

Materiality

We recognise the pivotal role of materiality assessment in our sustainability management efforts. Through this exercise, we are able to engage with our diverse stakeholders and attain feedback on issues that should be considered relevant and prioritised.

In 2024, we refreshed our materiality assessment to validate the importance of economic, environmental, social, and governance matters to our business and stakeholders. Throughout this process, we ensured that our enterprise risk parameters closely aligned with business priorities. We also adhered to best practices as outlined in standards such as the Bursa Sustainability Reporting Guide and Toolkits and the Global Reporting Initiative (GRI).

Our Approach to Materiality Assessment



Phase 1: Review Material Matters Assessment

- Existing material matters were reviewed to ensure relevance to industry trends and Bursa Malaysia's list of common sustainability matters.
- Identified material matters were consolidated into 15 groups and classified according to economic, environmental, social, and governance for discussion in this report.



Phase 2: Stakeholder Engagement

- Inputs from internal and external stakeholders were obtained to understand their perceptions on each material matter.
- Stakeholders rated scores on a scale of 1 to 5 for each material matter, based on the following criteria:
 - Importance to society, environment, and the economy (Sustainability impact)
 - Importance to CelcomDigi (Financial impact)
- Using an equal-weighted approach applied across all stakeholders, average rating scores were tabulated.
- In addition, stakeholders' feedback and concerns were gathered to better understand their needs and expectations.



Phase 3: Sustainability and Financial Impact Assessments

- Impact scores of each material matter were assessed and deliberated with representatives from key business functions.
- CelcomDigi's enterprise risk parameters were used to guide the scoring of the severity and likelihood of each material matter to ensure closer alignment between our enterprise risk parameters and double materiality assessment outcomes.



Phase 4: Calibration of Assessments

- Assessment outcomes from Phase 3 were tabulated and presented in our Double Materiality Matrix.
- Top material matters were identified based on the mapping in the matrix.



Phase 5: Review and Approvals

- The Materiality Matrix and findings were presented to the Board of Directors and Management team for approval.

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Materiality Matrix

Our Materiality Matrix represents the level of importance of our 15 consolidated material matters from the perspectives of stakeholders, business, and financial impact. The Matrix provides a practical overview of the risks and opportunities across the business value chain, guiding our strategic decisions and development processes.



Commentaries

- CelcomDigi prioritises 24/7 customer support to meet the demand for an always-on digital lifestyle, gathering feedback through multiple channels and promptly addressing concerns to ensure customer satisfaction.
- CelcomDigi dedicates separate focus and resources to promoting a safe internet experience and mitigating heightened risks associated with online safety and scams.
- Guided by existing good practices, CelcomDigi implements strong mitigation strategies and remediation plans to uphold human rights across the company, ensuring ongoing due diligence for maximum visibility and monitoring of ground-level issues.
- CelcomDigi remains committed to stringent regulatory compliance, continuously engaging with relevant agencies and government bodies to meet evolving standards and best practices.
- CelcomDigi recognises energy management's crucial role in mitigating climate change and commits to prioritising energy efficiency, low-carbon energy generation, and sustainable transportation in the short to mid-term.
- CelcomDigi prioritises people matters, focusing on developing a progressive talent pipeline, core competencies, and cultural integration to strengthen its position as one of Malaysia's Top 5 Employer Brands.

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Materiality

Legend	Material Matters	Description	Movements (vs FY2023)
Very High Importance			
EC1	Service Reliability and Quality	Providing quality and consistent network experiences to customers.	▲
S1	Customer Satisfaction ¹	Employing customer-centric solutions for a differentiated user experience in our highly competitive markets.	▲
G2	Data Privacy and Cybersecurity	Upholding strong governance to strengthen privacy controls and to protect stakeholders' data and information against cyberattacks.	▼
G3	Business Ethics and Corporate Governance	Maintaining an effective governance framework and internal controls to uphold corporate values and ethical standards across our value chain.	▲
G4	Crisis Management and Response	Ensuring we are well prepared for crises with a rapid and adequate response plan, and clear lines of reporting.	▲
High Importance			
S6	Online Safety ²	Nurturing safe internet skills among stakeholders.	▲
S4	Respecting Human Rights and Freedom of Expression ³	Upholding human rights by mitigating the risk of potential abuse across our value chain and ensuring access to the right information.	▲
EN1	Climate Change and Environmental Action	Protecting the environment by transitioning towards a low-carbon economy and employing effective waste management within business operations.	▲
S3	Occupational Safety and Health	Providing a conducive environment with improved health and safety conditions for employees and contracted workers across the supply chain.	▼
EC2	Business Development, Expansion, and Investments	Robust strategies to acquire and expand businesses and value creation to drive growth and profitability.	▲
S5	Digital Inclusion	Enabling greater access to enhance digital inclusion among stakeholders.	▲
G1	Regulatory Compliance ⁴	Maintaining robust controls to meet existing and emerging legislation and regulations.	▼
EN2	Energy Consumption ⁵	Implementing measures to improve energy efficiency and promote sustainable practices to mitigate environmental impact.	NEW
S7/ EN3	Supply Chain Management	Raising standards in our supply chain to positively influence social equality and environmental protection.	▼
S2	Talent and Culture ⁶	Fostering an environment that attracts and retains high-performing talents while encouraging continuous development of digital competencies.	▼