

# *Accelerating Developing Minds*

*Information is key  
And knowledge is power*

*Enablers we are  
Connecting schools, colleges and universities*

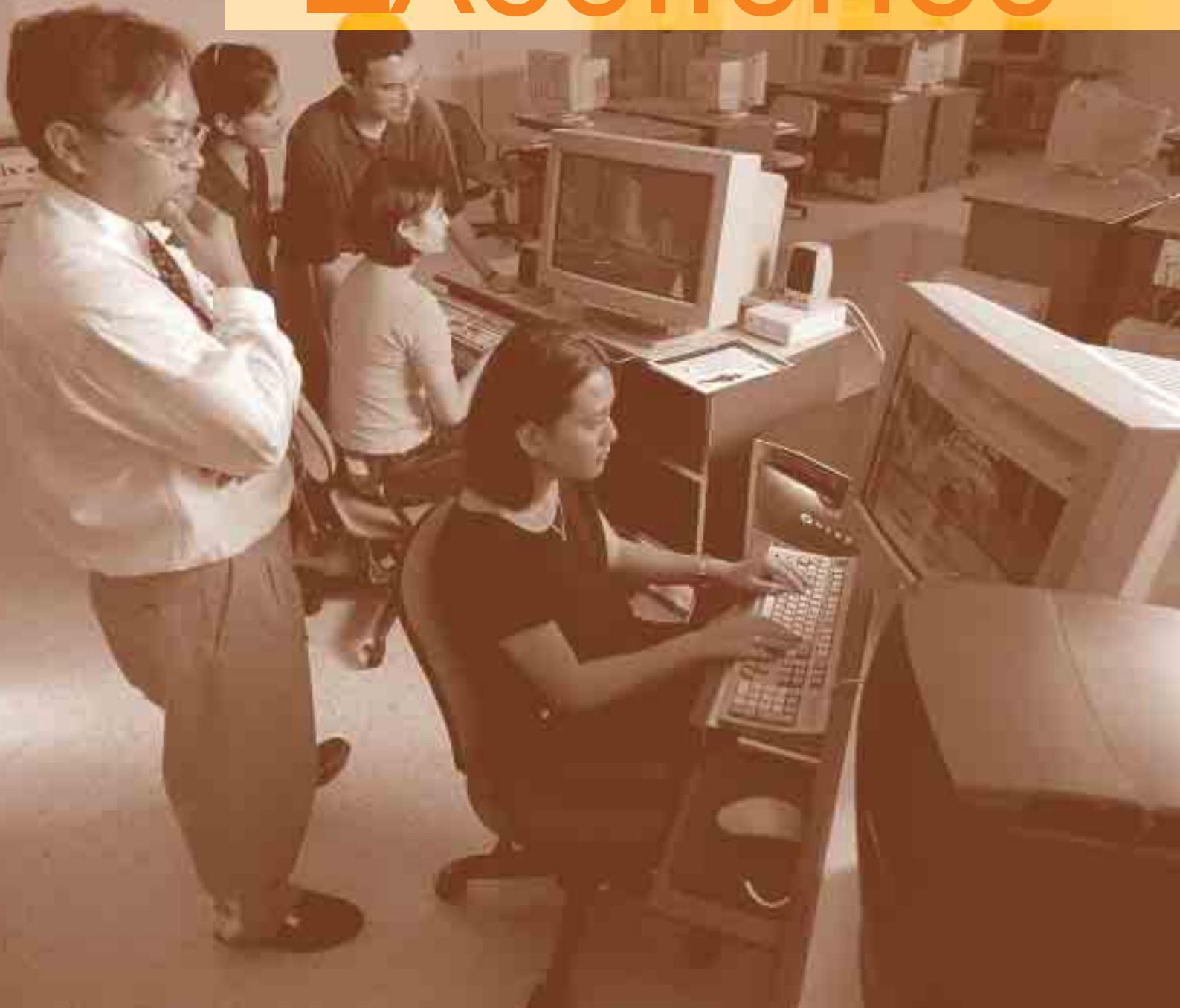
*Addressing the needs of the nation  
Instilling the benefits of a k-society*

*With Smart schools, we lay the foundation  
With Multimedia University, intellectuals bear testimony*

*By accelerating developing minds  
Everyday, in so many ways  
We're Opening Up Possibilities*



# Educational Excellence





## MANAGEMENT

### Universiti Telekom Sdn. Bhd.

PROF. GHAUTH JASMON

President

### Telekom Research & Development Sdn. Bhd.

HJ. AHMAD TARMIDI

MOHAMAD

Chief Executive Officer

### Telekom Smart School Sdn. Bhd.

HJ. MUSTOPHA AHMED

Chief Executive Officer

### Telekom Training College

DATUK IR. AHMAD ZAINI

MOHD AMIN

Chief Executive Officer

Telekom Malaysia continues to give strong emphasis on education as the foundation to build a knowledge society to propel the nation towards a challenging and dynamic new economy. To support its initiative in education, Telekom Malaysia has established four key entities, namely:

- Multimedia University (MMU)
- Telekom Research & Development Sdn. Bhd. (TMR&D)
- Telekom Smart School Sdn. Bhd. (TSS)
- Telekom Training College (TTC)

## UNIVERSITI TELEKOM SDN. BHD.

Universiti Telekom Sdn. Bhd. was incorporated in June 1997 to manage Multimedia University (MMU) in response to a mandate given to Telekom Malaysia by the Ministry of Education to set up the first private university in Malaysia. The university was formerly known as Universiti Telekom with its campus in Melaka. Subsequently, in March 1997, Telekom Malaysia was given another enormous task of setting up a Multimedia University, to be located in the heart of Cyberjaya.

The Multimedia University (MMU) currently operates two campuses, one each in Cyberjaya and Melaka. The University has 23 Centres of Excellence within seven faculties in areas such as High Speed Broadband Networking, Virtual Reality & Computer Graphics, Innovative Education and Multimedia Communications. It also offers more than 60 courses at Alpha (Foundation), Diploma, Degree and Post-Graduate levels on such disciplines as Knowledge Management, Knowledge Engineering, Knowledge Economics, e-Business and Multimedia Computing.

To spearhead its research in technology and capitalise on global expertise in various areas of technology, MMU has collaborated with such renowned transnational organisations as Microsoft, Intel, NTT, Alcatel, Lucent Technologies, Fujitsu, Motorola, Matsushita, Cisco, Nokia and IBM, to name a few.

## educational excellence

MMU prides itself in utilising the latest technology and experimenting with innovative methods in the courses it offers. One such initiative is e-Management, where knowledge sharing is achieved via an Integrated Computerised Education Management System (ICEMS) to promote a paperless administration. The Multimedia Learning System software which was developed in-house and commercially available, functions as a support for teaching and learning activities.

In the year 2002, Multimedia University (MMU) recorded an increase of RM17 million in revenue, representing a growth of 17% from RM103.7 million the previous year. The major contributors to the revenue increase were external collaborations and affiliations as well as provision of professional consulting services. Its student's population increased to 14,200 compared to only 1,300 when the university first opened its doors in 1997. It attracts both local and foreign students from over 40 countries around the world.

In October 2002, MMU jointly launched the Networked Multimedia Education System (NMES) project with the Ministry of Energy, Communications and Multimedia and the Japan International Cooperation Agency (JICA). JICA provided a grant of RM15 million in the form of equipment to the project which aims to develop a satellite-based tele-education infrastructure and application to promote interactive tertiary education in remote locations.



multimedia  
university

As part of Telekom Malaysia's initiative to reach out to the nation through the provision of ICT education, MMU introduced the Bachelor of e-Business as part of its Internet-based distance learning in December 2002.

MMU is continuously reviewing trends and opportunities in the ICT industry which are reflected through the introduction of new and advanced courses. Several new programmes, such as the Bachelor of IT in Virtual Reality and Artificial Intelligence, are awaiting accreditation by the Ministry of Education. To further reach out to the nation, MMU is planning to expand its Internet-based distance learning programme to include a Diploma in IT. All new programmes introduced by MMU take into consideration the requirements of the industry, ensuring that knowledge acquired by graduates will be relevant in the workplace.



*Forging ahead on the R&D front.*

## TELEKOM RESEARCH & DEVELOPMENT SDN. BHD. (TMR&D)

TMR&D was formed as a forefront outfit for research activities for Telekom Malaysia. TMR&D currently has 140 researchers the majority of whom are holders of first degree in various disciplines of technology.

With the highly competitive environment of telecommunication business, Telekom Malaysia has placed great emphasis on the need for innovative and quality research products that could be rolled out as services to the public.

In view of this pressing need, TMR&D has embarked on programmes that provide researchers with the opportunity to obtain Masters and Doctorate degrees.

In late 2002, TMR&D introduced a Postgraduate Study Scheme (PSS) which would enable researchers to pursue Masters or PhD education by way of research on a part-time basis at local institutions and universities. One of the advantages of this programme is that staff member under the PSS holders are able to obtain their postgraduate degrees while completing their research projects.

## TELEKOM SMART SCHOOL SDN. BHD. (TSS)

Telekom Smart School Sdn. Bhd. (TSS) was set up in 1999 to incorporate advanced technology-based teaching and learning processes to the existing national education system.

On this front, TSS collaborated with seven local firms and three multinationals to implement the Malaysian Smart School Pilot Project – a flagship application within the Multimedia Super Corridor. The project involved over 1,000 skilled IT professionals and over 81 small and medium-sized enterprises in Malaysia. TSS received the Final Systems Acceptance (FSA) Certification from the Ministry of Education in December 2002, marking the successful completion of the pilot project. Some of the achievements by the Malaysian Smart School Pilot Project include:

- The development of 1,494 courseware titles
- The development of Malaysia's first Integrated Computerised Smart School Management System
- The setting up of 87 Malaysian Pilot Smart Schools
- Training of over 60 staff from the Ministry of Education, who have been seconded to TSS

## educational excellence



*Smart School in session.*

In July 2002, TSS achieved another commendable milestone with the receipt of a licensing agreement from the Ministry of Education for a 50-year copyright to market the Smart School concept within and outside Malaysia. TSS is currently focusing on marketing the Smart School Integrated Solution (SSIS) to government schools and private institutions.

The National Smart School Pilot Project was a RM300 million contract with the Ministry of Education, which ended in December 2002. Another two projects with the Ministry of Education, the Maths and Science Translation Project and the Help Desk Extension Project, are valued at RM8 million and RM3.65 million respectively. Both are expected to be completed by the 3rd Quarter of 2003.

Following the successful completion of the Malaysian Smart School Pilot Project, TSS has been conferred the coveted title of being Malaysia's Multimedia Education Systems Provider. TSS is now ready to seek opportunities within secondary markets such as the Government or private sector within and outside Malaysia. In its menu of services are Consultancy, Project Management, Technology Infrastructure Management, Systems Management, Operations Management and Change Management.

Using its experience gained during the roll-out of the Smart School Pilot project, TSS is now working closely with the Government to ensure that the SSIS is successfully deployed in schools around Malaysia. Further investments will be made in research and development to enhance the current product and to adopt new technology to be incorporated into the education system. TSS will expand its existing products to include e-learning (online education) and web-based education.

Backed by solid experience and skilled IT professionals within TSS, the Smart School concept can be adapted and enhanced for individual markets within Asia and the Middle East. To spearhead this initiative, TSS is in the process of exploring means to customise the current Smart School infrastructure to meet the needs of different countries. TSS is also looking at establishing strategic partnerships with local and international companies to meet future demands for Multimedia Education Systems overseas.

## TELEKOM TRAINING COLLEGE (TTC)

The Telekom Training College (TTC) in Kuala Lumpur was first established by the then Jabatan Telekom Malaysia in 1948. The objective is to provide its employees with adequate training to develop the necessary skills and competencies. TTC received its “college” status from the Ministry of Education in 1995. TTC currently has over 390 staff inclusive of those in 5 other Telekom Training Colleges or branch campuses in Taiping, Kuala Terengganu, Malacca, Kuching and Kota Kinabalu. All premises are equipped with state-of-the-art facilities, which include video conferencing facilities and digital libraries.

TTC has been operating as a private institution of higher learning (IPTA) since the year 2000, at par with some of the best educational and technical colleges in Malaysia. TTC offers a wide range of specialist courses under its diploma programmes to meet the requirements of our knowledge-based economy. These include:-

1. Diploma in Multimedia (Business & Computing)
2. Diploma in Multimedia Technology
3. Diploma in Technology (Telecommunication Engineering)
4. Diploma in Computer Science
5. Diploma in Marketing
6. Diploma in Accounting
7. Diploma in Administrative Management
8. Diploma in Marketing with Multimedia
9. Diploma in Management with Multimedia

TTC also offers certificate programmes in Web Mastering, ICT, Computer Programming and Training and Development.

In its quest to provide quality education to a wider audience, TTC has linked up with international institutions such as the Curtin University of Technology in Australia, the Universities of Portsmouth, Staffordshire and De Monfort in the UK. Locally, TTC has also established ties with Universiti Multimedia, Universiti Malaysia Sarawak, Universiti Utara Malaysia and Universiti Terbuka Malaysia.

Currently TTC conducts over 2,500 courses, seminars and workshops on technical, management, IT and multimedia related subjects, attended by over 40,000 local and international participants every year.

Apart from training Telekom Malaysia employees, TTC provides training to external bodies such as corporate customers, suppliers and government personnel. TTC also provides external consultancy services in Training Needs Analysis, Balanced Score Card, ISO 9000 and IT & Systems Design.

Several courses under e-learning which are conducted and administered via the Internet have also been introduced. These include courses in Information Technology, Desktop Computing, Management, Technical and Telecommunications.

In 2002, TTC's operating revenue comprised training revenue (69%) followed by education (16%) and other income (15%).

In recognition of its commitment to quality and its contribution to education in telecommunication, TTC was granted MS ISO 9001:2000 certification from SIRIM in 2002 and was appointed as the sole Certifying Agency for the Malaysian telecommunications industry by the Malaysian Communication and Multimedia Commission.

TTC has embarked on a mission to provide the highest quality of educational and training programmes to meet the country's current and future needs. A growing number of trainees from all over the globe are discovering the benefits of attending TTC courses as a necessary and integral part of their career development. TTC aims to be a world-class institution for telecommunications education, contributing to the nation's progress towards its envisioned k-economy.

*Quality training at TTC.*



# Human resource

## INTRODUCTION

In line with Telekom Malaysia's vision to be the Communications Company of Choice and its mission to be the employer of choice, the Human Resource (HR) Division adopted and executed several strategic thrusts during the year with the aim of creating a more agile workforce, reducing the total cost of employment so as to create value to Telekom Malaysia's Human Capital. This is in line with the objective of optimising service delivery; reducing cycle times; and increasing cost effectiveness by standardising and consolidating end-to-end HR processes.



*HR strategies and initiatives were streamlined to enhance the business performance of the Group.*

HR strategies and initiatives were streamlined to support and enhance the business performance of the Group. HR functionalities were focused on the principles of customer service excellence, high standards of product and service quality and correlation to the organisation's key performance measures. This is inspired by our Internal Core Values principles philosophy which emphasise on total commitment to our customers, uncompromising integrity and driven by a genuine concern to respect and care. These core values form the basis for the mindset paradigm shift among the employees.

In facing the onslaught of an increasingly demanding operating environment, the most challenging human resource strategy will be in trying to forge a team of quality and service driven employees.

In a move towards being a truly service-oriented entity, one major initiative is to adopt the Shared Service Organisation model, which will see human resource functions becoming

more focused on an integrated, quality-based operational and transactional services. Workforce planning is continuously undertaken to ensure that the relevant competencies and skills were put in place to meet organisational goals and business needs.

In another initiative, Performance Consequence Management (PCM), was introduced as a management tool to effectively track employee performance against business strategies, targets and action plans.

PCM was employed to provide a systematic management of a fair and proper performance appraisal. The ultimate aim of this management tool is to maximise Company resources and improving productivity. Through PCM, employees who have performed well are given due reward while employees with unsatisfactory performance are managed in accordance with established industrial practice and rehabilitated through counselling, coaching and mentoring.



An online 360 Degree Feedback system, which is a holistic performance appraisal system was also developed. This feedback system helps to address the sensitivity of performance appraisal. It serves to evaluate and provide feedback on the performance of the Company's executives from an all round perspective i.e. from superiors, peers, subordinates and even the customers. The 360 Degree Feedback system helps to eliminate the inherent weaknesses of a conventional appraisal system such as middle rating and different value judgements.

As in other industries, deregulation has changed the business environment in which the Company operates. The move to a deregulated market place has created unprecedented competition, both for business and management talent.

Telekom Malaysia faces growing pressure to drive performance, grow and diversify quickly and efficiently, integrate acquisition targets and deliver better shareholder value to the external marketplace. Many of these business challenges are not new and will become increasingly predominant in an era where creation, and indeed the preservation of shareholder value cannot be compromised.

This reduction in number of employees has helped to reduce total employment cost for the Group while improving employee productivity and revenue per Direct Exchange Line (DEL). The Company will continue to strive towards improving productivity and reduce its manpower number to 27,983 for the year 2003.

HR's emphasis on building a strategic leadership and enhancing the knowledge and skills of top management was initiated via an Organisational Development and Advisory Services program. The leadership training and development programs for the Company's top 200 Key Talents continued through the Company's customised Executive Development programs. A total of RM10.6 million was invested in human resource development for the year 2002.

As part of its contribution to society's development and continuous learning environment, Telekom Malaysia has invested a total of RM45.5 million in scholarships and loans via the Company's Scholarship Foundation. To date, the Company has sponsored a total of 2,789 students in pursuing their education abroad and locally. Out of this, 841 of the sponsored students have been recruited into the Company.



The need to build and sustain greater market share translates to the need for a sales force that can support this business goal. In line with change, the Company requires the Right Culture, Right Skills and Talent Mix. It also necessitates different competencies, supported by innovative, flexible and relevant human resource processes. In order to support the new shift, the introduction and integration of broad banding into HR processes such as compensation, talent management and career management are critical.

With a total Group staff strength of 29,800 at year end, right-sizing and right-skilling continue to become a major objective in optimising productivity and revenue per employee. To achieve this, the company offered a Voluntary Separation Scheme (VSS) during the year, which was accepted by 1,763 employees.

In line with the Human Resource Development Act 1992, the Company contributes towards the training and development fund levy by the Government. The Company, which is one of the major contributors to the fund, allocates approximately RM6 million per year towards this.

In fulfilling its social obligation, the Company also participated in the National Economic Action Council (NEAC) programme in providing practical training to degree and diploma holders during the year. This was an initiative to provide skills and training for graduates and diploma holders during the current economic slowdown. Through this programme, the affected individuals were equipped with skills and work experience that increased their employability and mobility. Hence, prospective employers would get employees who are skilled and more productive.

Customer Relationship Management (CRM) has been generally described as the tool and process of acquiring, satisfying, retaining and growing profitable customers. It is about understanding, delivering and exceeding customer expectations. To achieve business goals, CRM requires a customer-centric philosophy and culture to support effective markets, sales and service processes.

A true CRM programme manages the total end-to-end customer related process for an organisation, optimising marketing strategies across multiple channels throughout the organisation.

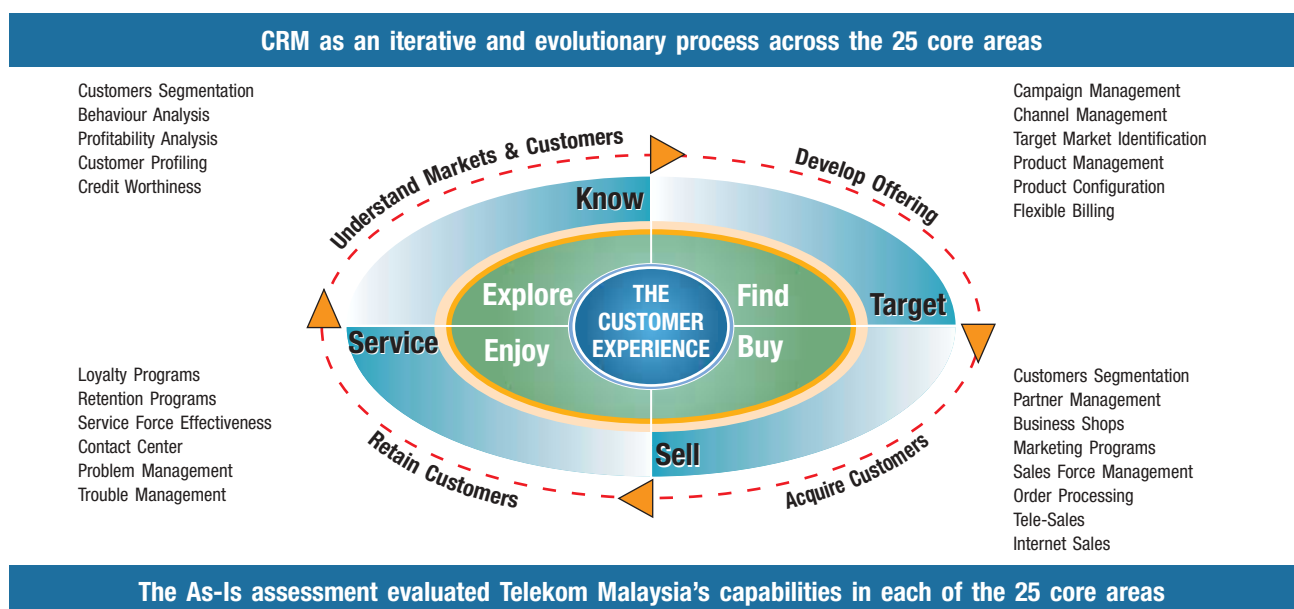
As Telekom Malaysia goes through the transformation process towards becoming the communications company of choice, our main thrust is to maintain value for the customers. The implementation of the full CRM initiatives is aimed at the realisation of long-term benefits for the customers and the Company.



# CUSTOMER RELATIONSHIP Management

## TELEKOM MALAYSIA CRM ROAD MAP

Telekom Malaysia jointly conducted a CRM Roadmap study with an external consultant team in April 2002. The model of the study is summarised in the following diagram:





*Telekom Malaysia offers a wide range of products to complement its telephone service.*

The study conducted an extensive review of the current Telekom Malaysia's CRM capabilities, as well as assessing the gaps between the "as-is" and the "should-be" required to become a Best In Class Communication Company. A full-fledged CRM programme in Telekom Malaysia Group was launched by the Chief Executive on 2 September 2002. An initial group of fifty personnel from TM TelCo, TM Cellular Sdn. Bhd., TM Net Sdn. Bhd. and other subsidiaries were selected to plan, design and execute the initiatives contained in the CRM Road Map. Eight project teams have been formed to address a wide scope of customer sales & service areas, assisted by internal and external subject matter experts. The internal consultants from the Change Management Office served as project facilitators.

The four core areas, Know, Target, Service and Sell are being translated into areas of benefits. The CRM Roadmap provides the framework for the execution of the areas of benefits or core CRM functions focussing on strategy, people, process and technology.

## **CURRENT CRM INITIATIVES**

The current CRM initiatives cover Stage 1 of the CRM Roadmap which focus on establishing the foundation. Broadly, Stage 1 deals with issues like developing the right products, right marketing and sales approach, knowing the customer and build loyal customer base and provide quality service over multiple channels.

Once the foundation stage is completed, the next initiative would focus on delivering the customer experience. The final stage would be realising the vision of becoming a totally customer centric organisation.

Brief description of the initiatives that are currently under Stage 1, are as follows:

### **1. CUSTOMER SEGMENTATION, LOYALTY AND RETENTION**

To enhance our customer profiles and demands, we need to explore key opportunities in stimulating more marketing and customer service programmes. The Customer Segmentation team has embarked on an exercise to align the current segmentation strategy to improve the market share in terms of customer acquisition and retention.

### **2. PRODUCT & CHANNEL MANAGEMENT**

To address the gaps in the existing marketing and channel management, the CRM Team has designed a new strategy and programme to improve the efficiency and effectiveness of partner management. The main objective is to enhance channel capabilities to serve the customers better through effective up-selling/cross-selling, online order entry, bill payment collection and post-sales support.

The Product Development Team is responsible for streamlining and improving the speed to market the products. The Product Quality and Management Team are tasked with enforcing a rigorous and measurable product life cycle and product processes to enhance product profitability and product commercialisation.

## customer relationship management



*Complaints are handled more efficiently with the new enhanced SMART system.*

The speed and quality of Customer Network Operation has improved particularly in the provision of service and restoration for Telekom Malaysia customers. The overall installation of fixed lines within 24 hours has achieved 97%, while the overall restoration for fixed lines within 24 hours has reached 86%. 97.8% of calls answered at the Customer Care Centre are within 10 seconds.

The SMART (Sistem Maklumat Aduan dan Resolusi Telekom) system to monitor customer complaint was upgraded with more features and functions. Complaints can

### 3. SALES FORCE EFFECTIVENESS

Sales automation programmes are being introduced to allow sales personnel to focus their efforts on building relationships with their customers. In addition, the Sales Force Effectiveness Team is working to equip the sales team with better selling skills, IT sales support tools and to devise an incentive scheme for the sales force.

### 4. SERVICE FORCE MANAGEMENT

CRM teams are entrusted to improve frontline customer service. The primary objectives of the programme is to ensure total customer satisfaction in enjoying the services provided by all Telekom Malaysia's channels. End-to-end process on service provisioning; fault restoration and customer contact are being developed with the introduction of an improved automated management system.

### 5. RELATED CUSTOMER SERVICE IMPROVEMENT PROGRAMME

Many other customer service programmes have been undertaken by the Company at the operational level to improve the level of service throughout 2002. The short-term programmes were initiated to support the Company objectives of becoming the communication company of choice.

The enhancement of the Public Emergency Response System (PERS) was commissioned in Kuantan. The PERS 999 is equipped with the caller number identification and voice recording system, enabling identification of crank callers. This reduced the number of crank calls in the areas covered during the pilot trial.



now be tracked and resolved within one to seven days via the SMART system anywhere, anytime by the service personnel. The average duration to resolve the complaints on billing disputes for the year was within 12 days.

TM Payphone has improved on the serviceability and image of its public telephones. The overall serviceability nationwide was 77%. A total of 19,500 outdoor payphone booths have been refurbished and restored during the year.

In 2002, Kedai Telekom embarked on comprehensive customer service improvement initiatives. All the 94 outlets have been awarded the ISO 9001 certification. On 18 October 2002, Kedai Telekom Shah Alam received the “Anugerah Prestasi Cemerlang” for excellent service under the “Anugerah Kualiti Menteri Tenaga, Komunikasi dan Multimedia”. The payment collection system has been upgraded to improve the speed of payment transactions and the update of customer accounts. Twenty-five Kedai Telekom were upgraded with improved overall Kedai amenities and facilities, providing comfort and appeal to our customers. For the main Kedai Telekom, the service hours have been extended including Saturdays and Sundays to provide greater convenience and accessibility to customers and general public.

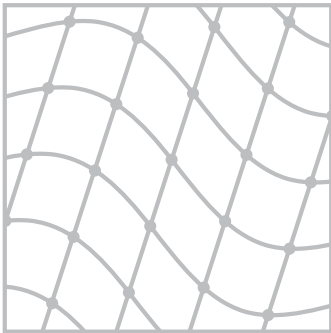
TMTOUCH has initiated the welcoming message for roaming customers. Auto-reconnection service for customers upon the settlement of outstanding payment was also installed and implemented. High usage and selected customers were offered gifts for the festive seasons; free 64k Sim cards, birthday cards, free IDD subscription, payment through Telecare Centre via credit cards and personalised customer service. Service at the Telecare Centres has been extended to 24 hours since December 2002.

TM Net Customer Interaction Centre (CIC) has implemented a programme that provides different levels of customer service to different segments. This programme has enabled TM Net CIC to achieve a global service support centre practices (SCP). Customer Interaction Centre has achieved the average of 80% of incoming enquiries during office hours.



*Ninety-four Kedai Telekom nationwide to serve 4.59 million customers.*

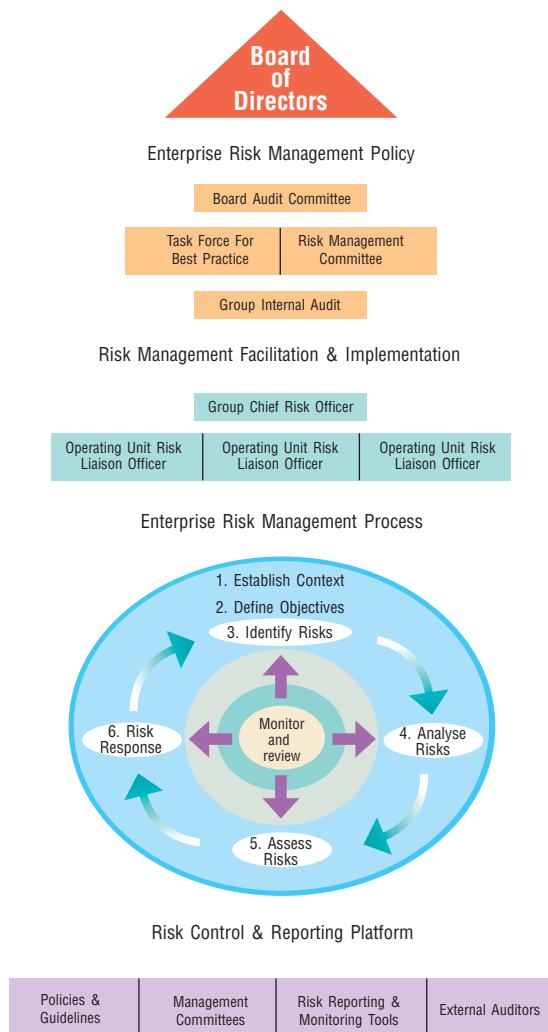
# Risk Management



Telekom Malaysia is committed to a risk-based system of internal controls designed to provide reasonable assurance in achieving the Group's business objectives while safeguarding and enhancing shareholders' investment and the Company's assets.

The risk management approach will be conducted through an integrated framework and programme to be implemented across the Group. This programme will allow for the systematic and proactive identification of threats to resources, and at the same time encourage the development of appropriate strategies to minimise risks.

In view of the size and the diversity of operating units within the Group, the risk management programme will be managed by various committees using manuals and a controlled self-assessment methodology. The structure of key committees involved in providing direction, implementation and monitoring the risk management programme is illustrated below:



- **BOARD AUDIT COMMITTEE (BAC)**

The BAC will support the oversight function of the Board. Its main responsibility will be to identify principal risks and ensure the implementation of appropriate systems to manage these. It must understand the principal risks affecting all companies within the Group, and recognise that business decisions require risk-taking. The relevant processes and systems to monitor and manage these risks will be put in place to ensure a balance between risk-taking and internal controls.

- **GROUP INTERNAL AUDIT DIVISION**

The Group Internal Audit Division will promote risk management through the facilitation of Enterprise Risk Management (ERM) workshops, and by assisting the management in identifying, assessing and formulating response plans to manage risks. Internal auditors will perform independent evaluation of the effectiveness of the risk management systems of the Group and all companies within the Group.

- **TASK FORCE FOR BEST PRACTICES (TFBP)**

The Task Force for Best Practices (TFBP) will comprise the Group Chief Financial Officer, Group Chief Auditor, Chief Financial Officer TM TelCo and the Company Secretary. TFBP will be responsible for monitoring, tracking and reviewing the implementation of ERM by the Telekom Malaysia management. Essentially, it will review the operating companies' risk profiles, response plans and the acceptability of risk-taking. It will review reports and summaries of aggregated risks produced by the Chief Risk Officer (CRO), and table these to the BAC.

- **RISK MANAGEMENT COMMITTEE (RMC)**

The Risk Management Committee (RMC), headed by the CRO and will consist of the Risk Liaison officer from major business units and operating companies, will coordinate the enterprise risk management (ERM) for the Group. The RMC will formulate enterprise-wide risk management programmes and action plans, identify principal risks of the organisation and report its activities to the TFBP, which in turn will report regularly to the Board Audit Committee. The CRO will maintain appropriate systems and records, inventory of risk profiles and response plans, including follow-up mechanisms to ensure the effectiveness of the risk management systems, of the Group and all companies within the Group.

- **OPERATING COMPANY**

The management of the operating company is responsible and accountable for the following:

- establishing clear business objectives, identifying, analysing, assessing significant risks and formulating risk strategies
- developing risk management standards and practices in the areas for which they are accountable
- ensuring these practices are fully communicated to and have the active support of all employees
- ensuring systematic and regular identification and analysis of loss exposures
- designing, operating and monitoring a sound system of internal control
- ensuring a risk-based approach is adopted in internal controls and embedded in all business processes

## **PRINCIPAL RISKS AND RISK RESPONSES**

The following describes major risk areas the Group is exposed to, and which could materially affect the business, turnover, profits, assets, liquidity, capital resources, and the reputation and control measures that have been put in place.

- Strategic risks
- Operational risks
- System risks
- Compliance risks
- Financial risks

## risk management

- **STRATEGIC RISKS**

A strategic risk is the potential loss, financial or other damages such as dissatisfied shareholders, poor business partners, loss of key customers, adverse government policies, poor product quality from suppliers, loss of reputation, increased competition between telco operators and ineffective monitoring/measurement of Group performance.

Recognising Telekom Malaysia's exposure to such risks, several high-level management committees have been given the task of reviewing these exposures periodically, preparing risk response plans and updating the Board regularly on results. Shareholders are kept abreast of the Group's performance via periodic analyst briefings, conferences and road-shows, while customer satisfaction is monitored through The Customer Relationship programme in place since year 2001.

- **OPERATIONAL RISKS**

An operational risk is the potential loss, financial or other damages arising from operational inefficiency as a result of ineffective marketing strategies, poor network management, obsolete technology or damage to revenue generating assets due to an accident or act of God.

Being the backbone of the nation's telecommunications infrastructure, one of the Group's major tasks is to ensure the seamless availability of telecommunications services. Towards this end, it has set up National Network Operation Centres to monitor operations and perform 24-hour "health-checks" on the networks. This minimises service interruptions and hastens service restoration. In-built protection and diversity have been routinely embedded in the telecommunication systems during the planning and implementation stages.

To preserve revenue and minimise the risk of its leakage, especially due to telecommunications fraud, a dedicated fraud management division has been established within the TelCo and cellular operations.

- **SYSTEM RISKS**

Being the company with the largest electronic-based assets, the Group has to manage all risks associated with information technology. In this respect, the IT masterplan was drawn up to address six core areas – security; networks; applications; desktop, e-mail, internet and intranet; software assets management; and business continuity. The IT business continuity programme was part of the Enterprise Business Continuity Platform (EBCP) project.

The Automated Document Factory (ADF) has been adopted as a measure to automate the entire billing production factory from capturing data input to output delivery integration. The establishment of an integrated finance and accounts systems using an e-finance platform, inter-linking marketing related activity through e-marketing, is now in progress as part of the risk response plan to minimise potential revenue loss caused by billing related risks.

- **COMPLIANCE RISKS**

Compliance risk is the potential loss, financial or other damages arising from the failure to adhere to any law or regulatory requirement applicable to the Company, including KLSE listing requirements and the Malaysian Code on Corporate Governance. Recognising the significant impact of the risk exposure to the organisation, a Task Force for Best Practices (TFBP) was formed to ensure issues of compliance with statutory requirements are monitored regularly. The Corporate Regulatory Division and Company Secretary's Office are key agents in assisting the TFBP manage such risk exposure.

- **FINANCIAL RISKS**

Financial risk is the potential loss arising from financial transactions that include poor investment control; poor credit control procedures; the inability to generate funds for business expansion; adverse movements in interest rates and foreign currency exchange; the inability to maintain sufficient liquid assets to meet financial commitments; and financial criminal breach of trust. These risks are managed periodically through various committees, aided by policies and guidelines.

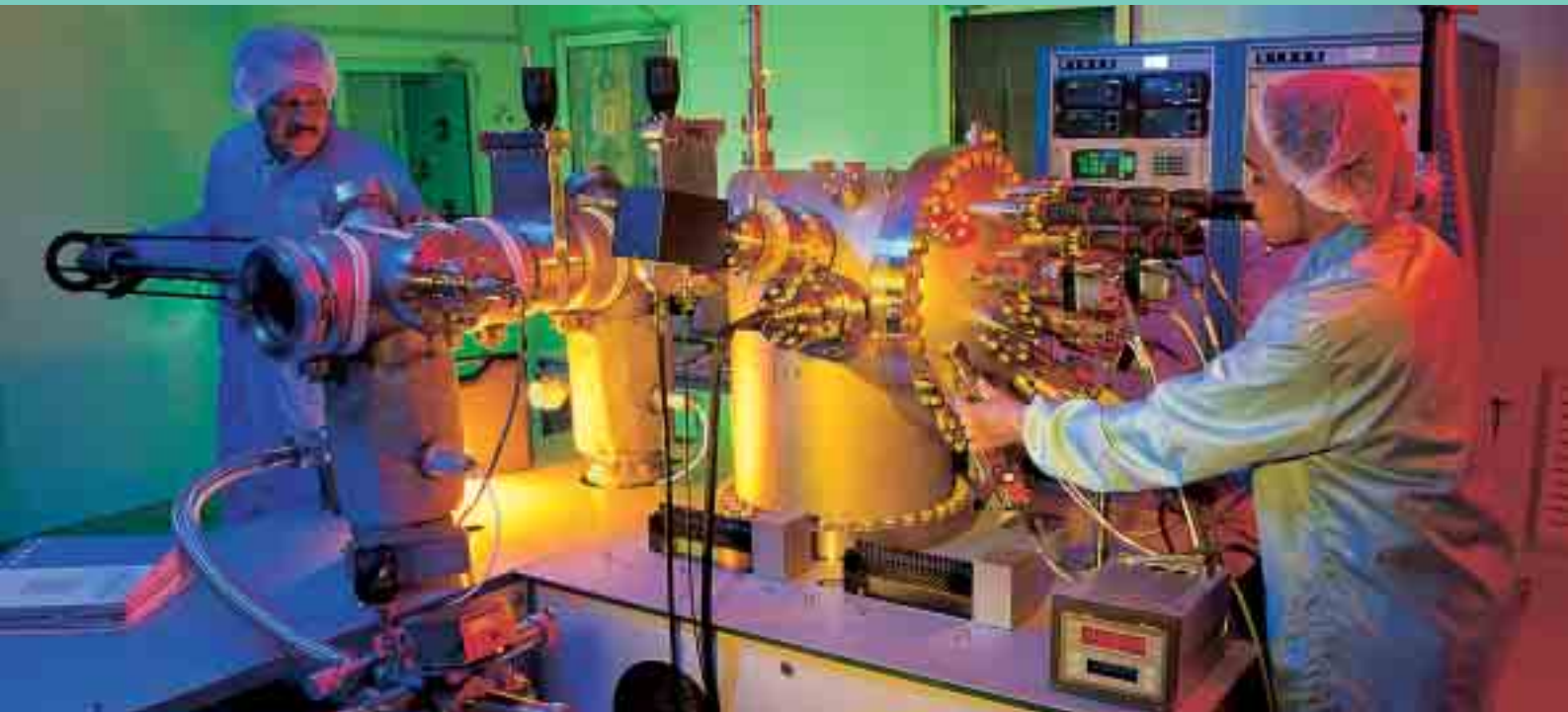
The business and financial transactions of the Group are guided by the Business Process Manual, outlining policies on business plans, the budget, capital and management expenditures, revenue, investment in subsidiaries, financial administration, audit, waste prevention and others.

The Budget Committee reviews and decides on the Group's budget allocation, including its cash-flow position, equity injection and loans to subsidiaries, operating expenses and capital expenditure performance.



# RESEARCH<sup>and</sup> DEVELOPMENT

With the onset of global competition and increased challenges in the market, there is an urgent need to enhance innovative capabilities and the quality of products and services to remain competitive. With that, Telekom Research & Development Sdn. Bhd. (TMR&D) was set up to undertake activities related to technology innovation as well as the enhancement of processes and services for Telekom Malaysia.

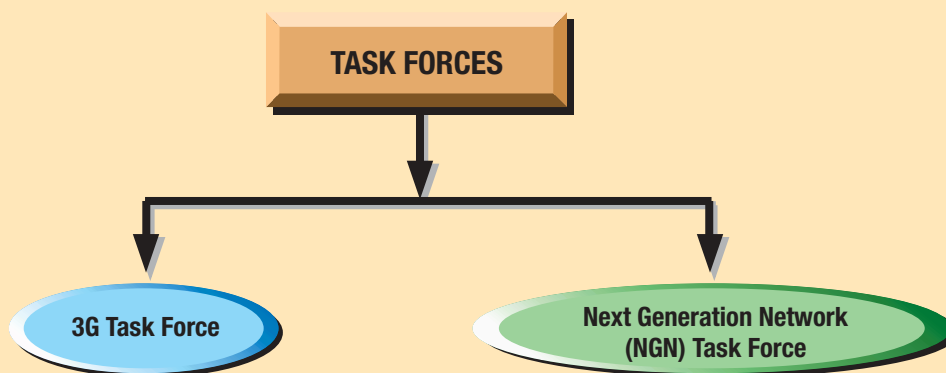


## research and development

TMR&D currently has 140 researchers, grouped into units based on individual skills and competencies. The four main areas of research are:

- Network and Wireless Technology
- Applications and Security Technology
- Material and Device Technology
- Modelling and Simulation Technology

Two research task forces were formed to look into the technical and research strategies of Telekom Malaysia's future business operations.



- Identify key research areas for a third generation wireless system
- Identify 3G research strategies for Telekom Malaysia
- Formulate technological and product roadmaps for Telekom Malaysia

- Identify key research areas in the wider technology area of NGN
- Develop test-beds where new systems and solutions can be tested with confidence
- Formulate an optimised integrated wireline and wireless solution for Telekom Malaysia's future business

Three units have been set up to support the research and development activities of TMR&D, namely:

- Marketing & Business Development – Responsible for gathering technological information and the management of intellectual property rights (IPR)
- Engineering and IT Support – Involved in calibration, prototyping and IT support functions
- Financial, Administration, Human Resource and Legal Unit – to perform business support functions.

In late 2002, TMR&D introduced a Postgraduate Study Scheme (PSS) with the aim of providing an opportunity for candidates to pursue Masters or PhD education by way of research on a part-time basis at local institutions.

TMR&D's researchers also participated in meetings and discussions on national projects among which, were the MIGHT Photonic Project and Intensified Research For Priority Areas (IRPA) Projects.

TMR&D successfully developed two technological innovations – the Intelligent Building Management System (IBMS) and Door Access System (ID Secure) for the Telekom Complex in Cyberjaya. IBMS was conceptualised on the platform of providing a productive and cost-effective environment through the optimisation of systems, services and management, and the interrelationships between them.

In recognition of its commitment to quality, TMR&D received SIRIM's ISO 9001:2000 certification in November 2002. A total of 11 Customer Satisfaction Surveys (CSS) were also carried out as part of the company's quality improvement initiatives. Year 2002 also saw the launch of TMR&D's *Research Journal*, documenting research initiatives and technological innovations.

TMR&D achieved a remarkable 48% increase in revenue to RM39.7 million for the period ending 31 December 2002, compared to RM26.9 million the previous financial year. Its consultancy arm meanwhile also registered higher contributions at RM6.4 million.

In line with its existing research activities, several research collaborations are in the pipeline with nine local universities and the Malaysia Institute for Nuclear Technology Research. TMR&D is confident that its research and development activities will provide Telekom Malaysia with an edge to lead the industry with new and enhanced products, services and processes.



*TMR&D – formulating an optimised integrated wireline and wireless solution for future businesses.*



# Environment, occupational SAFETY and **health** initiatives





*Safety and health in the work environment, a priority for Telekom Malaysia.*



Safety in the workplace is of utmost importance and remained a key focus to Telekom Malaysia. As part of our continuing efforts to improve the overall safety standards, Telekom Malaysia has come up with a comprehensive OSH Manual containing guidelines on safety at work which serve to avoid mishaps as well as manage unavoidable hazards. The manual is divided into sections applicable to customers, suppliers, contractors as well as workers. The OSH Manual was a key contributing factor that tipped the scales in Telekom Malaysia's favour in the final audit by DOSH Malaysia for the National Awards Program 2002.

In compliance with internal and statutory requirements, the manual also includes Accident Reporting & Investigation Procedures to make the staff more aware of the importance of reporting accidents and near-misses.

## environment, occupational safety and health initiatives



Telekom Malaysia was rewarded for its consistent efforts to improve occupational safety and health standards when its Pulau Pinang branch received the National Occupational Safety and Health Award 2002 in October. The Award is given out annually by the Department of Occupational Safety and Health (DOSH), Ministry of Human Resources, to promote safety standards in organisations locally. Among the criteria used to determine the recipient of the award are:

- the existence of a company Safety and Health Policy statement
- the existence of an effective and efficient Safety and Health Committee
- the establishment of a good Safety and Health Management System
- having a relatively low number of accidents, with no fatalities, in the given year

This was the first national OSH award received by Telekom Malaysia, although the Group has always laid strong emphasis on the safety of its employees. For example, while the Occupational Safety and Health

Act 1994 stipulates that any company with more than 40 staff needs to have a safety and health committee, Telekom Malaysia has an hierarchy of committees, starting with the premise/building committees which come under the individual state committees which in turn reports to the main committee.

As a result of its impressive health and safety standards, DOSH has also requested that Telekom Malaysia be a “mentor” in guiding and sharing its knowledge and expertise to small and medium industries (SMIs) in the area of occupational safety and health. Having accepted this two-year role, Telekom Malaysia’s duties include assisting SMIs develop and maintain their own health and safety measures by first identifying the particular risks and hazards that they face, and then conducting a suitable training programme for the staff of the company.

Telekom Malaysia has already acted as a mentor and role model to Ramly Food processing Sdn. Bhd. under its Mentor and Good Neighbourhood programme.



In addition to its mentoring responsibilities, Telekom Malaysia was also asked by DOSH to represent the telecommunications industry in the drafting of a Code of Practice – Safe Working in Confined Spaces, which was launched by the Minister of Human Resources last year. This is the first code of practice ever produced by the Government addressing health and safety issues in confined working spaces, such as manholes. Potential hazards particular to such conditions include lack of oxygen, high levels of toxic gases, and explosions due to the introduction of naked flames in the vicinity of flammable gases.

It was indeed an honour for Telekom Malaysia, together with other key industrial players, to be part of the National Technical Committee set up to develop such an essential code of practice.

A major area of concern for Telekom Malaysia's Safety and Health Committee was the exposure of its workers at hill stations throughout Malaysia to non-ionizing radiation, namely microwave and radiofrequency radiation.

In this regard, the company therefore appointed a team of specialists from the Malaysia Institute of Nuclear Technology (MINT) to conduct a study on non-ionizing radiation exposure at three hill stations, in Genting Highlands, Gunung Serapi in Sarawak, and Bukit Keratong in Sabah.

The study was carried out using electric and magnetic field probes based on established measurement standards and protocols which are recommended and adopted internationally. The study found that the radiofrequency and microwave radiation present in the areas around the premises of Telekom Malaysia's communications and broadcast stations vary from location to location. Even so, the average strengths of electric and magnetic fields at all locations were within acceptable limits for workers and members of the public as stipulated in the national communication guidelines adopted by the Malaysian Communication and Multimedia Commission (MCMC) (JTM's Guidelines) and recommendations made by the International Committee on Non-Ionizing Radiation Protection (ICNIRP).

Based on these findings, Telekom Malaysia is of the view that the presence of the communications and broadcast antennas at hill stations do not cause any dangerous increase in level of radiofrequency or microwave radiation, and pose no danger to the health of workers at these sites. This opinion is based on current knowledge and available scientific evidence, which suggest that such low radiation levels do not cause any adverse health effects.

On a more macroscopic level, Telekom Malaysia is working towards replacing the halon gas used in its fire protection systems in telephone exchanges in compliance with WHO guidelines which prohibit the use of halon because of its toxicity. This is aimed towards reducing environmental pollution and ozone layer depletion. Telekom Malaysia has allocated a substantial amount of resources to replace the halon gas fire protection system with approved environment-friendly, chlorofluorocarbon (CFC)-free, alternatives. This will be done in stages and the entire effort is targeted for completion by early 2005. Telekom Malaysia believes that this would contribute towards a safer, healthier and more sustainable environment for mankind.

Telekom Malaysia is committed not only to the well-being of its employees, but also, as a caring corporate entity, is concerned about the well-being of the nation, and indeed the world, as a whole.

# *Contributing To The Nation*

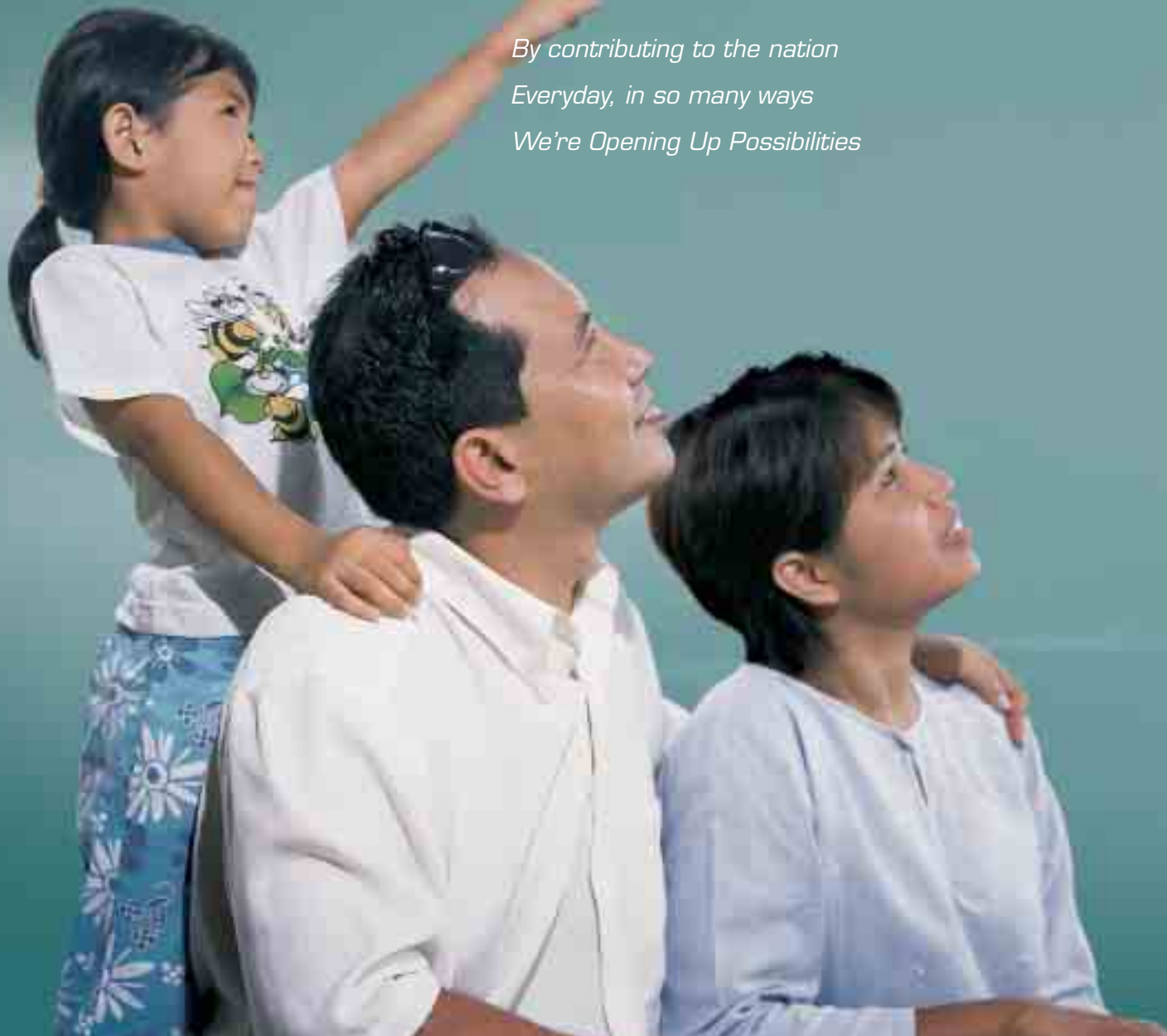
*We are the nation's engine of growth  
Enhancing the lives of all Malaysians*

*Fulfilling our obligations  
As a responsible corporate citizen*

*We are bridging the divide  
From communications to donations*

*Where our children and their children  
Will benefit from a brighter tomorrow*

*By contributing to the nation  
Everyday, in so many ways  
We're Opening Up Possibilities*





# OUR contributions to the **NATION**

Telekom Malaysia Berhad is not only the nation's leading communications provider. It is also a loyal partner to the country's development and progress. While its focus has always been, and remains, the provision of the most up-to-date communications services, Telekom Malaysia also takes its social and community responsibilities seriously.

Indeed Telekom Malaysia's heightened sense of social responsibility can be explained in part by the nature of its business. While, the country has developed to a level that it no longer has to worry about providing basic amenities to the people, it was not that long ago when cars were a novelty as were telephones, while computers and mobiles were virtually unheard of. In those days, only about 50 years or so ago, the provision of fixed line telephones to homes and businesses was in some ways one of the social services – it served to increase the nation's quality of life, and created the possibility of progress. Without the convenience of communication, there is limited scope for development.

Today, telecommunications, like the nation, has reached great heights of development. Telekom Malaysia's services are no longer confined to providing the basics. Rather, they serve to enhance the already efficient and sophisticated system and processes, build on what has already been achieved in order to accelerate even further the nation's transition into a globalised era.



Yet, the sense of providing for the community remains. Telekom Malaysia continues to play its part in spurring development in many parts of the country where its services are needed. It is committed to providing access to communications in the remote areas, such as those in the interior of Sarawak. It is committed to bridging the digital divide, and is playing an active role in educating those less exposed to the digital revolution so they can enjoy equal access to the immense possibilities that the multimedia world presents. It is committed to creating a healthy population, because physical fitness and endurance contribute positively to the overall psyche of the nation. Lastly, Telekom Malaysia is also committed to placing Malaysia on the international map and contributes to national events, not necessarily related to the industry. This is driven not so much out of a desire for glory but rather to show the world that we have what it takes to walk and talk among the best.

In 2002, as in previous years, Telekom Malaysia continued to contribute to the nation by stepping out of its business sphere and supporting various activities that promoted the well-being of the country. Although Telekom Malaysia does not limit itself to any particular type of sosio-development work, a large number of its non-profit-oriented activities can be broadly categorised into three areas namely intellectual development, sports and the community.

## TELEKOM MALAYSIA AND INTELLECTUAL DEVELOPMENT

Telekom Malaysia fully supports the Government's vision of moulding the country into a multimedia haven. In order to realise this vision, however, the people need to be nurtured in an IT and multimedia-rich environment such that they do not just have IT-knowledge but are able to apply this knowledge in their daily lives.

As it stands, there exists a disparity in IT awareness and skills across the country, most markedly between rural and urban populations. Realising this, the Government has made it one of its key objectives to bridge the "digital divide". Concerted efforts are being made to provide communications facilities such as Internet access to rural areas so that people can benefit from the many advantages they bring. Telekom Malaysia is very much involved in the programmes to connect rural Malaysia to the rest of the country and, indeed, the world.

But providing physical infrastructure is one thing. Improving the mental infrastructure of a nation is quite another, and much more difficult to achieve. While Telekom Malaysia of course provides the former, it also attempts the latter. Much of its efforts are concentrated where they would be most effective and practical – at the national school level.

Telekom Malaysia has made it a point to contribute as much as it can to improve the facilities and general studying environment in public schools, especially those in less developed areas of the country. Since the year 2001, it has been participating in the Education Excellence Programme by Yayasan Pembangunan Ekonomi Islam Malaysia (YPEIM). In essence, the programme provides financial assistance to needy students from selected schools in the Federal Territory, Selangor, Kedah, Terengganu, Kelantan, Pahang and Sabah. Telekom Malaysia has pledged to provide RM12,000 to each school a year for five years, ending in 2005. Last year, it made its second-year contribution totalling RM60,000 to the programme.

While the YPEIM aims to improve standards of education generally, Telekom Malaysia has also taken a keen interest in IT education and facilities in schools. Apart from its direct involvement in enhancing the use of IT in schools nationwide via the Smart School Project, the Company also supports any serious attempt by schools and other institutions of learning to improve IT literacy among their students.



*As a corporate organisation mindful of its social obligation, Telekom Malaysia contributes regularly in the areas of education, health, sports and welfare.*

## our contributions to the nation

Telekom Malaysia has continued to play its part in projecting the image of Malaysia at the international level. In 2002, it was, for the fifth consecutive year, the main sponsor of the Langkawi International Dialogue (LID), a meeting of some 450 heads of government, ministers, businessmen, legal advisors, journalists and trade unionists, mainly from Commonwealth countries, to discuss matters of global concern in an open and frank manner. The theme for last year's meeting was *Towards a Smarter Globe – Enhancing Security and Prosperity for Development Through Smart Partnerships*. Telekom Malaysia was the main sponsor of the Dialogue with a total sponsorship value of RM2 million.

In addition, Telekom Malaysia was also the platinum sponsor of three Asia News Broadcasting series – MSC Online Season I and II which was broadcast both on local TV as well as on Malaysia Airlines' in-flight programme. The series proved to be popular as a tool to update and educate viewers in the many ongoing activities in the MSC. For each serie, Telekom Malaysia sponsored RM450,000. And in the third Season of the series, Telekom Malaysia's Chief Executive Y.Bhg. Dato' Dr. Md Khir Bin Abdul Rahman was allocated three whole episodes in which he elaborated his views on "re-educating the public" and "the need to re-examine our core knowledge and skills to ensure the survival of the nation in the challenging networked digital era" – two areas he had broached in the previous season.



*Telekom Malaysia makes a Haj pilgrim's journey more comfortable.*

The Company was also one of the main sponsors of the Asia Pacific ICT Awards (APICTA) 2002. Reflecting its own interest and participation in this industry the e-Commerce Award Category was given in the name of Telekom Malaysia. The award was given to the most innovative ICT solution developed to enhance web-based transactions. The APICTA event was aimed at providing a platform for ICT innovators and entrepreneurs in the region to benchmark their products against each other; as well as to stimulate economic and trade relations, the transfer of technology and creating business opportunities.



*Telekom Malaysia lends a hand in enhancing ICT development.*

### TELEKOM MALAYSIA AND THE COMMUNITY

It is difficult to demarcate activities carried out by Telekom Malaysia that fall exclusively under a "community service" banner, as almost every activity carried would, to a certain extent, affect the community. However, a fair share of Telekom Malaysia's programmes and projects in the year 2002 could be classified as its contribution to the society and community at large.

Its community work got off to a good start in January when Telekom Malaysia again made its contribution to pilgrims who will be performing their Haj. Since 1995, the Company has been contributing practical accessories such as sling bags, face towels, luggage tags and shoe bags as well as prayer books to the pilgrims. In 2002, Telekom Malaysia donated no less than RM615,000 in such accessories. In addition, the Company also provided greater convenience for the pilgrim to call home by



offering a Malaysia Direct service, which enable them to make free calls from Saudi Arabia, where the call charges would be borne by the receiving party in Malaysia. In addition, it also offered special rates to subscribers of its mobile services while they were performing their Haj.

Telekom Malaysia, the main telecommunications sponsor, provided a toll free line comprising eight hunting lines, fax lines and Internet access for the Telekom 2002 campaign organised by the Majlis Kanser Nasional (MAKNA). The campaign aimed at raising funds via telephone pledges for cancer patients who needed financial aid.

The year 2002 marked a special year-long campaign by the Malaysian AIDS Council's. Telekom Malaysia was one of the main Corporate Sponsors donating RM250,000 to support its activities and mission on the occasion of its 10th Anniversary.

For the fourth time running, Telekom Malaysia participated in OPS SIKAP, a road safety campaign organised by the Royal Malaysian Police in conjunction with the festive season. The objective of the campaign is to heighten road safety awareness and promote courteous driving habits among road users. Telekom Malaysia's contribution is in the form of canopies for the use of police personnel on highways, banners and posters to the value of RM155,000.

## TELEKOM MALAYSIA AND SPORTS

Telekom Malaysia believes healthy bodies contribute to healthy minds and, therefore, progress of the nation. Consequently, it is a regular sponsor of a number of sporting functions, from local students' football, the Paralympics and Sukan Malaysia (SUKMA) to such international and renowned events as Telekom Malaysia

Le Tour de Langkawi. Telekom Malaysia has also provided its communications expertise at the 16th Commonwealth Games held in Kuala Lumpur in 1998, and the 21st SEA Games, also held in Kuala Lumpur, in 2001. Most recently, it has added the first ever World Tower Run Championship to its cap of sporting accomplishments.

Needless to say, while promoting healthy minds and bodies and a spirit of excellence, the international sporting events are also opportunities in which Malaysia can showcase itself to the world, not just its sporting talent, but also the country itself – its lush and scenic destinations, its warm and hospitable people and, of course, its technological prowess and economic progress. By supporting these ventures, therefore, Telekom Malaysia plays its part in aiding the Government to promote the country as a beautiful tourist destination as well as an ideal and capable international sporting venue.

Telekom Malaysia Le Tour de Langkawi is the most prominent cycling event outside Europe. It has been acknowledged as a major non-European cycling event and since been accorded a world rating of 2.2 by the International Cycling Union (ICU). It was initially known as Le Tour de Langkawi but when Telekom Malaysia upgraded its sponsorship as the Title Sponsor in 2002, the race has since been known as Telekom Malaysia Le Tour de Langkawi. Besides cash sponsorship, Telekom Malaysia also provide sponsorship in the form of logistics support and telecommunication facilities for the Media Centre and the Secretariat at all starting and ending locations. TM Cellular Sdn. Bhd., the cellular arm of Telekom Malaysia is the Official Cellular Provider of the race, providing race officials and staff with mobile phones. TM Net Sdn. Bhd., another subsidiary of Telekom Malaysia is the official Internet Provider of TMLTDL providing Internet services.

## our contributions to the nation

In 2002, the race attracted 154 professional cyclists representing 22 teams. And, for the first time, Telekom Malaysia provided live coverage of all the finishing phases of the race. The telecommunications services as well as auxiliary support provided by Telekom Malaysia totalled RM10 million. Given the success of the event, the company in November 2002 signed an agreement with organisers First Cartel (M) Sdn. Bhd. to repeat its title sponsorship for the year 2003, pledging another RM10 million, of which RM6 million in cash, RM2 million for the live broadcast and RM2 million for various other necessities.



While Telekom Malaysia Le Tour de Langkawi was probably the most highlighted of sporting events sponsored by Telekom Malaysia in 2002, the World Tower Run Championship was by no means any less impressive. For a start, it was the first international towerthon of its scale ever, in any country. The fact that it was held in Malaysia, at Menara Kuala Lumpur (MKL) no less, can be attributed to two years of discussions and negotiations between the management of MKL and the World Federation of Great Towers (WFGT) of which MKL is a member. The WFGT has 22 members comprising magnificent towers from around the world. Thanks to MKL's initiative, WFGT members will take turns to host the World Tower Run on an annual basis, beginning with the inaugural MKL run in 2002. Each member tower was invited to send three runners to the race, while Malaysia, being the host country, was represented by its top 50 men and 50 women runners who

qualified at the Malaysian Tower Run also organised by MKL. Telekom Malaysia was the Title Sponsor in this international event, in support of MKL as a subsidiary of the Group. Telekom Malaysia has been sponsoring towerthon events held at the MKL since 1999. Last year, its sponsorship totalled RM500,000.

On the subject of sports, Telekom Malaysia's contribution towards the ninth Sukan Malaysia (SUKMA) also merits mention. Donating RM800,000 in kind, Telekom Malaysia was a co-sponsor and the official telecommunications provider of the Games, ensuring the availability of the whole gamut of technical facilities needed – from the infrastructure to the network for transmission of radio and television broadcasts to local and foreign radio and TV stations. Meanwhile, Telekom Malaysia's subsidiary TM Cellular, being the Official Cellular Provider, loaned out 100 handphones and sponsored 100 units of TOUCH Advance Starter Packs worth RM178 each and recharge cards worth RM50 each to officials at the games.

In all, 2002 proved to be an exciting year for Telekom Malaysia in terms of fulfilling its social responsibilities. The Group has a sincere wish to participate in national development and to show compassion wherever possible. Last year, it succeeded in doing so with fruitful results.





# Awards & Recognition

#### NACRA Award 1997

- Industry Excellence Award for Trading and Services

#### NACRA Award 1998

- Industry Excellence Award for Trading and Services

#### NACRA Award 1999

- Industry Excellence Award for Trading and Services

#### NACRA Award 2000

- Industry Excellence Award for Trading and Services
- Best Annual Report in Bahasa Malaysia

#### Dewan Bahasa dan Pustaka Anugerah Citra Laporan Tahunan Sektor Swasta 2000

- TV Advertisement “Amazing Telekom” – Most Outstanding Award
- TV Advertisement “Tunaikan Zakat Fitrah” – Special Jury Award
- Annual Report – Special Jury Award

#### KLSE Corporate Sector Award 2000

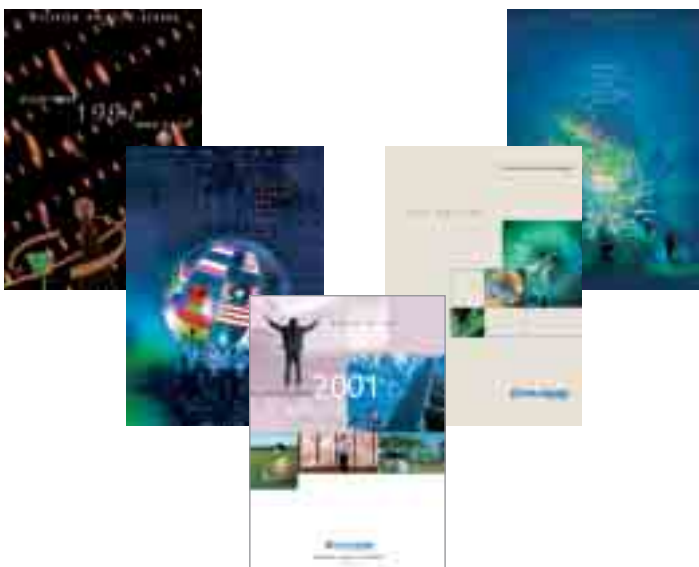
- Main Board Trading and Services Category

#### NACRA Award 2001

- Industry Excellence Award for Trading and Services
- Best Annual Report in Bahasa Malaysia

#### Dewan Bahasa dan Pustaka Anugerah Citra Laporan Tahunan Sektor Swasta 2001

- Most Outstanding Annual Report Award
- Billboard Advertisement “Good 2 Talk” – Special Jury Award



# Highlights of the year 2002

## 4 January 2002

Telekom Malaysia signed an agreement with First Cartel Sdn. Bhd. to be the Title Sponsor of the Telekom Malaysia Le Tour de Langkawi 2002. Telekom Malaysia was represented by Y.Bhg. Tan Sri Dato' Ir. Md. Radzi Mansor, Chairman, Y.Bhg. Dato' Dr. Md Khir Abdul Rahman, its Chief Executive who was accompanied by Deputy Chief Executive, Y.Bhg. Dato' Dr. Abdul Rahim Haji Daud, while First Cartel was represented by Executive Chairman, Y.Bhg. Datuk Wan Lokman Dato' Paduka Wan Ibrahim and Executive Director, Encik Abdullah Kamal Shafi'i. This ceremony was witnessed by Y.B. Datuk Hishammuddin Tun Hussein, Minister of Youth and Sports.

Telekom Malaysia pledged to contribute RM8 million in cash and kind. As the Title Sponsor, Telekom Malaysia provided telephone, cellular and fax services, trunk radio and the technical crew as well as Internet access and video streaming facilities for the transmission of event highlights. TMTOUCH was the official sponsor for cellular phones and services while TM Net was the 'Official Website Presenter' for the race. The race was flagged off on 1 February and ended on 10 February 2002.



## 25 January 2002

Telekom Malaysia was accorded an award for being The Highest Service Tax Payer by Jabatan Kastam Diraja Malaysia. Y.Bhg. Dato' Dr. Md Khir Abdul Rahman, Chief Executive of Telekom Malaysia, received the award from Prime Minister YAB Dato Seri Dr. Mahathir Mohamad at the Sambutan Hari Kastam Sedunia ke-20, held at the Akademi Kastam Diraja Malaysia (AKMAL) in Malacca.



## 31 January 2002

TM Multimedia, Telekom Malaysia's Multimedia Division signed an agreement with four major resellers for the distribution of its tmnet prepaid card. The four resellers are KAT Technologies Sdn. Bhd., Dancom Sdn. Bhd., Milreach Sdn. Bhd. and Telekom Sales and Services Sdn. Bhd. The appointment of these major resellers has helped boost sales of the card, which has reached the target of over a million cards.



### 1 February 2002

The Telekom Malaysia Le Tour de Langkawi 2002 bicycle race was flagged off at a ceremony in Putrajaya by Prime Minister YAB Dato Seri Dr. Mahathir Mohamad on 1 February 2002. Also present were Telekom Malaysia's Chairman, Y.Bhg. Tan Sri Dato' Ir. Md. Radzi Mansor, Chief Executive, Y.Bhg. Dato' Dr. Md Khir Abdul Rahman, and Deputy Chief Executive, Y.Bhg. Dato' Dr. Abdul Rahim Haji Daud. The 10-day race, which toured Tapah, Bentong, Bangi, Melaka, Muar, Johor Bahru, Kluang, Tampin, Port Dickson, Petaling Jaya, Menara Telekom and Genting Highlands, ended in Kuala Lumpur on 10 February 2002. As the Title Sponsor, Telekom Malaysia was given the honour of being one of the 'Host Venues' for the race.



### 8 February 2002

Telekom Malaysia held a carnival in conjunction with the Telekom Malaysia Le Tour de Langkawi 2002. Activities such as a colouring contest, karaoke contest, cultural show and a mini exhibition were organised for the carnival. The one-day Carnival was part of Telekom Malaysia's celebrations for being honoured as the 'Host Venue' for stage 9 of the race.



### 19 February 2002

Telekom Malaysia briefed the media on the new state-of-the-art Asia Pacific Cable Network 2 (APCN 2), jointly constructed by Telekom Malaysia and other international telecommunication carriers. APCN 2 is the first "self-healing ring configuration" and high bandwidth optical fibre submarine cable system in the Asia Pacific, built at a cost of US\$1 billion (RM3.8 billion).



### 19 March 2002

MTN Networks, Telekom Malaysia's wholly-owned subsidiary in Sri Lanka, won a prestigious award at the GSM World Congress in Cannes, France, for the second consecutive year. The GSM World Awards 2002 attracted entries from over 500 operators worldwide from which an international panel of mobile telecommunications experts short-listed candidates in 10 different categories.





## highlights of the year 2002



**28 March 2002**

Telekom Malaysia, in collaboration with the Legal Assistance Bureau, Legal Affairs Division of the Prime Minister's Department (Biro Bantuan Guaman, or BBG), launched INFOGUAMAN BGG which offers legal information for the general public via the 600 82 7713 infoline.

The service was launched by Y.B. Datuk Seri Utama Dr. Rais Yatim, Minister in the Prime Minister's Department, at a ceremony held in KL Sentral. Also present was Y.Bhg. Dato' Dr. Abdul Rahim Hj. Daud, Deputy Chief Executive. It is hoped the INFOGUAMAN BGG Service will make legal information transparent to all levels of society, especially to the customers in rural areas who seek information and guidance on legal matters.



**22 April 2002**

Telekom Malaysia signed an agreement with the Penang State Government for the Bulk Payment System. Among the other State Governments which have used the system are Terengganu, Kedah, Johor, Sarawak, Sabah, Perak, Kelantan and Selangor. The bulk payment system makes the payment of bills less complicated for big organisations with multiple bills with different telephone number accounts and dates. Services covered under this mode of payment include the fixed line telephone service, telefax and TM ISDN.



**3 May 2002**

Telekom Malaysia and Standard Chartered Bank Malaysia Berhad entered into a new agreement on the co-branding of the TM Visa Card Program. The TM Visa Card Program provides exclusive credit card facilities tailored to customers' needs in line with the Company's continuous efforts to maintain a good relationship with its customers. At the signing ceremony, Telekom Malaysia and Standard Chartered also officially announced a new design for the TM Visa Card, with the Telekom Malaysia logo embossed in the centre of the card. Dr. Idris Ibrahim, the Chief Operating Officer of TM TelCo, officiated at the signing ceremony.



**7 May 2002**

Yang di Pertuan Agong Tuanku Syed Sirajuddin Ibni Al-Marhum Tuanku Syed Putra Jamalullail visited Telekom Malaysia offices at Jalan Raja Chulan. The visit was telecast live nationwide to Telekom Malaysia's staff via video conferencing. The royal entourage began the tour at the Network Management Centre or NetCare, followed by a visit to the International Assisted Service Centre.

The royal visitor was received by Y.B. Datuk Amar Leo Moggie, Minister of Energy, Communications and Multimedia, Y.Bhg. Tan Sri Dato' Ir. Hj. Md. Radzi Mansor, Chairman of Telekom Malaysia and Y.Bhg. Dato' Dr. Md Khir Abdul Rahman, Chief Executive of Telekom Malaysia, along with Telekom Malaysia's Board of Directors and Senior Management.

**13 May 2002**

Telekom Malaysia hosted a five-day Commonwealth Telecommunications Organisation workshop entitled Broadband Access and Multimedia. The workshop, attended by some 38 delegates from 35 Commonwealth countries, discussed various issues pertaining to its theme. The workshop was officiated by Y.B. Datuk Amar Leo Moggie, Minister of Energy, Communications and Multimedia.



**23 May 2002**

In cooperation with TV3, Telekom Malaysia unveiled an interactive game show, combining a new entertainment and game show format never before aired in Malaysia. "Telekom Malaysia Talking Telephone Numbers" was open to all Telekom Malaysia Group customers, including fixed line and TMTOUCH customers. The customers were able to participate in the game from their homes.



**20 June 2002**

In collaboration with the Malaysian Meteorological Service Department, the Company launched Infocuaca, the latest teleinfo service providing weather and marine forecasts nationwide. The service is targeted at hotels and resorts, travel agencies, fishermen and outdoor activity lovers, and can be accessed at 600 82 7752.



**11 July 2002**

Telekom Malaysia was the main sponsor of the Langkawi International Dialogue (LID) 2002 for the fifth consecutive year, at a cost of RM2 million. The event attracted about 450 participants comprising Heads of State and government, ministers, leading businessmen and media representatives from developing nations and of the South. Chief Executive, Y.Bhg. Dato' Dr. Md Khir Abdul Rahman presented a mock cheque to YAB Dato Seri Dr. Mahathir Mohamad, Prime Minister.



## highlights of the year 2002



**14 July 2002**

The Telekom Malaysia Le Tour de Langkawi 2002 Appreciation Ceremony was held at the Marriot Hotel in Putrajaya. Prime Minister YAB Dato Seri Dr. Mahathir Mohamad, as Patron of the Race, was present at the ceremony. Also present were Telekom Malaysia's Chairman Y.Bhg. Tan Sri Dato' Ir. Md. Radzi Mansor and Chief Executive Y.Bhg. Dato' Dr. Md Khir Abdul Rahman. Sponsors, cyclists and volunteers of the annual bicycle race each received a certificate of appreciation from the Prime Minister. Telekom Malaysia Le Tour de Langkawi was organised by First Cartel (M) Sdn. Bhd.



**19 July 2002**

Telekom Smart School Sdn. Bhd. entered into a strategic collaboration with the Ministry of Education where it was given the mandate to study how the Smart School Integrated Solution could be made available to as many government schools and private institutions as possible. An Official Signing Ceremony for the Main Licensing Agreement to this effect was carried out.



**6 August 2002**

Telekom Malaysia agreed to mentor Ramly Food Processing Sdn. Bhd. in the management of occupational safety and health issues. At the signing ceremony, Telekom Malaysia was represented by Encik Md. Fauzi Said, Senior Vice President, Group Human Resource Management while Ramly Food Processing was represented by its Senior Manager, Encik Samizan Saion. The programme is in line with Telekom Malaysia's aspiration to provide a conducive, safe and healthy environment for all employees, contractors, customers and the Malaysian public.



**12 August 2002**

Telekom Malaysia held a seminar entitled "Teknologi Maklumat dan Komunikasi Kerajaan Negeri Melaka" in collaboration with the Melaka State Development Corporation (PKNM). The main objective of the seminar was to support the State Government's aspiration in producing a community of knowledge workers by enhancing the participants' understanding of the latest telecommunications technologies. The seminar attracted 120 participants, including Y.A.B. Datuk Seri Hj. Mohd Ali Mohd Rustam, the Chief Minister of Malacca, State Exco Members, Heads of Department, potential tenants of MITC and corporate customers of Telekom Malaysia.

**19 August 2002**

Deputy Minister of Energy, Communications and Multimedia, Y.B. Datuk Tan Chai Ho, and other senior officers from the Ministry and Telekom Malaysia, visited Telekom Malaysia's Customer Assistance Service Centre in Kuantan, one of Telekom Malaysia's nine Emergency (999) Service Centres in the country. During the visit, the Deputy Minister and his entourage were briefed on the Emergency (999) Service and taken on a tour of the Centre. Mr. P. Sritharan, Acting Senior Vice-President, Consumer and Business TM TelCo, Telekom Malaysia, briefed the Deputy Minister and his entourage.



**22 August 2002**

Telekom Malaysia, together with TV3, held a prize-giving ceremony for three weekly winners of the interactive game show, Telekom Malaysia Talking Telephone Numbers (TMTTN), at the Kedai Telekom in Shah Alam. Fifteen-year-old student Nur Nadila Sapari from Kampung Pandan took home RM30,000 while the other two winners, Asrul Saneer Jaafar and Encik Nor Hanizam Mohd Noor, received RM10,000 each. Prizes were presented by Deputy Chief Executive, Y.Bhg. Dato' Dr. Abdul Rahim Hj. Daud.



**26 August 2002**

Telekom Malaysia awarded attractive prizes to the winners of the TMLTdL 2002 Photo Contest held in conjunction with the Telekom Malaysia Le Tour de Langkawi 2002. The contest, which attracted more than 170 entries, was based on two themes, namely The People's Race and Pedal to Glory. In total, three grand prizes and 20 consolation prizes were given away. The first prize went to Encik Aswad Yahya, a photographer from Utusan Melayu Bhd.



**26 August 2002**

Telekom Malaysia contributed RM150,000 in cash to the Asia Pacific ICT Awards 2002 (APICTA) held in conjunction with the 6th MSC International Advisory Panel (IAP) Meeting. With this contribution, Telekom Malaysia became an Award Category Sponsor for the E-Commerce Category, reflecting the Company's emphasis on e-commerce and related activities.



## highlights of the year 2002



### 26 August 2002

Telekom Malaysia was a Co-sponsor and the Official Telecommunications Provider for the ninth Sukan Malaysia (SUKMA IX), contributing RM800,000 in kind to the Games. Its wholly-owned subsidiary TM Cellular Sdn. Bhd., under the brand name TMTOUCH, was given the honour of being the Official Cellular Provider. The services provided were crucial for the smooth running of the Games.



### 3 September 2002

Telekom Malaysia participated in the three-day Asean Communications & Multimedia (ACM) Expo 2002 from 3-6 September 2002, held in conjunction with the Malaysia ICT Week 2002. The chosen theme 'Reaching Out', reflects the Company's aspiration to expand globally. As a leading communications company in the country, Telekom Malaysia regularly participates in international and domestic initiatives to place Malaysia as a communications and multimedia hub.



### 16 September 2002

Telekom Malaysia contributed RM70,000 in kind to the TM Live Mount Kinabalu Video Conference, becoming the main sponsor for the live telecast by providing the telecommunications and video conferencing facilities. A video conferencing session with Y.A.Bhg. Datin Seri Dr. Siti Hasmah Mohd. Ali was the highlight of an expedition up the mountain by students of the Multimedia University (MMU). It was the first time the Company had conducted a video conference from the highest peak in South East Asia.



### 21-22 September 2002

Tiaranita together with Menara Kuala Lumpur organised a Tower Camp at Menara KL with a theme "Good Fun at Great Heights Where Fun and Learning Become One". At the event, children of Tiaranita members aged between nine to fourteen spent two days without parental supervision where they were divided into groups with programs designed to stimulate and motivate their minds. Among others, participants were taken for a ride in PUTRA LRT, plus a visit to Petrosains, Zoo Negara, Muzium Telekom and apart from that participants were also involved in team building and aerobic session activities at the Mega View Deck. The Tower Camp was launched by Puan Shahidah Ridhwan, the Chief Executive Officer of Menara Kuala Lumpur.

**30 September 2002**

Another prize-giving ceremony for the weekly winners of the interactive game show Telekom Malaysia Talking Telephone Numbers (TMTTN), was again held at Kedai Telekom Shah Alam. The four main winners this time were Tengku Noorihan Tengku Ali, Nurzuliza Jamirsah, Shashindra A/L Muniyandi and Zanizam Md. Suji, each of whom received RM10,000.



**26 October 2002**

A total of 199 graduates attended the the 7th Convocation of Telekom Training College in Kuala Lumpur. Y.B. Datuk Tan Chai Ho, Deputy Minister of Energy, Communications and Multimedia, presented diplomas to the graduands of the School of Telecommunications, Information Technology, Business Management and Multimedia Studies. Also present was Chairman of Telekom Malaysia, Y.Bhg. Tan Sri Dato' Ir. Md. Radzi Mansor.



**31 October 2002**

Telekom Malaysia was awarded The Industry Excellence Award in the Trading & Services category for the sixth year consecutively at the National Annual Corporate Report Awards 2002 held at The Palace of the Golden Horses. At the ceremony, Telekom Malaysia was also awarded the Best Report in Bahasa Malaysia for the second year in a row. Deputy Chief Executive, Y.Bhg. Dato' Dr. Abdul Rahim Hj. Daud received the awards from Y.B. Tan Sri Muhyiddin Mohd Yassin, Minister of Domestic Trade and Consumer Affairs.



**20 November 2002**

Telekom Malaysia signed an agreement with First Cartel Sdn. Bhd. to be the Title Sponsor of Telekom Malaysia Le Tour de Langkawi 2003. Telekom Malaysia was represented by Deputy Chief Executive Y.Bhg. Dato' Dr. Abdul Rahim Haji Daud, who was accompanied by General Manager of Corporate Affairs, Encik Kairul Annuar Mohamed Zamzam, while First Cartel was represented by its Executive Chairman Y.Bhg. Datuk Wan Lokman Dato' Paduka Wan Ibrahim and Executive Director Encik Abdullah Kamal Shafi'i. Also present was Y.B. Datuk Hishammuddin Tun Hussein, Minister of Youth and Sports and Y.Bhg. Tan Sri Dato' Ir. Md. Radzi Mansor, Chairman of Telekom Malaysia.

As the Title Sponsor, Telekom Malaysia pledged to contribute RM10 million in cash and kind, providing telephone, cellular and fax services, trunk radio and the technical crew as well as Internet access and video streaming facilities for the transmission of daily official results. TMTOUCH was the official sponsor for cellular phones and services while TM Net was the Official Internet Provider for the race.



## highlights of the year 2002



**29-30 November 2002**

Thanks to Telekom Malaysia, fans of popular Singaporean sitcom Phua Chu Kang had a chance to meet the cast of the comedy TV series. Phua Chu Kang and “family” were featured live at the Dewan Wawasan Convention & Exhibition Centre, Menara PGRM. A host of other interesting activities were held in conjunction with the show, such as an impersonation contest.



**16 December 2002**

Telekom Malaysia held a seminar entitled Teknologi Maklumat dan Komunikasi Kerajaan Negeri Sembilan in collaboration with the Information Technology Management Unit, State Secretary of Negeri Sembilan. The main objective of the seminar was to support the State Government's aspiration to produce a community of knowledge workers. The seminar attracted 150 participants, including Y.A.B. Dato' Seri Utama Tan Sri Hj Mohd Isa Dato' Hj Abdul Samad, the Menteri Besar of Negeri Sembilan, State Exco Members, heads of department, state government agencies and corporate customers of Telekom Malaysia.



**16 December 2002**

Telekom Malaysia signed a Technical and Management Services Agreement with Sotelgui s.a., the incumbent Telco in Guinea, Africa. Under the agreement, Telekom Malaysia will continue to provide experienced and qualified staff to assist the management of Sotelgui s.a. to ensure the effective implementation of telecommunication projects and efficient day-to-day operations. Since Telekom Malaysia's participation in Sotelgui s.a. in 1995, the company has made much headway in improving the quality and scope of its services.



**17 December 2002**

Telekom Malaysia won the Most Outstanding Award for the Private Sector Annual Report 2001 in conjunction with the Citra Wangsa Malaysia Awards for the Private Sector. The annual event was organised by Dewan Bahasa dan Pustaka.

# corporate & **SOCIAL** responsibilities

## ...caring for **SHAREHOLDERS**

**26 February 2002**

Telekom Malaysia registered a revenue of RM9.67 billion for the year ended 31 December 2001, an increase of 9.7% from the previous year. Net profit of the Group climbed 156.9% to RM1.8 billion for the year 2001. The increase in revenue was due largely to the growth in mobile revenue, supported by the growth in data services. The sharp increase was also as a result of the disposal of an associate company worth RM927.6 million. The telephony business contributed 67.2% of the operating revenue while cellular and data, two fast growing segments, accounted for 15.5% and 8.4% respectively.



**21 May 2002**

The Company's 17th Annual General Meeting and Extraordinary General Meeting was held at The Legend Hotel, Kuala Lumpur. It was chaired by Y.Bhg. Tan Sri Dato' Ir. Md. Radzi Mansor, Chairman of Telekom Malaysia. The Chief Executive, Board of Directors and Management Team were also present. Approximately 1,400 shareholders and proxies attended the meeting, during which several resolutions were passed, including the declaration of a 10% final and 5% special dividend.





...caring for  
**EMPLOYEES**

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**1** 12 January 2002

Telekom Malaysia treated its employees to a Hari Raya celebration at Menara Telekom in Kuala Lumpur. Some 7,000 staff members and their families from all over the Klang Valley attended the annual gathering, aimed at enhancing relationships between management and employees of the company. Y.B. Datuk Amar Leo Moggie, Minister of Energy, Communications and Multimedia was among the VIPs present, along with Telekom Malaysia's Chief Executive, Y.Bhg. Dato' Dr. Md Khir Abdul Rahman and Deputy Chief Executive, Y.Bhg. Dato' Dr. Abdul Rahim Haji Daud.

**2** 10 April 2002

In recognition of the contributions and fine performance of staff and divisions, Telekom Malaysia presented a total of 78 awards in a special Excellence Awards ceremony. The annual event, which was introduced in 1994, forms part of Telekom Malaysia's Rewards and Recognition programme for quality improvement and Total Customer Satisfaction (TCS). The Awards were presented by Y.Bhg. Dato' Dr. Md Khir Abdul Rahman, Chief Executive of Telekom Malaysia.

**3** 24 April 2002

Kelab Telekom Malaysia Kuala Lumpur held a dinner reception and award presentation to honour the contribution and fine performance of its club branches and members. Y.Bhg. Dato' Dr. Abdul Rahim bin Haji Daud, the Deputy Chief Executive of Telekom Malaysia who is also the President of the Club, presented the awards, which were divided into four categories, namely Best Club Member at Branch Level, Overall Best Club Member, Overall Best Branch Club and Sports Award. The awards were based on such criteria as tenure of membership, involvement and contribution towards the club, percentage increase in number of members, activities organised and also contribution and involvement of the clubs at the state and national level.



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**1 2 May 2002**

Some 1,300 employees of Telekom Malaysia from 13 state contingents gathered at the Sports Complex of Universiti Utara Malaysia, Sintok, Kedah, to participate in the Company's Fifth National Sports Championship. This biennial championship, covering nine sporting events comprising football, hockey, sepak takraw, netball, volleyball, badminton, ping-pong, golf and bowling, was organised by Kelab Telekom Malaysia Kedah/Perlis. Kedah Menteri Besar Y.A.B. Dato' Seri Haji Syed Razak Haji Syed Zain officiated the opening ceremony.

**2 9 July 2002**

A special reception dinner, called Jasamu Dikenang was held at the City Bayview Hotel, Pulau Langkawi, in honour of 187 retirees of the Company. The former employees and their spouses were treated to a three-day stay from 7 to 10 July, on the beautiful island resort off Kedah during which they were taken on tours, shopping sprees and generally given a good time. During the dinner, Telekom Malaysia's Chief Executive, Y.Bhg. Dato' Dr. Md Khir Abdul Rahman and Deputy Chief Executive, Y.Bhg. Dato' Dr. Abdul Rahim Haji Daud presented souvenirs to the retired employees as a token of appreciation for their contributions towards the Company's progress.

**3 31 October 2002**

Telekom Malaysia honoured 52 scholarship holders, including nine who returned from Canada, Japan, France and the United Kingdom, at an awards presentation ceremony held at Holiday Villa, Subang, in recognition of their exceptional academic and extra-curricular achievements. At the ceremony, Degree and Masters graduates each received RM1,000 in cash, an appreciation certificate and a memento while Diploma graduates and SPM students received RM500, an appreciation certificate and a memento each.

...caring for  
**CUSTOMERS**

1 2



**1** 26 January 2002

The Program, Sehari Bersama Pelanggan, organised by The Ministry of Energy, Communications and Multimedia, was held to enhance the relationship between various service providers and their customers. It provided an opportunity for customers to discuss problems and issues with the Ministry and the management of, among others, Telekom Malaysia, MAXIS, Celcom, TV3, Astro and Time dotCom.

Y.B. Datuk Amar Leo Moggie, Minister of Energy, Communications and Multimedia was present at the event held in Mersing, Johor. Y.Bhg. Dato' Dr. Abdul Rahim Haji Daud, Deputy Chief Executive represented Telekom Malaysia. Throughout the year, four similar events were organised in Jelebu, Negeri Sembilan; Kulim, Kedah; Sri Aman, Sarawak and Besut in Terengganu.

**2** 11 June 2002

The company launched a new CDMA Mobile Switching Centre in Putrajaya. It is one of three centres that ensure efficient processing of incoming and outgoing calls within the Company's CDMA wireless network. The other two centres are located in Penrissen, Sarawak, and Menggatal, Sabah. Telekom Malaysia's fixed wireless CDMA offers data and internet speed up to 144 kilobits per second (kbps) using CDMA 2000 1X protocol enabling advanced multimedia applications. The service is targeted at rural and sub-urban areas as well as areas outside the coverage of Telekom Malaysia's cellular service.



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### **3** 10 August 2002

Telekom Malaysia today launched its Fixed Wireless Code Division Multiple Access (CDMA) service in Menggatal, Sabah. The launch was officiated by Y.B. Kol. (Kehormat) Datuk Seri Panglima (DR.) Hj. Lajim Hj. Ukin, JP, Deputy Chief Minister and Minister of Agriculture and Food Industry, Sabah. CDMA is a fixed wireless service that utilises a digital wireless access technology, Code Division Multiple Access (CDMA), operating at 800Mhz frequency. Telekom Malaysia believes the service can help narrow the digital divide, in line with the Government's efforts to make communications facilities more accessible.

### **4** 30 December 2002

Telekom Malaysia held a Majlis Hari Raya Jalinan Kemesraan di Aidilfitri with customers at Carcosa Seri Negara. Present were 700 invitees comprising corporate customers and 40 orang asli orphans from Asrama Darul Falah as well as top management from Telekom Malaysia. The event was held in the sharing spirit of Aidilfitri.

...caring for  
**COMMUNITY**

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**1** 5-14 January 2002

Telekom Malaysia together with NTV7 organised a charity programme called Aidilfitri Bersama Insan Istimewa Ikhlas dari Telekom Malaysia & NTV7 in conjunction with the Hari Raya celebration. The project was a way for the companies to reach out to the less fortunate during the festive season. Seven orphanages were visited and a total of RM100,000 was allocated as contributions to them, with each receiving either a TV set or a personal computer.

**2** 8 January 2002

Continuing with this noble tradition, Telekom Malaysia contributed 50,000 sets of sling bags, face towels, sunat prayer guidebooks and 100,000 sets of luggage tags worth RM615,000 to pilgrims going to Mecca. The Company also provided the pilgrims with a special Malaysia Direct Service, enabling them to call home, the charges being borne by the local number dialed. This service has been provided to those performing the Haj since 1995.

**3** 14 March 2002

As a caring corporate organisation, Telekom Malaysia contributed RM140,000 worth of Formula One Petronas Malaysia Grand Prix 2002 tickets to more than 1,400 students in Selangor and Wilayah Persekutuan. In addition to the tickets, students were also given T-shirts, caps, paper fans and paper binoculars, which brought Telekom Malaysia's contribution to RM250,000.

**4** 28 March 2002

Mindful of its social responsibilities, Telekom Malaysia has pledged a total of RM300,000 to the Education Excellence Program by Yayasan Pembangunan Ekonomi Islam Malaysia over five years beginning year 2001. This works out to RM60,000 a year till 2005.

Under the programme, poor students from both rural and urban schools will be given education assistance through the fund. Ten schools from Wilayah Persekutuan, Selangor, Kedah, Terengganu, Kelantan, Pahang and Sabah have been selected, each receiving RM12,000 from Telekom Malaysia's contribution of RM120,000 for 2001 and 2002.



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**1 20 May 2002**

Telekom Malaysia held an Open Day in conjunction with the World Telecommunications Day 2002. In line with the theme Bridging the Digital Divide Through Convergence, Telekom Malaysia invited 1,000 students from 32 primary and secondary schools from the Klang Valley, Negeri Sembilan and Pahang to participate in the Open Day. Y.B. Datuk Tan Chai Ho, Deputy Minister of Energy, Communications and Multimedia, officiated the opening ceremony.

A host of interesting activities, including a Museum Telekom Tour, interactive games and events, were organised by Telekom Malaysia and its subsidiaries.

**2 19 August 2002**

Telekom Malaysia contributed RM140,000 in kind to Majlis Kanser Nasional (MAKNA) for its Telekanser 2002 Programme which was held from 19 August to 31 December 2002. As the main telecommunications sponsor, Telekom Malaysia provided a toll free line, comprising eight hunting lines (1-800-88-3313), fax lines and Internet access. The charity programme, themed Menghayati MAKNA Kehidupan, was organised to solicit and collect funds via telephone pledges for cancer patients in Malaysia in need of financial aid.

**3 13 November 2002**

Telekom Malaysia organised a Majlis Berbuka Puasa with members of the media at Hilton Hotel, Petaling Jaya. Some 150 representatives from all local media and Telekom Malaysia's top management were present. The event was held to enhance Telekom Malaysia's rapport with the media.

**4 26 November 2002**

Telekom Malaysia once again joined hands with the Royal Malaysia Police (PDRM) by contributing RM155,500 in kind towards its road safety campaign, known as OPS SIKAP, in conjunction with the festive season.

Telekom Malaysia's subsidiaries, TM Cellular Sdn. Bhd. and Telekom Applied Business Sdn. Bhd., handed over 15,000 business posters on road safety to PDRM as part of their contribution towards the campaign.

# *Delivering Convenience*

*Find them in the largest cities*

*Find them in the smallest villages*

*Easy and accessible*

*They are everywhere*

*Demonstrating our commitment*

*Fulfilling peoples needs*

*By delivering convenience*

*Everyday, in so many ways*

*We're Opening Up Possibilities*

