of the Meeting, ask questions and submit your votes in real time whilst the meeting is in progress.
- Kindly follow the steps below on how to request for login ID and password.

## Administrative Details For The 36<sup>th</sup> AGM

### Step 3 –

#### Login to Virtual Meeting Portal

*[Please note that the quality of the connectivity to Virtual Meeting Portal for live web cast as well as for remote online voting is highly dependent on the bandwidth and the stability of the internet connectivity available at the location of the remote users.]*

- The Virtual Meeting portal will be open for login starting an hour (1 hour) before the commencement of AGM at **9:00 a.m. on 25 May 2021**.
- Follow the steps given to you in the email along with your remote access user ID and password to login to the Virtual Meeting portal. (Refer to Step 2(c) above).
- The steps will also guide you on how to view live webcast, ask questions and vote.
- The live webcast will end and the Messaging window will be disabled the moment the Chairman announces the closure of the AGM.
- You can now logout from Virtual Meeting Portal.

**\* FOR THE BEST LIVE STREAMING EXPERIENCE, IT IS ADVISABLE TO KEEP YOUR VIDEO RESOLUTION AT 240P.**

- Alternatively, you may deposit your proxy form(s) by electronic means via Boardroom Smart Investor Online Portal. Kindly follow the link at <https://boardroomlimited.my> to log in and submit your proxy form, not later than 24 hours before the time appointed for taking the poll or no later than 12:00 noon on 24 May 2021. For further information, kindly refer to the "Electronic Lodgement of Form of Proxy" ie. Proxy Lodgement below:

### Step 1 –

#### Register Online with Boardroom Smart Investor Portal (for first time registration only)

*[Note: If you have already signed up with Boardroom Smart Investor Portal, you are not required to register again. You may proceed to Step 2. Submit request for Remote Participation user ID and password.]*

- Access website <https://boardroomlimited.my>
- Click <<Login>> and click <<Register>> to sign up as a user.
- Complete registration and upload softcopy of MyKad (front and back) or Passport in JPEG or PNG format.
- Please enter a valid email address and wait for Boardroom's email verification.
- Your registration will be verified and approved within one (1) business day and an email notification will be provided.

### Step 2 –

#### e-Proxy Lodgement

- Login to <https://boardroomlimited.my> using your user id and password above.
- Go to "E-Proxy Lodgement" and browse the meeting list for "TM Virtual 36<sup>th</sup> AGM" and click "Apply".
- Read and agree to the terms and conditions and confirm Declaration.
- Enter your CDS Account Number and indicate the number of securities.
- Appoint your proxy(ies) or the Chairman of the AGM and enter the required particulars of your proxy(ies).
- Indicate your voting instructions – FOR or AGAINST, otherwise your proxy(ies) will decide your votes.
- Review and confirm you proxy(ies) appointment.
- Click submit.

- 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.

### Entitlement to Participate and Vote

- Only a member or depositor whose name appears in the Register of Members/Record of Depositors (ROD) as at 18 May 2021 shall be entitled to attend the 36<sup>th</sup> AGM or appoint proxies to attend on his/her behalf.

### Form(s) of Proxy

- Shareholders are encouraged to go online, participate and vote at the 36<sup>th</sup> AGM using the RPEV facilities. If you are unable to attend the online AGM virtually, you can appoint the Chairman of the meeting as your proxy and indicate the voting instructions in the proxy form(s).
- Please take note that you must complete the proxy form for the AGM should you wish to appoint a proxy(ies).
- You may download the proxy form(s) from our website at [www.tm.com.my/annualreport](http://www.tm.com.my/annualreport)
- 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 taking the poll or no later than 12:00 noon on 24 May 2021 at the following address:

#### Boardroom Share Registrars Sdn Bhd




11<sup>th</sup> Floor, Menara Symphony  
No. 5 Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan, Malaysia  
Office : +60 3 7890 4700  
Fax : +60 3 7890 4670

## Administrative Details For The 36<sup>th</sup> AGM

### Revocation of Proxy

If you have submitted your proxy form prior to the AGM and subsequently decide to appoint another person or wish to participate in the virtual AGM by yourself, please write to [bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com) to revoke the earlier appointed proxy(ies) at least 24 hours before the AGM. On revocation, your proxy(ies) will not be allowed to participate in the virtual AGM. In such an event, kindly advise your proxy(ies) accordingly.

### Voting Procedure

- The voting will be conducted by poll in accordance with Paragraph 8.29A of Bursa Malaysia Securities Berhad's Main Market Listing Requirements. The Company has appointed Boardroom Share Registrars Sdn Bhd as Poll Administrator to conduct the poll by way of electronic voting (e-Voting) and Sky Corporate Services Sdn Bhd as Scrutineers to verify the poll results.
- During the AGM, the Chairman will invite the Poll Administrator to brief on the e-Voting housekeeping rules. The voting session will commence as soon as the Chairman calls for the poll to be opened and until such time when the Chairman announces the closure of the poll.
- For the purpose of this AGM, e-voting will be carried out using the following voting devices:
  -  Personal smart mobile phones;
  -  Tablets; or
  -  Laptops.
- There are 2 methods for members and proxies who wish to use their personal voting device to vote as follows:
  - Launch LUMI AGM by scanning the QR Code given to you along with your remote participation User ID and Password; or
  - Access to LUMI AGM via URL: <https://web.lumiagm.com>
- The Scrutineers will verify the poll result upon closing of the poll session by the Chairman. Scrutineers will announce the results, and the Chairman will declare whether the resolutions put to vote are successfully carried or otherwise.

### Submission of Questions for AGM

- TM welcomes participation and questions from shareholders on the AGM Resolutions at the 36<sup>th</sup> 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 financial performance/prospect of the Company. In the event some of the replies could not be provided during the meeting, the relevant responses will be provided in the Investor Relations' section of TM website.

- Shareholders may submit their questions in advance on AGM resolutions prior to commencement of the 36<sup>th</sup> AGM via the following modes:

- Email to [agm2021@tm.com.my](mailto:agm2021@tm.com.my), which will be opened from 23 April 2021 until 24 May 2021 only.
- Submit to Boardroom's website at <https://boardroomlimited.my> using the same user ID and password provided in **Step 2** above, and select "SUBMIT QUESTION" to pose questions ("Pre-AGM Meeting Questions"). The questions may be submitted commencing from 23 April 2021 until 24 May 2021.

- Shareholders may also pose questions during the live streaming of the 36<sup>th</sup> AGM via <https://web.lumiagm.com>

### Gift Policy

- There will be NO DISTRIBUTION of door gifts for members/proxies who join or participate at this virtual AGM.

### Enquiry

- For enquiries on voting procedure and e-polling, please refer to Boardroom Share Registrars Sdn Bhd:

#### Contact persons

#### Telephone No.

- |                              |                |
|------------------------------|----------------|
| 1. Puan Rozleen Monzali      | +603-7890 4739 |
| 2. Encik Ibnu Suffian Mas'on | +603-7890 4743 |

Help desk : +603-7890 4700  
[bsr.helpdesk@boardroomlimited.com](mailto:bsr.helpdesk@boardroomlimited.com)

- For enquiries on the administrative details of this meeting, please contact the following persons during office hours (Monday - Friday from 8:30 a.m. to 5:30 p.m.):

#### Group Company Secretarial Division

#### Contact persons

#### Telephone No.

- |                               |                |
|-------------------------------|----------------|
| 1. Puan Noorsham Abdul Rahman | +603-2240 1225 |
| 2. Puan Khatijah Mohd Noor    | +603-2240 1223 |
| 3. Puan Sitinor Athirah Azli  | +603-2240 1220 |



This page has been intentionally left blank.

# > REQUEST FORM

FOR PRINTED COPY OF INTEGRATED ANNUAL REPORT 2020



**TELEKOM MALAYSIA BERHAD**  
198401016183 (128740-P)  
(Incorporated in Malaysia)

Boardroom Share Registrars Sdn Bhd  
11<sup>th</sup> Floor, Menara Symphony  
No. 5 Jalan Prof Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

Telephone No:

- +603-7890 4739 (Puan Rozleen Monzali)
- +603-7890 4743 (Encik Ibnu Suffian Mas'on)

Email Address:

- [ibnu.suffian@boardroomlimited.com](mailto:ibnu.suffian@boardroomlimited.com)

Facsimile No:

- +603-7890 4670

Please send to me/us a printed copy of the Integrated Annual Report 2020.

Name of Shareholder : \_\_\_\_\_

NRIC No./Passport No : \_\_\_\_\_

Company No. : \_\_\_\_\_

CDS Account No. : \_\_\_\_\_

Address : \_\_\_\_\_

Contact No./Email Address : \_\_\_\_\_

Dated this \_\_\_\_\_ day of \_\_\_\_\_ 2021

\_\_\_\_\_  
Signature of Shareholder

1. Fold Here

---

AFFIX STAMP

**The Share Registrar**

Boardroom Share Registrars Sdn Bhd  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

---

2. Fold Here

## > PROXY FORM



**"A"**

I/We \_\_\_\_\_  
(Full Name as per NRIC/Passport No./Certificate of Incorporation in capital letters)

Company 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 36<sup>th</sup> AGM of the Company to be held fully virtual via the meeting platform <https://web.lumiagm.com> from the Broadcast Venue at Kristal Hall, TM Convention Centre, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia on Tuesday, 25 May 2021 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 No./Certificate of Incorporation in capital letters)

Company 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 36<sup>th</sup> AGM of the Company will be held fully virtual via the meeting platform <https://web.lumiagm.com> from the Broadcast Venue at Kristal Hall, TM Convention Centre, Menara TM, Jalan Pantai Baharu, 50672 Kuala Lumpur, Malaysia on Tuesday, 25 May 2021 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"		Proxy "B"	
			For	Against	For	Against
	<b>Ordinary Resolution</b>					
1.	Re-election of Datuk Siti Zauyah Md Desa pursuant to Clause 106(2)	- Resolution 1				
2.	Re-election of Anis Rizana Mohd Zainudin (Q Mohd Zainuddin pursuant to Clause 106(2)	- Resolution 2				
3.	Re-election of Shazril Imri Mokhtar pursuant to Clause 106(2)	- Resolution 3				
4.	Re-election of Dato' Mohd Naim Daruwish pursuant to Clause 112	- Resolution 4				
5.	Re-election of Hisham Zainal Mokhtar pursuant to Clause 112	- Resolution 5				
6.	Re-election of Suhendran Sockanathan pursuant to Clause 112	- Resolution 6				
7.	Payment of Directors' fees	- Resolution 7				
8.	Payment of Benefits Payable to Non-Executive Chairman and Non-Executive Directors	- Resolution 8				
9.	Re-appointment of Ernst & Young PLT as Auditors of the Company and authorisation to Directors to determine their remuneration	- Resolution 9				
10.	Renewal of Authority for Directors to Allot and Issue New Ordinary Shares in relation to the Dividend Reinvestment Scheme	- Resolution 10				
11.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions with Axiata Group Berhad and its subsidiaries	- Resolution 11				
12.	Proposed Renewal of Shareholders' Mandate for Recurrent Related Party Transactions with Tenaga Nasional Berhad and its subsidiaries	- Resolution 12				

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2021

No. of Ordinary Shares held	
CDS Account No. of the Authorised Nominee*	
Telephone No.	
Email Address	

\* Applicable to shares held under nominee account only

Signature(s)/Common Seal of Member(s)

### NOTES:

Proxy and/or Authorised Representatives

- 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.
- 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.
- 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.
- 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 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. If the proxy form is signed under the hand of an officer duly authorised, it should be accompanied by a statement reading "signed as authorised officer under an Authorisation Document which is still in force, and no notice of revocation has been received". If the proxy form is signed under the attorney duly appointed under a Power of Attorney, it should be accompanied by a statement reading "signed under a Power of Attorney which is still in force, and no notice of revocation has been received". A copy of the Authorisation Document or the Power of Attorney, which should be valid in accordance with the laws of the jurisdiction in which it was created and is exercised, should be enclosed with the proxy form.

- 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.

- The instrument appointing the proxy together with the duly registered Power of Attorney 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 11<sup>th</sup> 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 taking the poll or **no later than on 24 May 2021 at 12:00 noon**. The Share Registrars will also provide a box at the ground floor of its office building for drop-in of proxy forms.

### Members entitled to Attend

- For the purpose of determining a Member who shall be entitled to attend the 36<sup>th</sup> 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 18 May 2021. Only a depositor whose name appears on the Register of Members/ROD as at 18 May 2021 shall be entitled to attend, speak and vote at the said meeting or appoint proxy/proxies to attend, speak and/or vote on his/her behalf.

### Personal Data Privacy

- By submitting the duly executed proxy form, the Member and his/her proxy consent to 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

- 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 36<sup>th</sup> 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  
11<sup>th</sup> Floor, Menara Symphony  
No. 5, Jalan Prof. Khoo Kay Kim  
Seksyen 13, 46200 Petaling Jaya  
Selangor Darul Ehsan  
Malaysia

---

1. Fold here



[www.tm.com.my](http://www.tm.com.my)