



Advancing and Inspiring Society

Integrated Annual Report 2025





We Are CelcomDigi

The visuals in this report spotlight the people behind our organisation, fondly known as CDzens. Inspired by our customers, we relentlessly pursue customer excellence and innovation, making connectivity and digitalisation accessible to all of society, to build a brand Malaysians can trust and rely on in the age of 'digital-everything'.

Pictured on cover:

Marsya Ali, a Next Gen MarTech Specialist and part of CelcomDigi's Young Talent Programme, helped drive the launch of the new CelcomDigi App, enhancing how customers experience our digital services in a more seamless and personalised way.

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ABOUT THIS REPORT

We are pleased to present CelcomDigi Berhad's Integrated Annual Report (IAR) for the financial year 2025 prepared in accordance with the International Integrated Reporting (IR) Framework, along with other established reporting frameworks and disclosure requirements. This IAR serves as a communication to our stakeholders on how we utilise resources to manage risks and opportunities. The report covers all business activities of CelcomDigi in 2025, including information pertaining to our financial and non-financial strategic goals, and how we continue to create value for our brand, business, and stakeholders.

SCOPE AND REPORTING BOUNDARIES

The scope of this IAR covers the financial year from 1 January 2025 to 31 December 2025 (FY2025) unless otherwise stated, and encompasses all business operations of CelcomDigi Berhad ('CelcomDigi' or 'the Group'), including all our subsidiaries.

Sustainability and other non-financial performance disclosure are limited to wholly-owned subsidiaries of the Group.

No restatements were made unless otherwise stated.

REPORTING FRAMEWORK AND GUIDELINES

This IAR has been prepared with reference to the following established reporting frameworks and disclosure requirements:

- Bursa Malaysia Securities Berhad's (Bursa Malaysia) Main Market Listing Requirements (MMLR) Bursa Malaysia Corporate Governance Guide
- Companies Act 2016
- FTSE4Good Bursa Malaysia Index
- Global Reporting Initiative (GRI) Standards 2021
- GSMA ESG Metrics for Mobile
- IFRS Sustainability Disclosure Standards (ISSB Standards)
- International Financial Reporting Standards (IFRS)
- International Integrated Reporting <IR> Framework under the responsibility of the IFRS Foundation

- Malaysian Code on Corporate Governance 2021 (MCCG)
- Malaysian Financial Reporting Standards (MFRS)
- National Sustainability Reporting Framework (NSRF)
- Task Force on Climate-related Financial Disclosures (TCFD)
- The Statement on Risk Management and Internal Control (SORMIC) Guide 2025
- United Nations Sustainable Development Goals (UN SDGs)

MATERIALITY

We conducted a materiality assessment to identify sustainability-related risks and opportunities (SROs) that could reasonably impact our short-, medium-, and long-term prospects. It focused on information relevant to investors, lenders, and other creditors, consistent with IFRS S1 requirements. To provide a more complete view of our impacts, we enhanced our Materiality Matrix using a double materiality approach, assessing both financial materiality and impact materiality. This refinement enabled us to consolidate and update material matters to better reflect our strategic priorities and evolving stakeholder expectations.

RESPONSIBILITY & ASSURANCE

The Board of Directors (Board) of CelcomDigi has ensured the integrity of this integrated report through governance and effective disclosure controls and procedures. The Reporting Committee, comprising the Chief Executive Officer (CEO), Chief Financial Officer, Chief Corporate Affairs Officer, and relevant departments, have verified that

the report is compliant with all regulations and reporting frameworks. This report was reviewed and approved by the Board in March 2026.

Our financial statements are independently audited and prepared in accordance with the MFRS, IFRS, and the requirements of the Malaysian Companies Act 2016. The audited financial statements are disclosed in Section 6 from pages 146 to 245. We have also obtained limited assurance from an independent auditor on selected non-financial indicators. Further details of the independent assurance report can be found on pages 246 to 249.

FORWARD-LOOKING STATEMENTS

The forward-looking statements in this report aim to provide readers with a potential outlook on our plans. While these statements represent our judgment on future expectations, they should not be regarded as guarantees of CelcomDigi's future performance – as a number of risks, uncertainties, and other important factors may cause actual results to differ materially from our expectations.

REPORTING SUITES

We are committed to reporting in a transparent and honest manner. To view the full reporting suite, please visit our website at <https://corporate.celcomdigi.com/annualreport>.

- Integrated Annual Report 2025
- Sustainability Webpage and GRI Index
- Corporate Governance Report 2025

About This Report

REPORT NAVIGATION

The following icons help to align our integrated narrative so that readers can gain a deeper understanding of the interconnectivity and interrelatedness of various parts of our business.

REPORT NAVIGATION

Our Capitals

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

Our Stakeholders

-  Board of Directors
-  Government and Regulators
-  Customers
-  Employees
-  Shareholders, Analysts, and Investors

-  Media
-  Suppliers and Business Partners
-  Community, Sustainability Partners, and Non-Governmental Organisations (NGOs)

Our Material Matters

 EC1 Network Quality, Reliability, and Continuity	 EC2 Sustainable Business Growth	 EC3 Digital Transformation and AI	 G1 Regulatory Compliance and Business Ethics
 G2 Data Protection and Cybersecurity	 S1 Customer Experience and Satisfaction	 S2 Talent and Culture	 S3 Health, Safety and Wellbeing
 S4 Digital Rights and Online Safety	 S5 Affordability and Inclusion	 S6 Community Development	 S7 Sustainable Supply Chain Management
 EN1 Climate Change Adaptation and Mitigation			

Our Corporate Strategy

-  Strengthen Market Leadership
-  Enhance Customer Experience
-  Drive Operational Excellence (OE)
-  Invest for the Future

Further information is available where you see these icons:

-  More information is available online
-  Additional information can be found within the Report

WE ARE CELCOMDIGI

We are driven by our purpose of 'Advancing and Inspiring Society' through technology and innovation, and a strong commitment to being an inclusive and responsible company.



Today, we serve more than 20 million customers across the nation as Malaysia's largest mobile telecommunications operator. In 2025, we marked our third and final year of integration and modernisation efforts – a transformational journey that has strengthened our scale, capabilities, and competitiveness to deliver the widest, fastest, and most secure network in the country.

We aspire to be an icon of innovation for Malaysia, and a company with the scale and resources to be the nation's digital growth engine. We aim to nurture local talent, develop the local digital ecosystem, bring the best solutions, offers and experiences to our customers, and to be a brand that customers can trust and rely on in the age of 'digital-everything'.

We are well-positioned to accelerate 5G and the adoption of advanced digital solutions, while leveraging the power of Artificial Intelligence (AI) to unlock new horizons of growth for Malaysian businesses. At the same time, we are focused on deepening partnerships with global and regional technology leaders to propel the nation's economic growth and transformation into a 5G-AI-powered digital society.

We Are CelcomDigi

OUR PURPOSE

Advancing and Inspiring Society

OUR VISION

To Be The Nation's Top Telco-Tech Company

As the largest telco today, we are transforming ourselves beyond core connectivity to offer best-in-class customer experiences. With our wide range of product and service offerings, we are committed to leading in digitalisation and innovation, enabling an inclusive and sustainable digital society.

OUR BRAND PROMISE

Most Trusted Brand, Built on Customer Excellence

Trust and customer excellence are the foundation of our identity and the driving force behind everything we do. We aspire to be the nation's foremost enabler of digital lives, empowering Malaysian consumers, businesses, and society, building a platform for the next generation. We are inspiring innovation to help Malaysians achieve all their goals – through technologies, experiences, and ways of working. As we connect more people and places across the country, we are shaping the future and creating a world inspired by you.

CelcomDigi Way:

OUR VALUES



Customer Obsessed

We aim to provide outstanding customer experience for more than 20 million Malaysian consumers and business customers by gaining a deep understanding of their needs, and delivering superior customer experiences across all channels.



Performing Relentlessly

We are building a culture of performance excellence, based on a consistent and solid track record of delivering effectively through new work processes that drive operational efficiency, and a strong belief that together, CDzens are greater than the sum of our parts.



Stronger Together

We draw a richness of perspectives, experiences, and backgrounds from our deep and diverse talent pool, as well as our ability to collaborate and mobilise as one team to drive our purpose and vision, and live our brand.



Responsible and Caring

We are deeply committed to being an inclusive and inspiring company that upholds the highest standards of integrity and business conduct. We act responsibly to create a positive impact for the community and for everyone we engage with.

We Are CelcomDigi

CELCOMDIGI WAY: OUR BEHAVIOURS

Our nine behaviours set the foundation for how we live our values. They guide us on how we think, work, and engage with each other as well as our customers. They inspire us to drive innovation, act with integrity, and build the most trusted brand, driven by customer excellence.



Customer First



Be Ambitious



Own It and Innovate



We Value Time



Never Give Up



Strength in Diversity



Collaborate
with Respect



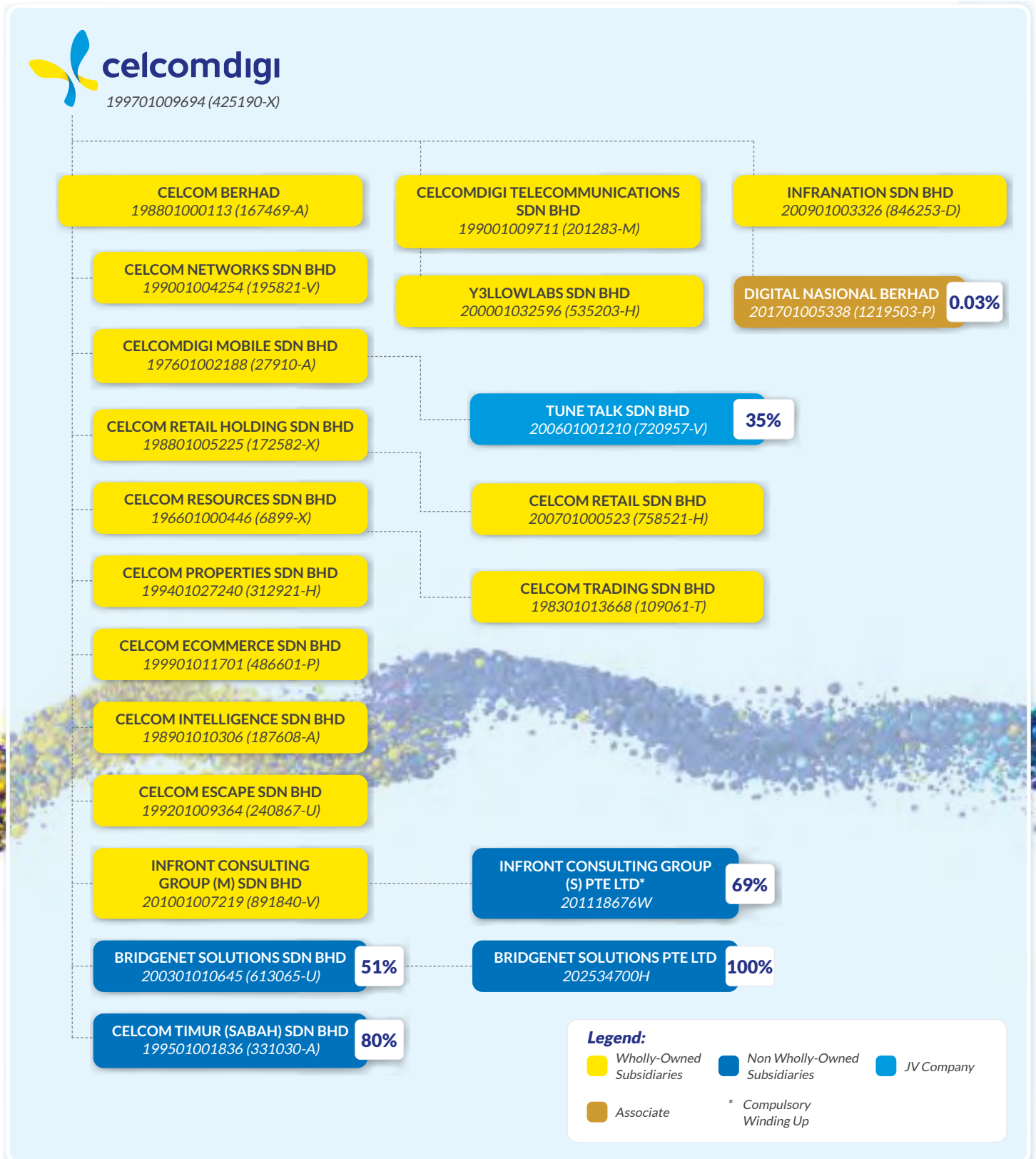
Do the Right Thing,
the Right Way



Live the Brand



CORPORATE STRUCTURE



Leading Malaysia's Progress

Malaysia's No.1 network
powering the nation's
digital future





Ivan Liu Yu Ern, Innovation Experiential Specialist, is advancing robotics and AI adoption to accelerate the digitalisation of various sectors in Malaysia.

CHAIR OF THE BOARD'S STATEMENT

Dear Shareholders,

2025 was a vital year for CelcomDigi as the company strengthened its purpose of 'Advancing and Inspiring Society' and delivered results against a landscape marked by rapid technological change, rising stakeholder expectations, and continuing industry transformation. As Malaysia's leading mobile operator, the company remains committed to delivering exceptional customer experience, upholding strong corporate governance, and creating sustainable value for all stakeholders.

The year also represented a critical stage of CelcomDigi's journey, as the Company approached completion of the integration programme three years after the merger. The Company now stands on a stronger, unified foundation, poised to capture the next horizon of Malaysia's digital growth. The Board is encouraged by the company's progress, driven by disciplined strategy execution, sound financial stewardship, and sustained delivery of shareholder value.

LEADING MALAYSIA'S DIGITAL PROGRESS

Malaysia's economy is still expected to sustain growth in 2026, despite current global headwinds. Current forecasts indicate gross domestic product (GDP) expansion in the range of 4%-5%*, supported by domestic demand, continued private investment, and ongoing national digital and industrial transformation initiatives. The telecommunications sector will remain a key enabler of economic progress, as demand for reliable connectivity, cloud, AI, and secure digital services continues to accelerate across households and enterprises.

Rapid growth in data consumption, enterprise digitalisation, and 5G adoption is reinforcing



**Tengku Dato' Sri
Azmil Zahrudin
Raja Abdul Aziz**

*Chair of the Board,
Non-Independent
Non-Executive Director*

the need for trusted partners with integrated digital capabilities. As the industry evolves, both consumer and enterprise customers increasingly expect seamless, secure, and high-quality digital connectivity. These trends present meaningful opportunities for CelcomDigi to support national priorities while capturing new avenues of growth.

Against this backdrop, CelcomDigi is well positioned to support Malaysia's digital advancement and deliver sustainable value, supported by a strengthened operating foundation and a clear ambition to be the nation's leading telco-tech company. The company also continues to strengthen its resilience through prudent cost management, supply chain development and diversification, and a disciplined balance sheet, ensuring we are poised to navigate uncertainties while sustaining long-term value creation.

At the time of writing, the Board also remains mindful of ongoing geopolitical developments in the Middle East and their potential impact on the global economy. We are thankful that the Malaysian government continues to be prudent and proactive in protecting the economy and

key sectors from these global shocks. The Board will continue to be vigilant on developments and the extent to which they influence critical areas such as domestic demand, inflation, foreign exchange, international connectivity, supply chains, and the safety and security of our employees and partners traveling to and through affected regions.

DELIVERING STRONG PERFORMANCE AND INTEGRATION VALUE TO CUSTOMERS

In 2025, CelcomDigi maintained steady performance while progressing the final phases of one of the region's largest post-merger integration and transformation efforts. The company notably sustained healthy topline momentum and strengthened operational efficiencies across key segments.

In parallel, integration efforts have translated into tangible benefits for customers: a more resilient and efficient network, streamlined digital platforms, and a modernised retail experience that elevates engagement and service delivery. These advancements enhance operational effectiveness, improve customer experience, and enable CelcomDigi to capture

* Source: BNM Economic and Monetary Review 2025 Report

Chair of the Board's Statement

long-term growth as Malaysia's leading digital connectivity provider. A detailed account of the company's business performance and integration progress is presented in the Chief Executive Officer's Review on pages 12 to 15 of this report.

SUSTAINING LONG-TERM SHAREHOLDER VALUE THROUGH DISCIPLINE AND STABILITY

Through the final stages of integration in 2025, the company upheld its commitment to disciplined capital management and stable operational execution. During the year, the Board declared a total dividend payout of 14.7 sen per share, supported by healthy cash flow generation and strong balance sheet fundamentals.

The company also progressed its multi-year synergy agenda, delivering RM806 million in cumulative synergy savings to date, and remaining on track to achieve steady-state annual cost savings of approximately RM800 million post 2027. These outcomes reflect the robustness of the company's operating model and its ability to continue creating sustainable long-term value for shareholders.

CelcomDigi's strong financial position is reinforced by the AAA credit ratings assigned to its debt programmes by both Rating Agency Malaysia Berhad (RAM) and Malaysian Rating Corporation Berhad (MARC). These ratings reflect the company's sustained commitment to maintaining a high investment-grade profile for the long term.

REINFORCING CORPORATE GOVERNANCE AND STRENGTHENING DIGITAL TRUST

Robust corporate governance remains fundamental to CelcomDigi's ability to operate at scale in an increasingly digital, AI-enabled environment. The company continues to uphold stringent standards of oversight, ethics, and integrity across its operations, reinforcing trust as a core institutional asset.

While we explore the full potential of AI in driving new opportunities across all industry sectors and society, we are cognisant that AI

growth must be responsible, balanced, and inclusive. This is a shared responsibility for the entire sector, ensuring that every citizen can continue to participate in a shared digital future.

Our governance priorities in the year also included strengthening cybersecurity readiness, enhancing privacy and data protection, and ensuring the ethical and responsible use of emerging technologies such as AI. In 2025, the company achieved 100% completion of key training in cybersecurity, safety, compliance, and ethics. CelcomDigi also advanced inclusivity by increasing women's representation in senior leadership to 37%, on track to reach its goal of 40% by 2028.

The Board remains closely aligned with evolving regulatory developments and further strengthened internal controls through active oversight from the Board Governance and Risk Management Committee (BGRMC). The company's corporate governance practices are regularly benchmarked against leading industry standards, with full disclosures provided in Section 5 of this report on pages 110 to 132.

ADVANCING SUSTAINABILITY AND SUPPORTING SOCIETAL PROGRESS

CelcomDigi's sustainability agenda is rooted in the company's purpose and remains a central pillar of its strategy in 2025. The company continued driving meaningful progress across four priority areas of inclusive and safe digital access, sustainable value chain, governance and performance culture, and environmental impact and action. Partnerships continued to play a key role in extending impact, particularly in digital literacy, anti-scam, and online safety awareness, as well as community development. A detailed account of these efforts is available in the Sustainability Statement section on pages 54 to 87 of this report.

The company's strong performance across leading ESG benchmarks reinforces its position as a responsible business committed to long-term societal value creation. CelcomDigi sustained a 4-star rating on the FTSE4Good Bursa Malaysia Index and maintained its medium-risk classification on Sustainalytics.

CelcomDigi was also recognised among the top-ranked organisations at the National Corporate Governance and Sustainability Awards 2025.

OUR APPRECIATION TO ALL STAKEHOLDERS

On behalf of the Board, I extend my appreciation to our shareholders, customers, regulators, and partners for your continued trust and support throughout the year.

The Board sincerely thanks former members Tan Sri Abdul Farid Alias and Kasper Wold Kaarbø for their dedicated service and valued counsel during a defining period for the company. We also warmly welcome Irfan Wahab Khan and Tunku Alizakri Raja Muhammad Alias to the Board. Their experience and perspectives strengthen the Board's collective depth, and I am confident that their appointment will help guide the company through its next phase of growth and value creation.

The Board wishes to recognise the contribution of former CEO Datuk Idham Nawawi whose leadership in the formative years of the company helped shape the strong foundation we build on today. We welcome the steady leadership continuity provided by our new Chief Executive Officer, Albern Murty, and the senior management team, and extend our deepest appreciation to all employees for their dedication and commitment through the year. The collective experience, commitment, and unity among all CDzens augurs well for CelcomDigi as the company moves into the next phase of its strategy.

CelcomDigi enters 2026 with strengthened capabilities, a unified foundation, and a clear vision for the future. The Board is confident that the company is well placed to continue delivering sustainable value while 'Advancing and Inspiring Society'.

We look forward to engaging with our shareholders on our future business plans at our 29th Annual General Meeting (AGM), which will be held in a hybrid format on 14 May 2026. Please refer to the Notice of AGM on pages 270 to 278 for details.

CHIEF EXECUTIVE OFFICER'S STATEMENT

Dear Shareholders,

2025 marks the close of a defining three-year chapter for CelcomDigi. What began in 2022 as the formation of a newly merged market leader progressed through deep operational, financial and cultural integration in the following years. Therefore, allow me to begin by firstly thanking all of you for the trust in CelcomDigi over the past three years as we executed on these priorities.

In 2025 we neared completion of the majority of our integration commitments, while sustaining strong performance in a competitive market. With integration largely complete, we are transitioning into steady-state execution and are focused on delivering consistent market performance, sustainable growth – faster than the market – and operational efficiency. CelcomDigi today operates with a harmonised operating model, stronger governance, and sharper execution discipline. We remain grounded in our purpose of 'Advancing and Inspiring Society'. We are committed to becoming Malaysia's most trusted brand built on customer excellence and delivered through the nation's widest, fastest and most secure network. We move forward with gratitude for the trust of more than 20 million customers, and with confidence in the strength of our foundations. And we are powered by committed and resilient CDzens whose spirit of collaboration enables us to execute with focus and passion every day.

STRENGTHENING MARKET LEADERSHIP

Delivering Sustainable Growth

In the year, we continued to refresh our product propositions to deliver stronger value across mobile, convergence, enterprise solutions, and value-added services (VAS).



Albern Murty

Chief Executive Officer

We enhanced our network, retail, digital, and customer support channels to strengthen customer confidence. We drove market leadership by building the right product portfolio for the various segments to deliver sustainable growth.

Our core segments continued to register solid growth, driven by increased uptake of higher-value offerings. Postpaid and Home & Fibre revenues grew by 4.1% and 40.2% respectively. We stabilised Prepaid through targeted value acquisitions. Enterprise Solutions grew 24.3%, underscoring strong demand for technology-led services. These outcomes give us confidence that our strategy and market execution are delivering the right results across the business.

Strong FY2025 Performance, Synergy Targets On Track

Growth across these key segments delivered solid FY2025 financial performance. Total Revenue and Service Revenue reached RM12.96 billion (+2.2%) and RM10.91 billion (+1.1%) respectively, while Earnings Before Interest and Tax (EBIT) was at RM2.67 billion (+15.7%), and Profit After Tax (PAT) stood at RM1.53

billion (+10.1%), reflecting our disciplined approach to cost and capital allocation. This was further supported by RM1.87 billion in capital expenditure (CAPEX) avoidance from integration efforts. These efficiencies enabled us to realise RM2.68 billion in total gross synergy savings over the last three years and gives us a strong long-term financial foundation. We remain on track to deliver steady-state annualised cost savings of RM800 million post-2027.

We declared a total dividend of 14.7 sen per share for FY2025, in line with our commitment to delivering shareholder returns.



More on our Financial Performance on pages 26 to 27.

ENRICHING CUSTOMER EXPERIENCE

Modernising Network and IT Capabilities to Deliver Improved Experience

We are today Malaysia's widest, fastest and most secure network following a nationwide network integration and modernisation programme, which is now over 90% complete and provides

Chief Executive Officer's Statement

an enhanced network experience for all users. The newly assigned 1800MHz and 2600MHz spectrum bands further boost high-performance connectivity for our customers nationwide. Customers today enjoy faster average speeds of 80 Mbps, stronger signal strength, and 4G coverage at 98% of populated areas, with nationwide high-speed 5G network access.

On IT, we completed over 80% of our consolidation programme and reached a critical milestone in building a unified, scalable and modern technology core. The successful upgrade of our Distribution Management System (DMS) integrated 10 legacy systems and streamlined nationwide dealer operations. The remaining phases of our enterprise resource planning (ERP), billing, and customer relationship management (CRM) systems transformation are progressing on track toward completion in 2027. These network and IT investments are valuable long-term levers to strengthen service resilience, elevate our operational efficiency and innovation capability.

Serving Customers 24x7, 365 Days

We enhanced customer experience across both physical and digital touchpoints. As part of our retail transformation, we launched two flagship CelcomDigi Store *Life*, consolidated and refreshed more than 60 CelcomDigi outlets, and transformed over 300 exclusive partner stores nationwide. These experiential spaces now also anchor how customers explore smart living solutions, AI-enabled devices, and convergence offerings. Post-transformation, we see close to 1.8X revenue uplift per store, while productivity improved 1.2X. We digitalised our sales ecosystem by equipping frontliners with AI-powered tools and analytics, enabling faster time to serve and better contextual marketing across channels.

We accelerated digital engagement through the launch of the new CelcomDigi App,

which now exceeds 5.5 million registered users and serves as our primary platform for all our customers nationwide.

We also transformed customer support by expanding AI-enabled assistance through innovations powered by GenAI and Agentic AI, enabling seamless cross-channel interactions, which further improved customer service and enabled us to achieve a Customer Satisfaction (CSAT) score of above 80%, ahead of industry peers.



More about our initiatives in Enhancing Customer Experience on pages 97 to 99

DRIVING OPERATIONAL EXCELLENCE

Driving Cost Efficiency and Productivity at Scale

Our ambition is to become one of the region's most efficient telecommunications providers. We tightened cost discipline, streamlined processes, and scaled automation across the organisation. As an example, with IT consolidation largely complete, we deepened efficiency by reducing cloud costs by 15%, and deploying robotic process automation (RPA) use cases that lifted IT productivity and accelerated touch-free operations and enabled a structurally lower-cost model through reductions in costs to serve and costs to acquire. Additionally, our virtual digital employee SOPHIA has automated large-scale tasks throughout the organisation, delivering over RM10 million in annual OPEX savings.

We reinforced Sourcing discipline through a full review of major contracts, realising RM223 million in operational efficiency (OE). Network cost optimisation initiatives, including site decommissioning and energy efficiency initiatives, further reduced structural costs. We also sharpened commercial efficiency by optimising costs across the board, including incentives, subsidies, our stores and product portfolios to attract higher value customers. These actions created a more agile organisation,

strengthening OE as a sustained competitive advantage.



More about our initiatives in Driving Operational Excellence on pages 100 to 102.

INVESTING FOR THE FUTURE

Accelerating 5G, AI and Data Innovation for New Growth

In the year, we strengthened our telco-tech ambitions by deepening enterprise leadership and scaling our 5G-AI innovation engine to drive transformation for businesses of all sizes driven by innovations developed internally or through partnerships.

Our CelcomDigi AI Experience Centre (AiX), powered by 56 global and local partners, serves as a dynamic platform for developing and scaling next-generation enterprise solutions – both in-house and through strategic collaborations. With 61 readily deployable 5G-AI use cases, including 28 live enterprise pilots, AiX provides a strong pipeline of innovations that feed directly into our TechCo offerings.

We continued to advance digital adoption for SME customers through nationwide MY5G SME workshops, alongside enhanced connectivity and mobile offerings. For large enterprise customers, we accelerated the build-out of our TechCo organisation by delivering solutions in cybersecurity, cloud, Internet of Things (IoT) and AI. This included launching our NACSA-certified, NIST-aligned AI cybersecurity suite with real-time threat prediction, detection and recovery. We also expanded cloud offerings, advanced AI-enabled IoT adoption, and 5G innovation across sectors.

Building Sustainable 5G Value

Our involvement in Malaysia's 5G ecosystem through our shareholding in Digital Nasional Berhad (DNB) reflects our belief in the long-term demand for high-quality, nationwide

Chief Executive Officer's Statement

connectivity, and the broader role that digital infrastructure will play in enabling the country's next phase of growth. We are confident that this augurs well for the future as the 5G landscape in Malaysia continues to evolve. With growing 5G traffic and 15-year spectrum assignment secured, DNB is well placed to ensure continuity of high-quality nationwide 5G services.

We remain actively engaged with stakeholders and maintain close oversight of DNB's financial position, funding strategy, and operational performance, and continue to apply a disciplined approach to capital allocation.

We remain confident in the long-term prospects of the 5G ecosystem, and in our ability to capture sustainable value from this investment going forward as both a shareholder and an access seeker.

Building a High-Performing, Future-Ready Team

In the year, we put in place initiatives to develop strong brand ambassadors for CelcomDigi. We are proud to be CDzens.

We embedded the CelcomDigi Way as a cultural blueprint, shaping a value-based organisation where aligned behaviours and leadership expectations drive accountability and performance. We also accelerated competency building through the CelcomDigi Academy, expanding structured upskilling in AI, digital, technical and leadership skills, while deepening our talent pipeline.

Through internal culture initiatives, we delivered outstanding Employee Engagement Survey (EES) results of 86% in engagement scores and 90% in employee pride. We have also clearly communicated our strategy and must-win battles across the organisation to foster a strong sense of ownership and accountability among all employees. We remain committed to becoming a top employer and workplace

of choice, building the talent and culture required to lead Malaysia's digital future. In addition, we launched CD:NXT, our flagship initiative to equip 5,000 Malaysian youths with AI, technology, data and analytics skills.

Leading Responsibly

We continue to uphold the highest standards of integrity and corporate governance to safeguard the interests and rights of our customers and communities. This commitment is how we build trust – the foundation of our ambition to be the brand Malaysians can rely on in the age of digital everything.

We continued to make progress with our responsible business agenda across four areas of inclusive and safe digital access, sustainable value chain, governance and performance culture, and environmental impact and action. We broadened nationwide scam-awareness efforts through the S.A.F.E. Internet programme, working with enforcement agencies, media partners, schools, universities, and community groups.

On the technology side, we reinforced security at every layer of our network and systems. Baseline protections now block fraudulent calls, filter suspicious Short Message Service (SMS), and manage malicious traffic before it reaches customers. Additional security-related value-added services have also been made available for our customers to further protect themselves.



More about our initiatives in Investing for the Future on pages 103 to 107.

BECOMING MALAYSIA'S TELCO-TECH LEADER

Malaysia entered 2026 with steady economic momentum, resilient domestic demand and reform priorities anchored in the Thirteenth Malaysia Plan. Continued investments in AI, digital infrastructure and 5G are strengthening the country's long-term competitiveness.

CelcomDigi's 2026 aspirations are to be a reliable connectivity provider, driving sustainable, profitable growth as a market leader in the most efficient manner leveraging AI and technology and to build a brand anchored on trust and customer excellence.

We continue to **strengthen market leadership** through value-led propositions, hyper-personalised and sharper go-to-market execution, and deeper convergence across mobile, fixed, and digital services. We are **enhancing customer experience** by being the country's widest, fastest and most secure 4G/5G network, leveraging our modernised retail environment, and the new CelcomDigi App as a core digital growth engine across all channels and parts of the organisation.

We are diligently **driving operational excellence** by simplifying operating models, improving productivity, and strengthening vendor and procurement effectiveness. Technology-driven structural changes, including automation and the consolidation of our IT core, will further improve scale, innovation velocity, and service quality delivered in the most efficient manner.

Finally, we continue to **invest for the future** by advancing autonomous networks, accelerating AI, data, and 5G innovation, and scaling enterprise solutions across private networks, IoT, Application Programming Interface (API), and edge computing.

We remain focused on continuing to build trust and customer excellence, while strengthening our position as a market leader through consistent execution and differentiated customer experiences. We are looking ahead with confidence and optimism to serve our 20 million customers every day.



More on our Strategy on pages 52 to 53.

Chief Executive Officer's Statement

I extend my appreciation to colleagues who have contributed to CelcomDigi's journey, including former CEO Datuk Idham Nawawi, whose leadership helped steer the organisation through its formative years, and former Chief Consumer Business Officer, Praveen Rajan, who developed a strong team to lead our consumer business forward. Both have completed their tenures with us. We are deeply saddened by the passing of our colleague and friend, Erik Axel Sigurd Marell who was the previous Chief Strategy Officer, and remain grateful for his invaluable contributions to the company.

I am confident that all CDzens have the required capabilities, experience and dedication to deliver our strategy going forward. Thank you, CDzens.

I extend my sincere appreciation to all Customers, who trust us to serve them; our ecosystem Partners, who collaborate with us to grow our business; our Shareholders, for their continued confidence; and the Government for their guidance and partnership in shaping Malaysia's digital future.

Terima kasih.



BOARD OF DIRECTOR'S PROFILES



Tengku Dato' Sri Azmil Zahruddin Raja Abdul Aziz

Chair of the Board,
Non-Independent Non-Executive Director

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: 19 January 2023

Length of Service

3 years and 2 months (as at 13 March 2026)

Work Experience

Tengku Dato' Sri Azmil Zahruddin previously served as the Chief Investment Officer at Khazanah Nasional Berhad (Khazanah), overseeing Khazanah's investment portfolio. His tenure at Khazanah included various senior positions, including Deputy Managing Director and Executive Director of Investments from 2011. Tengku Azmil also held senior leadership positions at Malaysia Airlines as Managing Director/Chief Executive Officer and Executive Director/ Chief Financial Officer.

Prior to these roles, he sustained leadership positions at Penerbangan Malaysia Berhad and gained international experience at PricewaterhouseCoopers in London and Hong Kong. Tengku Azmil also served as Chairman of UEM Group and Themed Attractions Resorts & Hotels Sdn Bhd, and held directorships in Axiata Group Berhad, IHH Healthcare Berhad, and Malaysian Global Innovation & Creativity Centre Berhad (MaGIC).

Other Commitments

Tengku Azmil is currently an independent non-executive board member of Sime Darby Berhad and independent non-executive board member of CIMB Group Holdings Berhad and CIMB Bank Berhad. He is also Chairman of CIMB Thai Bank PCL.

Qualifications

Tengku Azmil holds a degree in Economics from the University of Cambridge, UK. He is a Chartered Accountant and member of the Malaysian Institute of Accountants (MIA) and a fellow of the Institute of Chartered Accountants in England and Wales (ICAEW).



Jon Omund Revhaug

Deputy Chair, Non-Independent
Non-Executive Director
Board Governance and Risk Management
Committee Member

Board Meeting Attendance in 2025: **10/11**

Date of Appointment: 21 March 2025

Length of Service

1 year (as at 13 March 2026)

Work Experience

Mr Revhaug is an experienced senior business leader, currently the Executive Vice President, Head of Asia at Telenor Group. He joined Telenor Group in 2001 and spent 20 years leading the establishment of new businesses, building emerging market leadership positions, and playing an integral role in M&A and large transactions. Mr Revhaug also held Board of Director positions in the Nordics and Asia during this time. He was previously Chair of the Board of Directors of Telenor Myanmar and served as a board member of Telenor Procurement Company in Singapore.

Mr Revhaug was previously acting EVP, Head of Telenor Nordics. Prior to this, he was Chief Operating Officer at Telenor Nordics with responsibilities in technology, IT, and Shared Services across the region, and served as Chief Transformation Officer for True Corp in Thailand, where he led integration efforts in the merger between CP-owned True and Telenor-owned Dtac. Mr Revhaug was also the Chief Executive Officer (CEO) of Telenor Myanmar, which he led through Covid and the military coup.

As CEO of Telenor Procurement Company, he was instrumental in establishing Telenor Group's global sourcing function.

Other Commitments

Mr Revhaug is currently on the Boards of Grameenphone Ltd, True Corporation Public Company Limited, Citrine Venture Sg Pte Ltd, Citrine Venture Holdings Co. Ltd, and Citrine Global Company Limited.

Qualifications

Mr Revhaug holds a Master of Management degree from BI Norwegian Business School and a Candidate Magister degree in Economics and Biology from the University of Tromsø, Norway.

Board of Director's Profiles



Vivek Sood

Non-Independent Non-Executive Director,
Chair of Board Governance and Risk
Management Committee

Board Meeting Attendance in 2025: **11/14**

Date of Appointment: 19 January 2023

Length of Service

3 years and 2 months (as at 13 March 2026)

Work Experience

Mr Vivek has demonstrated leadership across diverse roles, currently serving as Group Chief Executive Officer and Managing Director (GCEO) of Axiata Group Berhad (Axiata). He joined Axiata as Group Chief Financial Officer (GCFO) in 2017. Prior to this, he was the Executive Vice President and Group Chief Marketing Officer of Telenor Group, CEO and CFO of Telenor India, CEO of Grameenphone Bangladesh, and Chief Operating Officer and CFO of Tata AIA Life Insurance (India). His experience includes leading multidisciplinary and multi-cultural teams, overseeing business, finance, and transformation within the telecommunications, insurance, and consumer sectors.

He serves on the boards of Axiata's listed and unlisted subsidiaries. As Group CEO, he is responsible for implementing Axiata's portfolio, business strategies, and results as mandated by Axiata's Board. His role involves developing Axiata's culture, transforming the business, building trust among stakeholders, and delivering expected returns to investors. In his earlier roles, he acted as a change agent, steering a major telco's transformation into a digital services provider and developing innovative services. His global knowledge extends across Asian and European markets, leading teams with diverse cultures and backgrounds.

Other Commitments

Mr Vivek also holds board positions in various Axiata subsidiaries, including Dialog Axiata PLC, Robi Axiata PLC, PT XLSmart Telecom Sejahtera, PT Link Net Tbk, ADA Data AI Solutions Sdn Bhd (formerly known as Axiata Digital & Analytics Sdn Bhd), Boost Holdings Sdn Bhd, and Smart Axiata Co., Ltd.

Qualifications

Mr Vivek holds a Bachelor in Commerce from the University of Delhi, India and is a Qualified Chartered Accountant of India. He obtained his Accountancy and Audit Training at PricewaterhouseCoopers India.



Nik Rizal Kamil Nik Ibrahim Kamil

Non-Independent Non-Executive Director

Board Meeting Attendance in 2025: **12/14**

Date of Appointment: 12 February 2025

Length of Service

1 year and 1 month (as at 13 March 2026)

Work Experience

Mr Nik Rizal was appointed as Axiata Group Berhad's Group Chief Financial Officer in January 2024, having previously served as Group Chief Financial Officer at RHB Group since 2021.

Prior to that, Mr Nik Rizal was with Khazanah Nasional Berhad (Khazanah) from 2011 to 2021, where he held the position of Executive Director, Investments. In this role, he served as Head of Private Markets for North America and Europe, Middle East, and Africa (EMEA), and India, as well as Head of the Telecommunications, Media & Technology (TMT) sector.

Additionally, Mr Nik Rizal was also Khazanah's nominee on the Boards of Telekom Malaysia Berhad, Astro Malaysia Holdings Berhad, and various unlisted companies.

Prior to Khazanah, Mr Nik Rizal had spent ten years with the Royal Dutch Shell group in finance and strategy roles in Malaysia, Singapore, and the United Kingdom.

Other Commitments

Mr Nik Rizal also holds board positions in various Axiata subsidiaries, including PT XLSmart Telecom Sejahtera Tbk, PT Link Net Tbk, Robi Axiata Ltd, EDOTCO Group Sdn Bhd, Axiata Digital Services Sdn Bhd, and Axiata Digital Labs Sdn Bhd.

Qualifications

Mr Nik Rizal holds a Master in Finance (MSc) from London Business School and a Bachelor in Science (BSc) in Economics and Accounting from University of Bristol in the United Kingdom. He is a Fellow Chartered Accountant (FCA) of the Institute of Chartered Accountants in England and Wales (ICAEW) where he also holds a Business Finance Professional (BFP) qualification. He is also a Chartered Accountant and a member of the Malaysian Institute of Accountants (MIA).

Board of Director's Profiles



Rita Skjaervik

Non-Independent Non-Executive Director

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: 30 November 2022

Length of Service

3 years and 2 months (as at 13 March 2026)

Work Experience

Ms Skjaervik has held senior and top management positions in the public and private sectors in Norway. She joined Telenor Group in 2014 and has served in multiple roles in Telenor Norway and in the Group, such as Senior Vice President (SVP), Head of CEO Office, and SVP Head of Group Strategy and External Relations. From December 2021, she was appointed Executive Vice President Strategy and External Relations, and consequently as a member of the Group Executive Management. She has been a board member in several of Telenor Group's unlisted subsidiaries and has board experience from other Norwegian companies.

Prior to joining Telenor, Ms Skjaervik worked as State Secretary from 2005 and Deputy Chief of Staff for the Prime Minister of Norway between 2009 and 2013. She has also worked as a political advisor for the Labour Party in the Norwegian Parliament.

Other Commitments

Ms Skjaervik is an integral part of the Telenor Group Leadership Team, holding the position of Executive Vice President - People, Sustainability, and External Relations. She is currently on the boards of Telenor Networks Holding AS, Telenor Nordics AS, Telenor Procurement Company Pte Ltd and Abelias (a Business Association of the Confederation of Norwegian Enterprise).

Qualifications

Ms Skjaervik has a Master of Political Science (Cand.polit.) from the University of Oslo, Norway.



Irfan ul Wahab Khan

Non-Independent Non-Executive Director

Board Meeting Attendance in 2025: **11/11**

Date of Appointment: 30 April 2025

Length of Service

Less than a year (as at 13 March 2026)

Work Experience

Mr Irfan ul Wahab Khan is a seasoned executive, CEO, and Board Director. He is currently Senior Vice President – Portfolio Development for Telenor Asia where he is responsible for Commercial, Leadership and Talent Development, and Technology.

Prior to joining Telenor Asia, Mr Khan was CEO of Telenor Pakistan. In addition to this, for a number of years, Mr Khan was EVP, Head of Telenor's Emerging Asia Cluster which included the Group's operations in Bangladesh, Pakistan, and Myanmar. Other roles he has held at Telenor Group include Global Head of Device Business at Telenor HQ in Oslo Norway and Regional Head for distribution in Asia.

Mr Khan has over 20 years of diverse management experience with leading telecommunication companies such as Orange, T-Mobile, Ericsson, and Telcordia Technologies across North America, Europe, and Asia.

Other Commitments

Mr Khan is currently Chair of the Board of Directors for EasyPaisa Digital Bank Limited (Pakistan). He is also a member of the Board of Directors for Grameenphone Ltd in Bangladesh and IMD Switzerland's Governance Board.

Qualifications

Mr. Khan holds BSc (Electrical Engineering) from UET Lahore and a Masters degree in Mobile Personal and Satellite Communications from University of Westminster, London. He also holds qualifications in Financial Management from Harvard Business School, executive diploma in Marketing from London Business School and Advance Management Programme from INSEAD. He is also a lifetime Alumni of IESE and INSEAD.

He is a qualified Director from IMD and a member of Institute of Directors, Singapore.

Board of Director's Profiles



Vimala V.R. Menon

Independent Non-Executive Director,
Chair of Board Audit Committee,
Board Nomination and Remuneration
Committee Member

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: 1 July 2015

Length of Service

10 years and 8 months (as at 13 March 2026)

Work Experience

Ms Menon served as a Senior Independent Non-Executive Director and Chair of the Audit and Risk Committee of Digi.Com Berhad until the completion of the merger on 30 November 2022. She is currently an Independent Non-Executive Director at CelcomDigi Berhad.

Ms Menon is a Chartered Accountant with over 30 years of experience in finance and general management. She has held executive roles at Edaran Otomobil Nasional (EON) Berhad and Proton Holdings Berhad, including serving as an Executive Non-Independent board member of EON Berhad from 1990 to 2006.

In her 16 years of board experience, she served as an Independent Non-Executive Director and Audit Committee Chair for various companies, including EON Bank Berhad, Jardine Cycle & Carriage Limited, PT Astra International Tbk, Cycle & Carriage Bintang Berhad, Petronas Chemicals Group Berhad, Petronas Dagangan Berhad, and Prince Court Medical Centre Sdn Bhd.

Other Commitments

Ms Menon has been a member of the Board of Trustees of Yayasan Tunku Abdul Rahman (YTAR) since 10 November 2021.

Qualifications

Ms Menon is a Fellow of the Institute of Chartered Accountants in England and Wales, and a Member of the Malaysian Institute of Accountants (MIA).



Datuk Iain John Lo

Independent Non-Executive Director,
Chair of Board Nomination and Remuneration
Committee, Board Governance and Risk
Management Committee Member

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: 24 May 2021

Length of Service

4 years and 10 months (as at 13 March 2026)

Work Experience

Datuk Iain started his career in 1987 as a civil engineer with the engineering consultancy firm, Konsortium Malaysia, based in Kuching, Sarawak. In 1990, he joined Sarawak Shell Berhad as a field engineer, and went on to hold several senior positions in Malaysia and Singapore. From 2004 to 2006, he served as the Asia Pacific Regional Advisor to Shell's Executive Committee at Shell International in The Hague.

Datuk Iain retired as the Country Chair of Shell Malaysia Ltd in March 2021. Datuk Iain brings over 30 years of extensive knowledge and experience from his time with Shell, both in Malaysia and abroad.

Other Commitments

Currently, Datuk Iain is an Independent Non-Executive Director of RHB Bank Berhad and RHB Investment Bank Berhad. He chairs both the Board Nomination and Remuneration Committee and the Board Sustainability Committee, and he actively contributes to the Board Audit Committee at RHB Bank Berhad.

He also serves on the Board of Guardians of the Sarawak Sovereign Wealth Future Fund and the Board of Sepang International Circuit Sdn Bhd.

Qualifications

Datuk Iain has a Bachelor and Master of Science in Civil Engineering from the University of California, Los Angeles, USA.

Board of Director's Profiles



Khatijah Shah Mohamed
Independent Non-Executive Director,
Board Audit Committee Member,
Board Governance and Risk Management
Committee Member

Board Meeting Attendance in 2025: **14/14**

Date of Appointment: 30 November 2022

Length of Service

3 years and 3 months (as at 13 March 2026)

Work Experience

Puan Khatijah has accrued 29 years of business management and organisational leadership roles in the Information Technology sector, working with various multinational corporations in Malaysia, Hong Kong, United States, and the Middle East. Puan Khatijah started her career with International Business Machines Corporation (IBM). She was later appointed as the Managing Director for Oracle Systems Malaysia and subsequently as the Managing Director of SAP Malaysia, overseeing the Malaysia, Brunei, and Pakistan markets. In 2005, she became General Manager at SAP AG in Dubai, where she managed the company's business across 15 countries in the Middle East. She then delved into entrepreneurship, starting her real estate business in Dubai under the Engel & Voelkers Franchise. In 2008, her business became one of Engel & Voelkers' most successful operations worldwide.

Puan Khatijah has prior board experience as an Independent Non-Executive Director at Celcom Berhad and as Chair of the Board Risk and Compliance Committee, Chair of the Board IT Steering Committee, member of the Board Audit Committee, member of the Board Dispute Resolution Committee, and as a member of the Axiata Board Cyber Security Steering Committee. She has also served as a board member of MIMOS Berhad, an agency under the Ministry of Science, Technology and Innovation (MOSTI), for seven years.

Other Commitments

She does not hold any directorships, partnerships, or significant commitments in other companies or entities, whether public or private.

Qualifications

Puan Khatijah holds a Diploma in Computer Science from Universiti Teknologi MARA. She has participated in various leadership programmes globally with IBM and SAP, including a one year leadership programme in INSEAD, France.



**Tunku Alizakri Raja
Muhammad Alias**
Independent Non-Executive Director,
Board Audit Committee Member,
Board Nomination and Remuneration
Committee Member

Board Meeting Attendance in 2025: **9/9**

Date of Appointment: 30 June 2025

Length of Service

Less than 1 year (as at 13 March 2026)

Work Experience

Tunku Alizakri Raja Muhammad Alias has more than 30 years of senior management and board experience across multiple sectors, including retirement funds, financial services, central banking, takaful, healthcare, media and telecommunications, plantation, oil and gas, and property development. Tunku Alizakri has also chaired Malaysia's two sovereign bodies tasked to build and grow the start-up and venture capital industry for Malaysia. His last executive role was as the Chief Executive Officer of the Employees Provident Fund (EPF). His areas of expertise include sustainability, enterprise digitalisation and transformation, corporate strategy, and fund management. Prior to joining EPF, Tunku Alizakri was the Chief Marketing Officer and Chief Operating Officer of the Iclif Leadership and Governance Centre. He has also held the positions of Director of Strategic Management at Bank Negara Malaysia, Director and Head of Strategy and Corporate Affairs at Digi Telecommunications Berhad, and Vice-President and Head of Group Strategic Planning at Malayan Banking Berhad.

Other Commitments

He serves as an independent non-executive director for Bumi Armada Berhad, Kuala Lumpur Kepong Berhad, Prudential BSN Takaful Berhad, and RAM Holdings Berhad. In addition, he serves as the Chairman and a Director of Collekt Sdn. Bhd.

Qualifications

Tunku Alizakri holds a Master in Business Administration from Cornell University and a Bachelor of Law from King's College, University of London. He is also a Barrister-at-Law at The Honourable Society of Lincoln's Inn. He undertook Executive Education in Public Policy, Sustainability and Circular Economy at Harvard Kennedy School and the University of Cambridge, and completed specialised training in sustainability and climate risk with the Global Association of Risk Professionals.

Board of Director's Profiles

Notes:

1. None of the Directors have any familial ties with other Directors or major shareholders of the Company.
2. Except as disclosed in the Board Audit Committee Report, none of the Directors have any actual or potential conflict of interest, including interests in businesses in competition with the CelcomDigi Group.
3. None of the Directors have been convicted of any offences within the past five years or received any public sanctions or penalties from regulatory bodies during the financial year, other than traffic offences, if any.

MANAGEMENT'S PROFILES



Albern Murty

Chief Executive Officer



Date of Appointment

10 February 2026

Work Experience

Albern has been leading the management team through the foundational years of integration following the merger of Celcom and Digi on 30 November 2022 as Deputy Chief Executive Officer and now as CEO. He brings over 25 years of leadership experience in the telecommunications industry, including 7 years as CEO of Digi. He has also held previous leadership roles at Digi including as Chief Operating Officer and Chief Marketing Officer, and as Executive Vice President and Head of Emerging Asia for Telenor Asia. His earlier experience includes business and commercial management roles at Lucent Technologies across the Asian region.

Qualifications

Albern holds a Bachelor of Science in Marketing and Advertising Management from Portland State University, Oregon, USA.



Datuk Kamal Khalid

Chief Strategy, Transformation and Regulatory Officer



Date of Appointment

1 December 2022

Work Experience

Datuk Kamal previously served as Chief Corporate and Transformation Officer at Celcom, overseeing regulatory affairs, legal, sustainability, community engagement, and the enterprise project management office. He also led the Merger Integration Team from July 2021 to November 2022. Prior to that, he held other senior leadership roles as Group Managing Director of Media Prima Berhad and Head of Communications at the Prime Minister's Office of Malaysia from 2003 to 2009. He currently services the Board of Digital Nasional Berhad (DNB).

Qualifications

Datuk Kamal holds a Bachelor of Laws (LLB) from the University of Nottingham, England.



Dennis Chia

Chief Financial Officer



Date of Appointment

2 January 2025

Work Experience

Dennis brings over 30 years of experience as a finance leader, having served as Chief Financial Officer at StarHub in Singapore for nearly 10 years until September 2024. Prior to StarHub, he held various senior CFO and finance leadership roles across the IT, semiconductor, automotive, and oil and gas sectors, including Senior Vice President and CFO at STATS ChipPAC Ltd and Vice President of Finance at Lear Corporation.

Qualifications

Dennis is a Chartered Accountant and holds a degree in Accounting from Nanyang Technological University, Singapore, and a Master of Business Administration in Marketing and Finance from University of Hull, England. Dennis is also an alum of the Harvard Business School, having completed the Advanced Management Programme in 2024.

Management's Profiles



Azmi Ujang

Chief Human Resources Officer



Date of Appointment

1 December 2022

Work Experience

Azmi previously served as Chief Human Capital and Organisation Development Officer at Celcom, leading end-to-end human capital management including workspace transformation and the development of a modern corporate office. He brings over 20 years of leadership experience, including having held senior roles at Maxis Berhad such as Senior Vice President, Head of Human Resources, and Head of Regulatory, Compliance, and Government Relations. He began his career in banking operations and human resources with Standard Chartered Bank.

Qualifications

Azmi has a Bachelor of Science in Finance and Master of Business Administration, both from Indiana State University, USA. He also completed London Business School's Management Programme and Harvard Business School's Advanced Management Programme.



Lau Yin May

Chief Customer Experience Officer



Date of Appointment

10 March 2025

Work Experience

Yin May was previously Group Chief Branding and Customer Experience Officer at Malaysia Airlines, where she played key roles in the airline's turnaround, strengthening customer experience, and corporate branding. She was previously part of the pioneer team at Firefly Airlines, leading the establishment of the airline and its travel division, Firefly Holidays. She brings over 20 years of experience across aviation, banking, hospitality, travel, and retail, and has held leadership roles at Taylor's Education Group, Mindshare, and Accenture.

Qualifications

Yin May holds a Bachelor's Degree in Business from Monash University.



Kesavan Sivabalan

Chief Technology Officer



Date of Appointment

1 December 2022

Work Experience

Kesavan was previously Chief Technology Officer of Digi and held a similar portfolio within Telenor Group's Developed Asia Cluster. Since joining Digi in 2013, he held senior roles including Chief Network Officer and Head of Technology Operations. He has over 20 years of telecommunications experience across Malaysia, Germany, Australia, Cambodia, Vietnam, and Bangladesh with vendors such as Lucent and Ericsson, and operators including Maxis and Vodafone, where he served as General Manager of Access Network at Vodafone Australia.

Qualifications

Kesavan holds a Bachelor of Business from Deakin University, Australia and a Master of Science in Enterprise Project Management from Stevens Institute of Technology, New York, USA.

Management's Profiles



Afizulazha Abdullah

Chief Enterprise Business Officer



Date of Appointment

1 December 2022

Work Experience

Afiz previously served as Chief Operations Officer (Technology) and Chief Enterprise Business Officer at Celcom. He spent 14 years at IBM Malaysia, rising to General Manager for the Public Sector. He later held leadership roles at Maxis Berhad, including Head of Broadband and Vice President, Maxis Home Services. Joining Celcom in 2011, he served in multiple senior roles before leading On-Site Services Sdn Bhd. Afiz is a certified Technologist with extensive experience in telecommunications and technology.

Qualifications

Afiz holds a Bachelor of Science in Computer Science from California State University, USA. Afiz has also attended executive education programmes at INSEAD.



Chew Theam Siew

Acting Chief Consumer Business Officer



Date of Appointment

1 December 2025

Work Experience

Chew is a seasoned commercial leader with extensive experience in consumer business strategy, product management, and customer insights. He previously served in multiple leadership roles, including Head of Product Management (Consumer) and Commercial Lead as part of the Celcom-Digi merger integration planning team, where he played a central role in driving product innovation, segmentation, and go-to-market execution.

Qualifications

Chew holds an MBA from the University of Leicester and has completed the Strategic Marketing programme at London Business School and executive programmes at INSEAD.



Cheng Weng Hong

Chief Sales & Retail Officer



Date of Appointment

1 December 2022

Work Experience

Cheng previously served as Chief Sales Officer at Digi. He spent 18 years in senior roles across the Marketing and Sales Division holding leadership positions including Head of Consumer Sales and Head of Retail and Controlled Channels, where he played a key role in modernising Digi's sales and distribution network. He also led initiatives in product development and the establishment of Digi's MVNO business. He brings over 20 years of telecommunications experience, including earlier roles at Trisilco Folec.

Qualifications

Cheng holds a Bachelor of Engineering (Civil and Computing) from Monash University, Australia.

Management's Profiles



Kugan Thirunavakarasu

Chief Innovation Officer



Date of Appointment

1 December 2022

Work Experience

Kugan was previously Chief Emerging Business Officer of Celcom, bringing over 25 years of experience in the telecommunications industry. Prior to Celcom, he served as Chief Marketing Officer of Smartfren Indonesia and as a board member of Sinarmas Digital Ventures, where he oversaw overall commercial operations. Earlier in his career, he held roles with Ericsson Sweden across Europe and North Africa, before taking on senior commercial and technology leadership positions at Digi, Astro, and Maxis.

Qualifications

Kugan holds a degree in Electrical Engineering from University Teknologi Malaysia and has completed executive management programmes at Columbia Business School and at Stanford in the USA.



Joachim Rajaram

Chief Corporate Affairs Officer



Date of Appointment

1 December 2022

Work Experience

Joachim was previously Chief Corporate Affairs Officer at Digi. Before CelcomDigi, he spent more than 14 years at Digi and Telenor, where he was Head of Communications at Telenor Myanmar, and Head of Communications and Sustainability at Digi. He has close to 30 years of experience in corporate communications, business sustainability, public affairs, and corporate governance.

Qualifications

Joachim holds a Bachelor of Laws (LLB) from the University of London, England and has attended executive education programmes at London Business School and INSEAD.

Notes:

1. None of the CelcomDigi Senior Management team have any familial ties with other Directors or major shareholders of the Company.
2. Except as disclosed in the Board Audit Committee Report, none of the CelcomDigi Senior Management team have any actual or potential conflict of interest, including interests in businesses in competition with the CelcomDigi Group.
3. Except as disclosed in Datuk Kamal Khalid's profile, none of the CelcomDigi Senior Management team hold directorships in public companies or listed issuers.
4. None of the CelcomDigi Senior Management team have been convicted of any offences within the past five years or received any public sanctions or penalties from regulatory bodies during the financial year, other than traffic offences, if any.
5. Shareholdings of the Chief Executive are disclosed on page 258 of the Integrated Annual Report 2025.

THREE-YEAR FINANCIAL SUMMARY

KEY FINANCIAL RESULTS (in RM million)

	2023	2024	2025
Revenue	12,682	12,679	12,958
Telecommunications revenue			
- Service revenue	10,859	10,792	10,906
- Others	108	110	114
- Sales of devices	1,715	1,777	1,938
Earnings before interest, taxes, depreciation and amortisation (EBITDA) ¹	6,131	5,803	5,473
Earnings before interest and taxes (EBIT)	2,697	2,310	2,672
Interest cost	628	610	588
Profit before taxes	2,181	1,736	2,103
Profit after taxes	1,567	1,390	1,530
Organic capital expenditure (Capex)	1,812	2,710	2,153
Operations (ops) cash-flow	5,083	4,028	4,419

SHARE INFORMATION

Earnings per share (sen)	13.2	11.7	12.9
Dividend per share (sen)	13.2	14.3	14.7
Net assets per share (sen)	139.3	137.0	135.1
Dividend yield ²	3.2%	4.0%	4.6%

Notes:

1 EBITDA excludes the gain or loss on:

- disposal and write-off of property, plant and equipment
- termination of lease
- impairment loss on right-of-use assets

2 Yield calculated based on annual dividend per share over closing price as at 31 December of reporting year

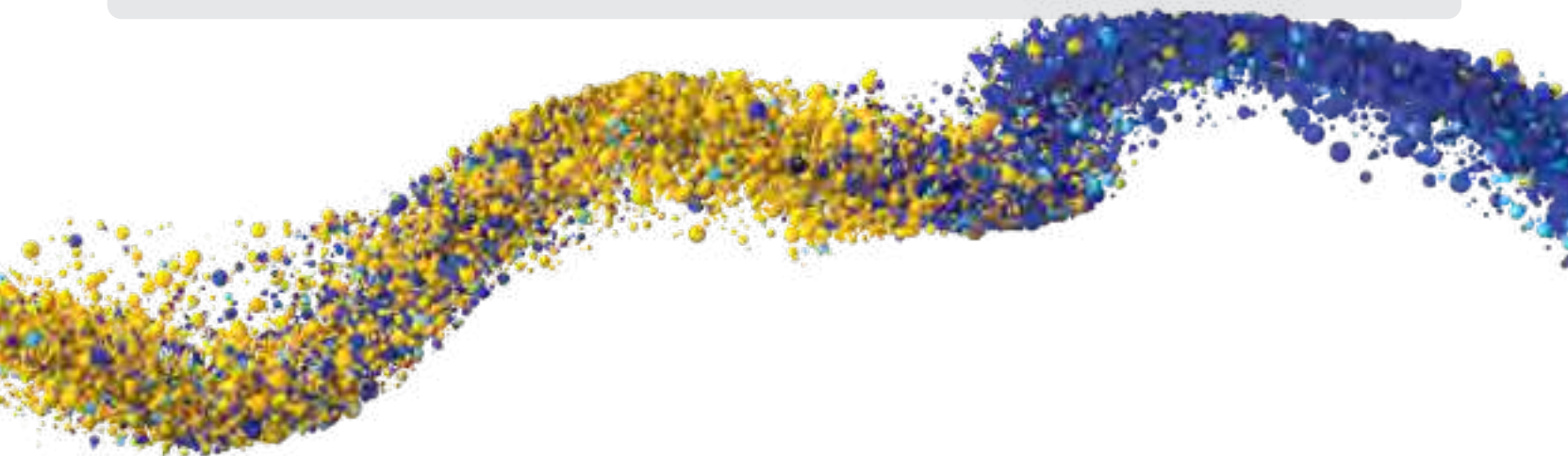
Three-Year Financial Summary

KEY FINANCIAL POSITIONS (in RM million)

	2023	2024	2025
Total assets	36,427	36,012	36,878
Non-current liabilities	12,546	12,822	12,341
Total debts	12,997	13,053	13,854
- Conventional borrowing	610	170	418
- Islamic borrowing	7,028	8,279	9,273
- Bankers' acceptances	5	15	20
- Finance lease	5,354	4,589	4,143
Shareholders' equity	16,459	16,190	15,979

KEY FINANCIAL RATIOS

Return on equity	10%	9%	10%
Return on total assets	4%	4%	4%
EBITDA margin	49%	46%	42%
Net debt/EBITDA (x)	2	2	2
Interest cover (x)	4.3	3.8	4.5



Curating exceptional experiences

Personalised customer
engagement shaped by
purpose and insight





Prashanthini Murthy (left), CSR Specialist, Sustainability, drives our S.A.F.E. Internet initiatives to advance digital safety in the age of AI, while Adrian Kuah Chin Hooi (right), Head of Next Gen Consumer, leads next-generation platforms that simplify connectivity and transform how customers engage with digital services.

VALUE CREATION MODEL

Approach To Value Creation

Our strategy in delivering on our purpose of 'Advancing and Inspiring Society' is integral to enable an inclusive and sustainable digital society. We create value by maximising the positive impact of our operations on all stakeholders. Strengthened by innovation, technology, connectivity, platforms, products, and services, we continue to transform the way our customers live and work.

OUR KEY INPUT



FINANCIAL CAPITAL

- RM37.4 billion market capitalisation as at 31 December 2025
- RM36.9 billion total asset value as at 31 December 2025



MANUFACTURED CAPITAL

- More than 14,500 network sites integrated
- 31,364km fibre network (incl. Celcom Timur Sabah)
- More than 10,000 retailing touchpoints including 61 new CelcomDigi retail stores, 206 CelcomDigi Express Stores and 2 CelcomDigi Store *Life* introduced



INTELLECTUAL CAPITAL

- Delivered campaigns to amplify CelcomDigi's brand visibility
- RM1.57 billion invested in CAPEX
- Up to RM250 million investment in Innovation Company over five years, from 2023
- Implemented an enhanced Privacy Management Framework



HUMAN CAPITAL

- 2,880 permanent and FTE employees
- Male (50%) and female (50%) employees
- Established CelcomDigi Academy, rolled out internal expert-led AI programmes and project-based learning
- Launched CD:NXT Programme: YTP, UniConnects, Student Ambassador Programme



NATURAL CAPITAL

- Committed to Net Zero 2050, pending validation from Science Based Target Initiatives (SBTi)
- Robust climate data monitoring on AI-powered carbon platform
- Alignment with ISSB-informed climate risk considerations
- Expansion and refinement of Scope 3 emissions mapping



SOCIAL AND RELATIONSHIP CAPITAL

- Implemented social impact programmes (digital safety, digital inclusion, and digital skills) and humanitarian efforts
- 325 National Information Dissemination Centres (NaDi) nationwide
- Expanded partner training via CelcomDigi Knowledge Assessment Tool

OUR BUSINESS MODEL

STRATEGIC PILLARS

Invest for the Future

Sustainability Management

Key Relationships

Drive Operational Excellence

Risks

ADVANCING &
INSPIRING
SOCIETY

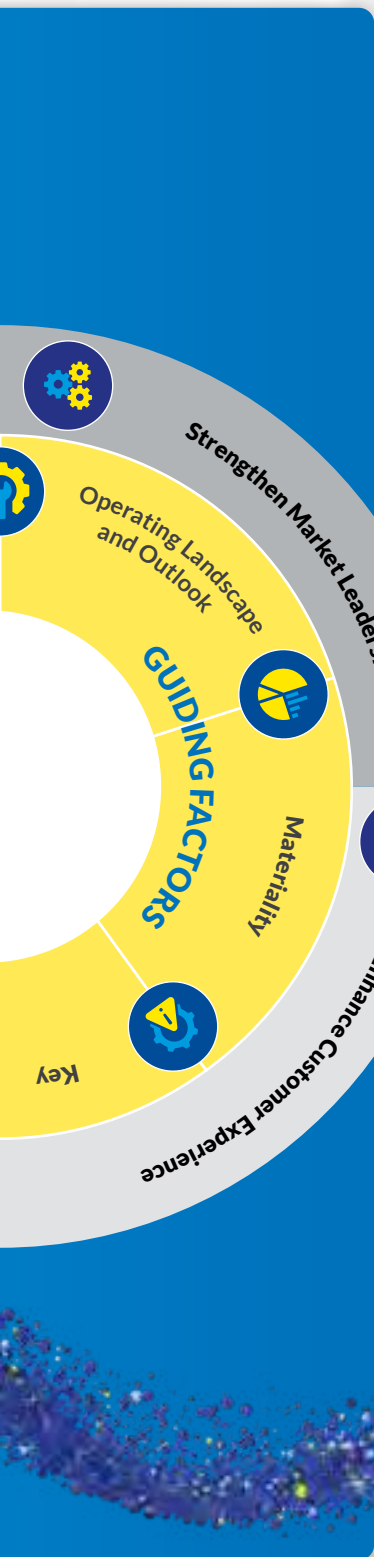
Value Creation Model

Our Inputs

Our business model strategically leverages our financial and non-financial capitals to drive sustainable and innovative solutions, providing growth and total returns with added value for all stakeholders.

Output and Outcomes

Our business model converts financial, manufactured, intellectual, human, natural, and social and relationship capitals into valuable outputs for customers, employees, shareholders and the environment. The output and outcomes from the execution of our business strategies are also aligned to our material matters.



OUR KEY OUTPUT

Performance

Material Matters

UN SDGs

- RM12.96 billion in revenue

- 14.7 sen dividend to shareholders

G1 EC2 S1



- Maintained more than 99% network uptime
- Achieved more than 90% of overall network integration target
- Increased data traffic more than 20%
- 97.9% 4G LTE and 95.6% 4G LTE-A population coverage
- Achieved customer satisfaction score (CSAT) of more than 80% across all channels and >90% for retail

- Network leadership validated by Ookla's Speedtest Awards: Malaysia's Best Mobile Coverage, Most Reliable Network award, Best Call Performance award alongside Opensignal Mobile Experience Awards: Best Games, Voice, Video, Download/Upload Speed, Coverage & Consistent Quality
- More than 5 million new CelcomDigi App users

EC1 EC2 EC3 S1 S4 S5



- 20.6 million subscriber base
- Grew home & fibre subscriber base to 316,000
- More than 20 Brand-related awards, strengthening brand leadership and perception
- +8 point uplift in customer perception as a "Trustworthy Brand" (Q4 2025 vs Q4 2024) – Brand Health Tracking

- Converged 5G mobile and fibre offerings drove digital adoption among Malaysian SMEs
- Zero cyber security breaches
- MY5G SME Digital Workshops empowered more than 1,500 SMEs to digitalise faster and smarter
- 61 readily deployable 5G-AI solutions across eight key verticals

G1 G2 EC1 EC2 EC3 S1 S5



- More than 102,000 hours of total employee learning
- 100% employee established development plans & completed at least one development goal
- Zero Lost Time Injury Frequency (LTIF) rate
- Zero fatalities across operations

- 97% participation rate, 86% in engagement scores and 90% in employee pride for Employee Engagement Survey (EES)
- Achieved proactive level under NIOSH Safety Culture Evaluation (Hudson Model)

G1 S2 S3



- 3,319,042 GJ energy consumed
- 539,598 tCO₂e Scope 1 & 2 emissions
- 15,262 GJ renewable energy generated

- 4% reduction in Scope 1 & 2 carbon emissions
- 22% reduction in carbon intensity per data usage

G1 EC2 EN1



- Zero material corruption cases
- More than 10 million reaches (online & physical) for digital safety through mass media and empowerment programmes
- More than 105,000 active users on the Future Skills platform

- More than 31,000 hours of supplier training
- 2,956 suppliers signed Agreement of Responsible Business Conduct (ABC)

G1 EC2 S4 S5 S6 S7



OPERATING LANDSCAPE AND OUTLOOK

Connectivity continues to remain central to Malaysia's digital economy, enabling people, businesses, and communities to thrive more than ever. Demand for reliable, high quality, and innovative digital services continues to grow, supported by increased adoption of cloud solutions, IoT applications, and data-rich experiences across all sectors and aspects of daily life.

CelcomDigi is strategically positioned to seize these opportunities through our modernised nationwide network, service reliability, competitive product offerings, consumer and enterprise connectivity solutions, and by delivering seamless digital experiences for all customers. The operating environment remains dynamic, reflecting evolving regulatory developments, technological advancements, geopolitical developments, and a stronger focus on cybersecurity and sustainability.

Looking ahead, our focus remains on strengthening Malaysia's digital ecosystem through targeted infrastructure investment, digital innovation, adoption of new technologies like AI, and cultivating an organisation that attracts and develops top Malaysian talents. Our commitment to operational excellence, coupled with efforts to build next-gen digital infrastructure and enable future-ready capabilities, will support national digital ambitions and drive sustainable, profitable growth in a competitive landscape.

1

MACROECONOMIC

Impact on Business and Industry

Malaysia experienced strong economic growth in 2025, supported by resilient domestic demand, stable labour conditions, and increased investment in high-value sectors. Key sectors including manufacturing, services, and construction drove solid growth, positioning Malaysia as one of Southeast Asia's fastest-growing economies.

- GDP expanded by 4.9%¹ YoY, led by the Services sector, with strong Manufacturing performance and double-digit growth in Construction. Household consumption remained a key growth driver, supported by rising wages and sustained employment
- Keeping the Overnight Policy Rate (OPR) at 2.75% helped keep inflation low and stable, while improved market sentiment strengthened the Ringgit to 10.2%² appreciation against the USD in 2025
- Fiscal consolidation measures including subsidy rationalisation, SST expansion, and the nationwide rollout of e-invoicing supported macroeconomic stability, while ongoing infrastructure projects and national master plans continued to attract investment in high-value sectors
- Global headwinds from higher US tariffs, geopolitical tensions, and weaker demand from China persisted, although electronics exports and tourism helped cushion the impact on trade

Our Response

- Direct GDP contribution through investment in nationwide 4G and 5G infrastructure, supporting capital formation, productivity gains, and long-term economic growth
- Strengthened domestic demand via operating expenditure, local procurement, and employment, generating multiplier effects across households, SMEs, and the broader digital ecosystem
- Enablement of business and SME growth by providing connectivity and digital solutions that enhance efficiency, competitiveness, and access to new markets
- Expanded the digital economy and encouraged inclusion by enabling widespread consumer participation in digital services, e-commerce, and online platforms through affordable and reliable connectivity

2026 Outlook

Malaysia's economy is expected to grow 4.0%–4.5% in 2026, supported by strong domestic demand, tourism influx from Visit Malaysia 2026, and continued investment in high-impact sectors, with macroeconomic stability and reforms from the Thirteenth Malaysia Plan underpinning medium- to long-term growth.

- Private consumption is expected to prevail as the main growth driver, supported by wage adjustments, targeted subsidies, and tourism activity
- Growth is expected to be driven by robust investment in high-value sectors, including AI, renewable energy, the digital economy, 5G, green technologies, and continued improvement in exports
- Budget 2026 and Madani Economic Framework continue to support economic growth and infrastructure spending, boosting job and business opportunities for enterprises
- The external outlook remains subject to global trade uncertainty, geopolitical tensions, and volatility in external demand

¹ <https://www.dosm.gov.my/portal-main/release-content/advance-gross-domestic-product-gdp-estimates-q425>

² https://www.bnm.gov.my/-/qb25q4_en_pr#:~:text=Domestically%2C%20Malaysia's%20positive%20economic%20prospects,NEER%20appreciation%20was%20at%206.3%25

Operating Landscape and Outlook

1 MACROECONOMIC (CONTINUED)

Factors Linked

Capitals Involved: 	Materiality: EC1 EC2 EC3 S5 S7	Strategic Pillars: 	Risks: <ul style="list-style-type: none"> Market and Competition Risk Regulatory Risk Vendor Management and Supply Chain Risk
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2 COMPETITION AND INDUSTRY DEVELOPMENTS

Impact on Business and Industry

- The market is highly saturated, with 150% mobile penetration and over 10 operators (including MVNOs), creating intense pricing pressure amid a maturing subscriber base and moderating growth
- Rapid data consumption and aggressive pricing constrain profitability, posing long-term structural challenges for the sector
- Policies that affect operations and cost structures include SST, prepaid registration, MyDigital ID compliance, and higher 4G MSQoS requirements. The nationwide 5G rollout supports connectivity demand, while the dual-network policy creates potential incremental costs and influences competition and investment
- Emerging technology opportunities such as AI, automation, cloud, edge computing, and immersive platforms are opening new revenue streams, with data centre expansion, cloud integration, cybersecurity, and enterprise digitalisation presenting growth opportunities for telcos

Our Response

- Leveraged precision analytics and enabled “More for More” propositions to enhance revenue quality, scale value-added services, and strengthen customer engagement
- Provisioned 5G services to 7 million customers across consumer and enterprise segments through refreshed postpaid and prepaid offerings, meeting rising demand for high-speed connectivity and 5G-enabled devices
- Continued nationwide network upgrades to boost 4G/5G coverage to 98% with average download speed >80Mbps, and enhance overall user experience
- Delivered seamless, reliable experiences across all touchpoints, while scaling AI internally for efficiency and externally for enterprise solutions

2026 Outlook

- With 5G parity, telcos will focus on product innovation, customer experience, and seamless convergence to drive revenue quality and customer engagement
- Telcos will enable Malaysia’s digitalisation through AI, 5G Standalone, edge computing, and enterprise solutions, while prioritising cybersecurity, data privacy, and regulatory compliance
- Rising costs and margin pressures will be addressed through digital transformation, streamlined processes, and optimised operations

Factors Linked

Capitals Involved: 	Materiality: EC1 EC2 EC3 G2 S1	Strategic Pillars: 	Risks: <ul style="list-style-type: none"> Market and Competition Risk Technology Risk Cyber and Data Security Risk Data Protection Risk
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Operating Landscape and Outlook

3

GOVERNMENT INITIATIVES AND REGULATIONS

Impact on Business and Industry

- Amendments to the 2025 Communications and Multimedia Act (CMA) empowered the Malaysian Communications and Multimedia Commission (MCMC) with enhanced enforcement and stiffer penalties (up to RM1 million), ensuring tighter industry compliance
- The National Social Policy Action Plan (PTDSN) 2026–2030, launched in late 2025 as part of the Thirteenth Malaysia Plan (13MP), marks a shift from viewing digital tools as mere technology infrastructure to treating them as a core pillar of social wellbeing and human dignity. Under the MADANI Economy framework, the 'Raise the Floor' digital inclusion initiative aims to ensure no one is left behind by the digital divide
- The Online Safety Act 2025 regulates harmful online content and strengthens user protection (particularly for children) by imposing obligations for content moderation and cooperation with authorities on online service providers, including social media, messaging services, and digital platforms
- Licensing framework for Internet Messaging & Social Media Service Providers requires social media and messaging platforms with more than eight million registered users to be licenced under MCMC to improve online safety, especially against cyberbullying, child sexual crimes, and online fraud
- Amendments to the Personal Data Protection Act (PDPA) 2010 came into effect in 2025

Our Response

- Harnessed strategic opportunities to support government initiatives in shaping the national digital landscape in critical areas such as AI, data protection, cybersecurity, and digital inclusion
- Maintained ongoing engagement with regulators and authorities to support government initiatives as part of the overall MyDigital ID integration
- Ensured high business governance standards in combating scams, including advanced threat detection, real-time network-level filtering to minimise scam attempts, and periodic reviews of scam reports to identify new modus operandi
- Raised online safety and data protection awareness, and compliance with new standards and regulations to avoid non-compliance penalties
- Collaborations to drive digital healthcare and health tourism through telemedicine and immersive technologies, including the launch of initiatives such as MediRover in Sarawak to improve healthcare access in underserved areas and demonstrate the practical impact of telehealth
- Closely collaborated with the government to support national digital inclusion efforts through accessible *Rahmah*-aligned offerings and value plans for youth, senior citizens, disabled, and B40 communities
- Disseminated flash SMS flood alerts and deployed WiFi connectivity and relief packs for more than 800 families at flood evacuation centres, including post-recovery aid and equipment

2026 Outlook

- The National AI Office (NAIO) plans to develop an AI Technology Action Plan 2026-2030 to increase innovation and competitiveness within Malaysia's AI ecosystem
- The National AI Action Plan (2026–2030) bridges technology and social policy by promoting AI applications in healthcare, such as rural clinics telehealth and disaster response, and real-time modelling for flood-prone areas
- Sovereign AI Cloud is a RM2 billion investment to protect data sovereignty by ensuring sensitive national data is stored securely within Malaysia
- Effective January 2025, social media platforms with over eight million Malaysian users require a license in order to enhance safety for children and vulnerable groups in compliance with MCMC's lawful directions, including implementing network-level blocking orders when instructed
- Malaysia's Budget 2025 allocates RM2.55 billion to enhance telecommunications infrastructure by improving rural and educational internet access for public universities, schools, army camps, and MARA campuses, and supporting the creative economy
- The JENDELA2 initiative allocated RM780 million to expand broadband coverage to 2,700 new rural and remote locations
- Additional public consultation papers and guidelines will be issued by the Malaysian Department of Personal Data Protection (PDP) in relation to new or revised requirements under PDPA

Operating Landscape and Outlook

3 GOVERNMENT INITIATIVES AND REGULATIONS (CONTINUED)

Factors Linked

Capitals Involved:	Materiality:	Strategic Pillars:	Risks:										
	<table border="1"> <tr> <td>EC1</td> <td>EC2</td> <td>EC3</td> <td>G1</td> <td>G2</td> </tr> <tr> <td>S4</td> <td>S5</td> <td>S6</td> <td>EN1</td> <td></td> </tr> </table>	EC1	EC2	EC3	G1	G2	S4	S5	S6	EN1			<ul style="list-style-type: none"> Regulatory Risk Cyber and Data Security Risk Data Protection Risk Climate and Environmental Risk
EC1	EC2	EC3	G1	G2									
S4	S5	S6	EN1										

4 TECHNOLOGICAL DEVELOPMENT

Impact on Business and Industry

- Advanced AI integration and adoption, driven by national initiatives in digital infrastructure and workforce upskilling, transformed Malaysia's digital landscape
- 5G rollout, cloud, and edge computing gained traction, enabling real-time applications like IoT services, healthcare, and industrial automation
- The growth of digital platforms, APIs, and ecosystem partnerships expanded B2B and B2B2X business models, creating interdependence across industries
- IoT integration, robotics, and automation were at the core of IR4.0 strategy to support national digitalisation across various industries
- Data and AI became core strategic assets for enterprises, driving demand for scalable connectivity, secure data platforms, and AI-enabled services
- A shift towards using AI and real-time neural network for smart city initiatives and urban management to address specific urban challenges via predictive traffic congestion and dynamic traffic optimisation in Petaling Jaya in collaboration with Majlis Bandaraya Petaling Jaya
- As financial transactions moved online, there was a significant increase in sophisticated AI-related scams and fraud, necessitating more robust authentication methods than traditional passwords
- Expanding digitalisation heightened exposure to cybersecurity, privacy and data integrity risks, prompting stronger regulatory and governance requirements on cybersecurity resilience, data protection, IPv6 readiness, and critical national infrastructure robustness
- Logistics is the fastest transforming industry in adopting and enabling intelligent, connected, and data-driven operations through 5G connectivity, AI, and IoT solutions to improve operational efficiency, reduce downtime, and increase productivity
- Small and medium enterprises (SMEs) sought affordable ways to adopt AI to improve efficiency without the burden of heavy capital investment

Operating Landscape and Outlook

4

TECHNOLOGICAL DEVELOPMENT (CONTINUED)

Our Response

- Continued disciplined investment in 5G, fibre, and network modernisation to support demand for high-performance, low-latency, and secure digital services. Expanded population coverage and improved video and gaming experience through the Network Integration and Modernisation (NIM) programme, and developed new 5G SA services such as Network Slicing and RedCap
- Ongoing transformation of core infrastructure towards cloud-native, IPv6-ready, and AI-capable networks, improving scalability, performance, and operating efficiency. Integration of AI-driven network operation tools for predictive maintenance, automated fault resolution, and dynamic traffic optimisation to reduce mean time to repair (MTRR) and drive efficiencies in the operation landscape
- Strengthened network security and trust capabilities for consumers and enterprises via enhanced cybersecurity and digital safety. Deployed advanced threat detection and real-time network-level filtering to protect our customers from scam calls and malicious content
- Expanded AI, analytics and data-driven solutions to enterprise customers to improve productivity, efficiency, and customer management
- Enabled platform-based and ecosystem partnerships via APIs and digital services to support B2B and B2B2X growth
- Enabled national transition to a cashless and digital society through reliable, secure, and high-availability connectivity
- Supported government digital agendas and regulations by prioritising secure infrastructure, safer online environments, and broader digital participation. We provided the connectivity backbone for e-commerce, mobile banking, e-wallet adoption, and QR-based merchant transactions - particularly in underserved and rural communities reached through expanded mobile network coverage. The high availability network infrastructure, with carrier-grade redundancy and uptime, ensured uninterrupted access to digital financial services for both consumers and SMEs nationwide

2026 Outlook

National roadmaps to focus on nationwide scaling, commercialisation of AI solutions, and deeper ecosystem integration across diverse industries.

- AI-driven neural networks and 5G-enabled proactive urban mobility in traffic management, shifting from reactive systems to predictive models that optimise city-wide congestion control
- A movement towards SIM-Based Security leverages the SIM card's unique properties through standardised Network APIs, providing a stronger authentication layer than traditional OTPs
- 5G and satellite-powered roving clinics will provide real-time virtual consultations and AI-powered diagnostics, helping to bridge healthcare gaps for underserved communities in remote areas. Global standardisation of Network APIs (GSMA Open Gateway) is set to allow B2B sectors like hyperscalers, fintech and e-commerce to build secure, scalable applications, transforming telco networks into platforms for innovation. The emergence of "AI-as-a-Service" (AIaaS) models will allow SMEs to leverage AI solutions without large capital investment, boosting competitiveness and efficiency

Factors Linked

Capitals Involved:



Materiality:

EC1 EC2 EC3 G2 S1

Strategic Pillars:



Risks:

- Market and Competition Risk
- Technology Risk
- IT Risk
- Cyber and Data Security Risk
- Data Protection Risk

Operating Landscape and Outlook

5 SOCIAL

Impact on Business and Industry

- Intensified regulatory expectations and national digital priorities, including efforts to raise public awareness on scams, online safety, data protection, and digital inclusion
- Substantial funding allocated in the National Budget for connectivity and digital infrastructure expansion, including RM770 million for Point of Presence (PoP) projects to narrow the rural connectivity gap, RM780 million for JENDELA 2 broadband rollout, and RM350 million for NADI centres to raise digital literacy and spur entrepreneurship in rural areas
- Enhanced transparency and consumer control over mobile services, ensuring customers have clear visibility over pricing, data usage, and service terms
- Heightened sector-wide focus on employee wellbeing, responsible labour practices across supply chains, and strengthened governance and accountability standards
- Accelerated pace of automation and digital transformation are driving demand for higher productivity and a future-ready workforce, reshaping skills, roles, and operating models across the organisation
- Greater emphasis required on network disaster preparedness to ensure service continuity amid extreme weather, infrastructure vulnerabilities, and rising climate-related risks




Our Response

- Managed 325 National Information Dissemination (NADI) Centres for digital empowerment of rural communities
- Strengthened customer complaint handling, scam reporting, and escalation protocols via self-serve options
- Launched scam awareness and SAFE internet campaigns in partnership with the Ministry of Communications, Meta, and SAYS, aimed at training young changemakers and content creators to act as online safety advocates
- Initiated a new federated verification service in partnership with GSMA's Open Gateway initiative, helping online businesses combat fraud and digital identity theft
- Released MobileSHIELD solution, an AI-powered mobile security app that protects customers online
- Deployed the CD:NXT talent development programme to equip Malaysian youth with future skills in AI, cloud, cybersecurity, and data analytics
- Strengthened privacy, cybersecurity, and compliance practices through third-party maturity assessments and assurance
- Hosted annual Trust Circle forum to facilitate knowledge sharing among privacy and data protection experts across multiple sectors
- Empowered local SMEs via our Vendor Empowerment and Excellence Programme (VEEP), focusing on Sustainability and Health, Safety, and Environment (HSE)

2026 Outlook

- JENDELA 2 rollout targets 2,700 new locations, focusing on the most remote parts of Sabah and Sarawak
- An RM2 billion investment is funding the 3,190km undersea MADANI Submarine Cable (SALAM), connecting Johor to various points in Sabah and Sarawak, significantly reducing latency and increasing speeds for East Malaysia
- The National Social Policy Action Plan (PTDSN) 2026–2030 provides digital literacy training specifically for seniors and low-income groups, including integrated prevention strategies against online scams
- The National Cyber Ethics Module (ESN) is being rolled out to schools and community centres to foster “ethical digital citizenship,” moving beyond technical skills to focus on online social responsibility
- National Information Dissemination (NADI) Centres have been repurposed into AI-literacy hubs to provide rural youths with training in AI and digital entrepreneurship, ensuring social mobility

Factors Linked

<p>Capitals Involved:</p> 	<p>Materiality:</p> 	<p>Strategic Pillars:</p> 	<p>Risks:</p> <ul style="list-style-type: none"> • Regulatory Risk • Vendor Management and Supply Chain Risk • Data Protection Risk • Health and Safety Risk • People Risk
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Operating Landscape and Outlook

6

ENVIRONMENT

Impact on Business and Industry

- ➔ In 2026, Malaysia's path to Net Zero by 2050 moved from high-level planning to a rigorous implementation phase. The strategy is now legally and financially anchored by the National Energy Transition Roadmap (NETR) and the 13th Malaysia Plan (2026–2030)
- ➔ The government's incentive strategy has shifted to drive adoption of "Made by Malaysia" electric vehicles. Charging infrastructure was rapidly deployed, achieving 10,000 public charging bays in 2025, in line with the Low Carbon Mobility Blueprint (LCMB)
- ➔ Smart energy systems and renewable energy platforms have become core economic infrastructure as part of the National Energy Transition Roadmap (NETR)
- ➔ The telecommunications sector remained a significant energy consumer due to network expansion, 5G densification, and rising data demand, reinforcing the need for energy efficiency, network optimisation, and responsible infrastructure deployment
- ➔ MCMC's MyTMAP2030 reinforced expectations for more efficient network deployment and responsible infrastructure planning
- ➔ Regulatory expectations have intensified, alongside rising stakeholder scrutiny on energy use and carbon emissions performance
- ➔ Climate-related disclosure requirements have been aligned with ISSB standards and transition planning expectations, increasing pressure on corporates to demonstrate credible decarbonisation pathways
- ➔ Stronger policy signals on energy transition, renewable energy adoption, and grid decarbonisation, alongside continued uncertainty over the pace and design of formal carbon pricing mechanisms
- ➔ Climate-related physical risks became more pronounced, heightening the importance of asset resilience and business continuity planning

Our Response

- ➔ Established Scopes 1, 2, and 3 greenhouse gas emissions baseline to guide decarbonisation, reinforce sustainable operational practices, and advance our SBTi-aligned commitments
- ➔ Improved the quality, completeness, and traceability of environmental data
- ➔ Initiated the process of developing science-based emissions reduction targets aligned with SBTi criteria
- ➔ Improved energy efficiency across our network and facilities through network modernisation initiatives, optimisation of legacy infrastructure, and enhanced monitoring of energy consumption
- ➔ Aligned climate disclosures with prevailing sustainability frameworks and peer practices
- ➔ Integrated environmental risk considerations into infrastructure planning, asset management, and business continuity planning
- ➔ Enhanced cross-functional collaboration between sustainability, operations, procurement, and finance teams to improve alignment and accountability

Operating Landscape and Outlook

6 ENVIRONMENT (CONTINUED)

2026 Outlook

- ➔ The commitment to Net Zero by 2050 is now anchored in the Thirteenth Malaysia Plan (13MP) and is being operationalised through two massive legislative shifts: the upcoming National Climate Change Bill, and the 2026 Carbon Tax rollout
- ➔ Malaysia is focusing on “Market-Based Decarbonisation,” with the government using carbon pricing and legislation to force a shift in private sector behaviour
- ➔ As 5G and digitalisation continue to accelerate, energy efficiency and responsible infrastructure deployment will remain critical to managing both operational costs and environmental impacts
- ➔ Advancement of our science-based target-setting journey, including further development and refinement of emissions reduction pathways
- ➔ Evaluating renewable energy solutions and other low-carbon options to determine feasibility for implementation
- ➔ Strengthening resilience of critical network assets and service continuity
- ➔ Collaborating with priority network and IT suppliers to improve emissions transparency, data quality, and alignment on climate-related expectations

Factors Linked

Capitals Involved:



Materiality:

EC3 G1 S7 EN1

Strategic Pillars:



Risks:

- Regulatory Risk
- Vendor Management and Supply Chain Risk
- Climate and Environmental Risk

KEY RELATIONSHIPS

CelcomDigi recognises that meaningful and ongoing engagement with our stakeholders is fundamental to success. Through transparent communication and strong, collaborative relationships, we gain deeper insights into their expectations and priorities. This enables us to align our strategies more effectively, drive shared value creation, and advance our purpose of 'Advancing and Inspiring Society'.

Frequency: **D** Daily **W** Weekly **M** Monthly **Q** Quarterly **Y** Yearly



BOARD OF DIRECTORS

Descriptor

Responsible for setting strategic priorities and providing management with guidance to act in the interest of the company and its stakeholders

Stakeholder Expectations

- ➔ Monitor financial and non-financial performance
- ➔ Govern shareholder interests and stakeholder expectations
- ➔ Transparent communication and timely updates on strategies
- ➔ Governance of regulatory compliance and listing requirements (e.g. NSRF, IFRS)
- ➔ Oversight on ESG-related matters and performance

Frequency



Engagement Channels

- ➔ Annual General Meeting
- ➔ Quarterly/Special Board meetings
- ➔ Board workshops (e.g. Strategy, Sustainability, Technology such as 5G and AI)
- ➔ Board Chair's One-on-One Sessions with Independent Directors
- ➔ Board and Leadership Effectiveness Evaluation
- ➔ Corporate events
- ➔ Board engagement activities (e.g. site visits to retail stores, stakeholder dialogues, networking sessions)

Our Response

- ➔ Updated the Company's purpose, strategy, scorecard, risks, and emerging opportunities
- ➔ Maintained accuracy, completeness, and consistency of disclosures
- ➔ Continued monitoring regulatory changes and governance trends
- ➔ Updated the ESG strategy, including climate ambition and action

Key Relationships



GOVERNMENT AND REGULATORS

Descriptor

Ministries, government agencies (at federal and state levels), and regulatory bodies responsible for establishing, implementing, and overseeing laws, policies, and regulatory frameworks that govern and shape the telecommunications sector

Stakeholder Expectations

- Support Budget 2025 priorities on digitalisation, telecommunications, and related national initiatives
- Oversight on measures pertaining to digital safety (online child safety, scam awareness) and inclusion (equitable access, digital gap, and coverage)
- Monitoring digital integrity and resilience (data protection, cybersecurity) strategies
- Full compliance with all regulatory standards and requirements
- Supporting national agendas such as the MADANI Economic Framework and the National Energy Transition Roadmap (NETR)
- Executing rollout of Jalanan Digital Negara (JENDELA) and Universal Service Provisioning (USP) initiatives
- Transparency, accountability, and readiness for future regulatory and technological developments (tax-revenue detection ability)

Frequency

W Q Y

Engagement Channels

- Regular reporting and periodic structured engagements
- Integrated Annual and Financial Reports
- Information and policy briefings with ministries and regulators
- Participation in regulatory consultations, industry forums, state agency meetings, and technical working groups
- Formal and informal engagements with key decision makers
- Company website and other public information channels
- Annual site audits, compliance reviews, and regulatory visits

Our Response

- Proactively engaged with the Ministry, regulators, and State stakeholders to ensure early alignment, continuous compliance monitoring, and seamless integration of regulatory requirements into operations
- Implemented enhanced data protection and cybersecurity frameworks in line with regulatory expectations and investment in cybersecurity and safety
- Executed nationwide campaigns and community workshops on S.A.F.E. Internet, scam prevention, and digital literacy
- Strengthened network infrastructure and accelerated nationwide deployment to meet JENDELA coverage and service quality targets
- Attended regular meetings with agencies at federal, state, and local council levels to improve nationwide connectivity and quality of service
- Delivering smart services at National Information Dissemination (NADI) Centres, including Future Skills training to support digital inclusion and workforce readiness

Key Relationships



CUSTOMERS

Descriptor

Our retail and enterprise customers who have subscribed to CelcomDigi's products and services. Enterprise Business customers include the public sector, large corporates, and SMEs

Stakeholder Expectations

- Consistent network experience
- Affordability
- Flexible plans
- Transparent billing
- Data security and privacy
- Responsive and efficient customer service
- Technology-enabled solutions to address complex business needs to drive efficiency, innovation and growth

Frequency

D W M Q Y

Engagement Channels

- In-person services via retail touchpoints
- Self-serve options via kiosks and mobile applications (CelcomDigi App)
- Social platforms and applications
- Customer service channels such as Whatsapp and Express Support
- Enterprise sales and support, dedicated account managers for direct and indirect channels, digital platforms, and customer service

Our Response

- Deployed widespread retail touchpoints operating 365 days, digital platforms, and self-serve kiosks
- Launched CelcomDigi Store *Life* designed as experiential hubs for customers to discover, experiment, and purchase the latest in connected technology
- Built a trusted brand proposition centred on fair and transparent business practices
- Established 'Trust Circle' forum with industry leaders to collectively advocate cross-sector responsible data practices
- Launched nationwide scam awareness campaigns and partnerships to educate and protect various customer segments.
- Launched the new CelcomDigi App
- Enhanced customer service channels via WhatsApp as a full-fledged support channel covering billing, roaming, fibre, network, Enterprise Business, and Express Support via retail stores and call centre

Key Relationships



EMPLOYEES

Descriptor

Individuals directly and indirectly (through contracted parties) employed by CelcomDigi

Stakeholder Expectations

- Performance management
- Career development opportunities
- Work-life balance
- Competitive compensation
- Recognition and appreciation
- Inclusive and diverse culture
- Healthy and safe work environment

Frequency

D W M Q Y

Engagement Channels

- Internal engagement and communication channels
- Leadership forums, training, and development
- Company events or activities and communication channels
- Forums and conferences
- Learning and development platforms and initiatives

Our Response

- Transitioned from company scorecard to individual scorecards, differentiating performance and driving high-performance culture
- Empowered CDzens through development platforms, initiatives, and reinforced messaging, establishing development plans
- Launched eight CDL/CDX forums for leadership alignment and development
- Reinforced access to 24/7 learning and launched state of the art CelcomDigi Academy
- Continued efforts to build a succession and talent pipeline, meet gender diversity targets, and execute various leadership development programmes
- Launched CD:NXT to cultivate young talents to join the Company
- Elevated Safety Culture with mental health and well-being initiatives
- Developed employee health ambassadors with first aid training
- Conducted annual compensation benchmarking exercise

Key Relationships



INVESTMENT COMMUNITY, FINANCIAL INSTITUTIONS AND RATING AGENCIES

Descriptor

Our shareholders, analysts and fund managers, providers of capital, and rating agencies

Stakeholder Expectations

- Robust financial and non-financial performance
- Effective leadership, transparent decision-making processes, and accountability
- Regular updates and communication
- Strong sustainability performance and environmental responsibility
- Potential collaborations across industries

Frequency



Engagement Channels

- Integrated Annual Report
- Annual General Meeting and/or Extraordinary General Meeting
- 1:1 Meetings
- Quarterly earnings calls
- Non-deal roadshows and investor conferences
- Corporate website
- Surveys and assessment reports

Our Response

- Strengthened market capitalisation, stock market performance, investment portfolio, and earnings consistency amid a highly competitive industry landscape
- Sustained effective cost-management strategies
- Instituted clear and timely communication on Company's strategy, risks, and performance
- Committed to achieving Net Zero and SBTi-aligned targets



COMMUNITY, SUSTAINABILITY PARTNERS AND NON-GOVERNMENTAL ORGANISATIONS (NGOS)

Descriptor

Collaborative partners we engage with, united by common goals of advancing our sustainability agenda to achieve Sustainable Development Goals (SDGs) and support the Malaysia Digital Economy Blueprint

Stakeholder Expectations

- Partnerships for impactful digital-related projects
- Efforts aligned towards UN SDGs
- Education and digital literacy programmes
- Emergency response and public safety

Frequency



Engagement Channels

- Programme collaborations and media advocacy
- Public engagements and forums via online and physical channels
- Collaborative research, surveys, academic studies, and consultations

Our Response

- Organised capacity-building programmes (Anti-Scam and S.A.F.E Internet workshops, GoIT and Future Skills training)
- Nurtured strong collaborations with like-minded partners
- Implemented smart services at the National Information Dissemination Centres (NADI)
- Activated internet access (Fixed Wireless Access), donations to care homes and relief centres, flood aid via humanitarian agencies, and flash SMS alerts (early warning system)

Key Relationships



MEDIA

Descriptor

Public and private agencies that cover print, broadcast and online media

Stakeholder Expectations

- ↻ Customer satisfaction
- ↻ Adherence to industry regulations
- ↻ Innovation and technology updates
- ↻ Industry thought leadership
- ↻ Crisis communication preparedness

Frequency



Engagement Channels

- ↻ Press releases
- ↻ Strategic and operational media interviews and events
- ↻ Monitoring and sentiment analysis
- ↻ Formal and informal briefings
- ↻ On-demand requests for information

Our Response

- ↻ Featured stories highlighting customer satisfaction, successful service implementations, and innovative customer-centric approaches
- ↻ Procured expert opinions and contributing to industry discussions
- ↻ Provided media access to company events, product and programme launches, and major announcements
- ↻ Established partnerships on scam awareness campaigns



BUSINESS PARTNERS

Descriptor

All third parties the Group engages with, including:

- ↻ Suppliers and vendors (any manufacturer, contractor, consultant, and service provider)
- ↻ Distributors and franchisees
- ↻ Recipients of sponsorships, donations, and other contributions, including sustainability partnerships
- ↻ Business partners with digital or online business models involving revenue, platforms, or other sharing arrangements
- ↻ Merger and acquisition, joint venture, and divestment partners

Stakeholder Expectations

- ↻ Ethical business practices
- ↻ Mutually beneficial partnerships
- ↻ Access to resources (e.g. seamless technological integration)
- ↻ Training and enablement
- ↻ Market development support
- ↻ Fair and timely payment

Frequency



Engagement Channels

- ↻ Exploratory meetings
- ↻ Tenders and commercial agreements or partnerships
- ↻ Regular check-in discussions
- ↻ Site inspections and audits
- ↻ Supplier training
- ↻ Product presentations

Our Response

- ↻ Enforced requirement for business partners to sign the Agreement of Responsible Business Conduct (ABC). Business partners are also legally bound to adhere to the Business Partner Conduct Principles (BPCP)
- ↻ Performed Integrity Due Diligence prior to onboarding business partners
- ↻ Created communication channels that allowed concerns of non-adherence to the ABC to be anonymously reported
- ↻ Spearheaded partnerships to enable next-gen connectivity solutions

KEY RISKS

As the nation's largest mobile network operator, we recognise that a robust risk management framework is essential for securing business continuity, generating sustainable growth, and delivering superior customer experience.

In adopting a proactive approach to risk management, we continuously assess shifts in our business environment, including emerging megatrends like AI and future technologies. This allows us to strategically prioritise resources to address these risks, safeguarding the value we create for our stakeholders.

Risk Management in Accordance with Strategic Goals

As the telecommunications sector evolves, we place enterprise risk management at the forefront of strategic decision-making and execution, strengthening our ability to identify, assess, and mitigate risks. Our integrated approach aligns strategy, governance, and performance processes to analyse emerging risks and implement appropriate mitigations. Oversight by the Board Governance and Risk Management Committee (BGRMC) and the Board of Directors (the Board) ensures significant risks are proactively managed to minimise strategic and operational impact. Further details of our Enterprise Risk Management Framework are provided in the Statement on Risk Management and Internal Control on page 134 of this report.

Key Risks of 2025

Key risks across the value chain are identified, prioritised, and managed based on their assessed impact and likelihood, ensuring they remain within acceptable levels. Senior Management monitors the effectiveness of risk responses and mitigation plans, with quarterly reporting to the Governance, Risk and Compliance Committee (GRC), the BGRMC, and the Board to maintain strong oversight, transparency, and accountability.



MARKET AND COMPETITION RISK

Description

CelcomDigi operates in a highly competitive market characterised by intense competitor activity and market pressures. Evolving market conditions continue to influence customer spending and wallet share. Rapid technological advancements are reshaping customer preferences towards digital connectivity, higher speed networks, and the availability of entertainment and enterprise solutions. To maintain our resilience, growth, and market leadership, we continuously monitor our operating environment and implement proactive strategies to anticipate and manage these risks.

Impact to Value Creation

- Intense competition causing erosion of market share
- Implications for growth and financial performance
- Potential impact on brand and reputation

Mitigations

- Drove innovations in our products and services portfolio, strengthening customer loyalty and reducing churn with differentiated offerings focused on sustainable and profitable segments and segmented marketing efforts
- Elevated customer experience across all interaction points, including retail, network, product, service, and support
- Enabled 5G across all new plans to drive adoption in consumer and business segments
- Improved collaboration with partners to effectively reach and acquire more quality customers through modernised partner stores and an enhanced distribution operating model

Strategic Pillars



Capitals Impacted



Materiality Linked

EC1 EC2 EC3 S1

Key Risks

REGULATORY RISK

Description

The telecommunications sector operates within a dynamic regulatory environment where evolving policies shape market conditions and industry development. Regulatory considerations influence areas that support the long term growth and sustainability of the sector, comprising spectrum access, quality of service standards, data protection, and cybersecurity, among others. These considerations are shaped by regulatory developments such as legislative changes, enforcement approaches, and shifts in operating models, all of which inform strategic planning and investment decisions across the sector.

Impact to Value Creation

- Impact on competitiveness and growth opportunities
- Influence on investments and cost strategies
- Uncertainty of future investments

Mitigations

- Strengthened compliance with the Quality of Service (QoS) standards to support regulatory adherence and minimise enforcement risk
- Maintained proactive engagement with regulators, industry players, and key stakeholders to anticipate regulatory changes and reduce implementation risk for prepaid registration requirements
- Proactively engaged with the regulator to deliver merger Undertaking commitments supported by structured governance and periodic reporting

Strategic Pillars

Capitals Impacted

Materiality Linked

EC1 EC2 G1 S1

TECHNOLOGY RISK

Description

We operate in an environment of rapid technological change and increasing digital complexity. The emergence and growth of AI presents both opportunities and risks for the business. In addition, our reliance on Digital Nasional Berhad (DNB) for nationwide 5G infrastructure amid the transition to a dual-network model, introduces fiscal challenges, operational, and implementation complexities.

Mitigations

- Proactively engaged with the government, regulators, and key stakeholders to secure a 5G policy and operating model that supports the long-term development and resilience of the sector
- Developed differentiated and competitive 5G solutions across customer segments, including enterprise-grade offerings
- Controlled technology expenditure to balance service continuity, support traffic migration to 5G, and mitigate the potential impact of rising infrastructure costs
- Strengthened governance oversight through responsible AI practices and robust cybersecurity and data governance controls
- Continuously built internal digital and AI capabilities, complemented by structured change management, to ensure effective technology adoption and operational readiness

Impact to Value Creation

- Intensifying competition across mobile offerings
- Impact on margins due to an increasing shift from our own 4G network to a wholesale 5G network
- Complexities in transitioning and adopting new technology infrastructure and services

Strategic Pillars

Capitals Impacted

Materiality Linked

EC1 EC2 EC3 G2 S1

Key Risks

IT RISK

Description

In line with our vision to become the nation's leading telco-tech company, CelcomDigi has embarked on a transformation journey to modernise our IT systems and create a cutting-edge technology ecosystem. The transitional period exposes us to potential disruptions in services due to factors such as migration delays, technical issues, cyber-attacks, and application or system failures.

Impact to Value Creation

- ⇒ Implications on customer experience, brand and reputation
- ⇒ Penalties from non-compliance with QoS requirements
- ⇒ Revenue loss due to service interruptions to customers and distribution

Mitigations

- ⇒ Augmented resources and specialists to improve scaling capability and operational efficiency
- ⇒ Proactive assessment and thorough planning to address potential migration issues and unfavourable customer experiences
- ⇒ Effectively engaged with partners and vendors to ensure commitment and business continuity
- ⇒ Maintained constant communication with customers and key stakeholders

Strategic Pillars



Capitals Impacted



Materiality Linked

EC1 EC2 EC3 G1 G2 S1 S2 S7

VENDOR MANAGEMENT AND SUPPLY CHAIN RISK

Description

The increasing interconnectivity of telecommunications infrastructure underscores the importance of effective supply chain and vendor risk management in supporting resilience, business continuity, and security. CelcomDigi applies a structured approach to these considerations, including a diversified supplier base and resilient network infrastructure to ensure reliable service delivery. Ongoing geopolitical tensions in the Middle East are expected to affect global supply chains and technology availability. We closely monitor these risks and implement proactive mitigation strategies to minimise potential operational and service impacts.

Impact to Value Creation

- ⇒ Operations and service disruptions leading to unfavourable customer experience
- ⇒ Unavailability of critical network equipment impacting business continuity or delaying integration efforts
- ⇒ Impact on service revenue

Mitigations

- ⇒ Developed supplier relationship and post-contract management framework to strengthen vendor oversight, drive sustained performance, and safeguard business continuity
- ⇒ Minimised supply chain risks by optimising procurement processes, diversifying supplier base, and embedding inflation and foreign exchange adjustment mechanisms within contractual arrangements leveraging technology-enabled solutions, including supply chain management systems and analytics, to support continuous compliance monitoring
- ⇒ Integrated sustainability considerations into all aspects of supply chain management, including procurement, supplier relationships, and performance evaluation
- ⇒ Established an independent integrity hotline for reporting any misconduct or human right violations

Strategic Pillars



Capitals Impacted



Materiality Linked

EC1 EC2 S1 S7 EN1

Key Risks

CYBER AND DATA SECURITY RISK

Description

CelcomDigi recognises the increasing sophistication of cyber and data security threats, including those amplified by AI-powered attacks, and remains vigilant in strengthening our network and IT architecture.

As the digital ecosystem evolves, attempts by threat actors to exploit vulnerabilities are becoming more complex, requiring a robust cybersecurity infrastructure and continuous efforts to enhance security resilience, protect stakeholder interests, and maintain operational and market confidence.

Impact to Value Creation

- Business disruption resulting in financial losses or setbacks
- Loss of intellectual property, including sensitive financial data and customer information

- Negative media exposure causing loss of reputation and eroding stakeholder trust
- Legal and regulatory risks and non-compliance consequences

Mitigations

- Conducted continuous security assessments and cybersecurity due diligence reviews on partners within CelcomDigi's ecosystem
- Deployed defensible security architecture to protect the network and critical systems, ensuring resilience and resistance to attacks
- Implemented continuous security monitoring, incident handling, and threat intelligence controls to enhance threat detection
- Consistently maintained high quality cybersecurity awareness and training across the organisation and value chain
- Continuous governance via ISO 27001 Information Security Management audits, independent maturity assessment, and vulnerability testing

Strategic Pillars	Capitals Impacted	Materiality Linked
		<div style="display: flex; justify-content: space-around; gap: 5px;"> <div style="background-color: #0070C0; color: white; padding: 2px 5px;">EC1</div> <div style="background-color: #0070C0; color: white; padding: 2px 5px;">EC3</div> <div style="background-color: #FFD700; padding: 2px 5px;">G1</div> <div style="background-color: #FFD700; padding: 2px 5px;">G2</div> <div style="background-color: #FFA500; padding: 2px 5px;">S1</div> <div style="background-color: #FFA500; padding: 2px 5px;">S4</div> <div style="background-color: #FFA500; padding: 2px 5px;">S7</div> </div>

DATA PROTECTION RISK

Description

The rising prevalence of cyber incidents in Malaysia, combined with increasing third-party related vulnerabilities, underscores the critical importance of data protection. Advances in AI and other technologies have amplified potential data risks, including misuse, unauthorised access, and automated exploitation of personal information. As a trusted custodian of customer data, we remain committed to safeguarding privacy and security through robust risk management practices, ensuring compliance with regulations and maintaining stakeholder confidence.

Impact to Value Creation

- Reputational and legal risks as a result of non-compliance to the Personal Data Protection Act (PDPA)
- Breach of local telecommunications license conditions
- Customer distrust arising from reputational damage

Mitigations

- Administered the Privacy Control Framework with standardised controls across data lifecycle management
- Strengthened end-to-end data processing security and other customer data protection measures, including retention, transfer and disposal
- Monitored enterprise-level privacy compliance on a periodic basis to measure effectiveness of controls and align with latest regulatory requirements
- Conducted maturity assessments and e-learning programmes to enhance employees' and business partners' awareness and knowledge of data privacy and protection practices

Strategic Pillars	Capitals Impacted	Materiality Linked
		<div style="display: flex; justify-content: space-around; gap: 5px;"> <div style="background-color: #0070C0; color: white; padding: 2px 5px;">EC3</div> <div style="background-color: #FFD700; padding: 2px 5px;">G1</div> <div style="background-color: #FFD700; padding: 2px 5px;">G2</div> <div style="background-color: #FFA500; padding: 2px 5px;">S1</div> <div style="background-color: #FFA500; padding: 2px 5px;">S4</div> <div style="background-color: #FFA500; padding: 2px 5px;">S7</div> </div>

Key Risks



HEALTH AND SAFETY RISK

Description

Unmanaged workplace health, safety, and wellbeing risks pose a direct threat to CelcomDigi employees' operational resilience and long-term sustainability. We protect CDzens, our most valuable assets, and sustain business performance by prioritising investments in safety and prevention systems, emergency preparedness, and employee wellbeing.

Impact to Value Creation

- Unsafe working conditions leading to serious injury or fatality
- Destruction or loss of assets
- Reputational impact

Mitigations

- Actively monitored potential incidents and accidents through on-ground inspections and audits, with Board and Management oversight

- Implemented continuous training and awareness programmes covering Compliance, Privacy, Occupational Health & Safety (OH&S), Human Labour Rights, Sustainability, and Cybersecurity for employees and business partners
- Achieved proactive level in NIOSH safety culture assessment, benchmarked against the Hudson Safety Culture Maturity Model and validated by UKM
- Maintained ISO 14001:2015 Environmental Management System and ISO 45001:2018 OH&S Management System certification for a globally benchmarked safe working environment and compliance with applicable laws and requirements
- Maintained the globally recognised ISO 45003:2021 certification for Psychological Health and Safety at Work, and integrated ISO 45003:2021 with ISO 45001:2018 OH&S Management System to enhance psychological and physical safety of our employees

Strategic Pillars



Capitals Impacted



Materiality Linked

EC2 G1 S1 S2 S3 S7



CORRUPTION RISK

Description

CelcomDigi is committed to building trust by upholding the highest standards of integrity, governance, and ethics. We maintain a zero-tolerance policy towards bribery and corruption, as such practices compromise legitimate business activities, breach local laws, and expose CelcomDigi and its leaders to material legal, financial, and reputational risks.

Impact to Value Creation

- Reputational and legal consequences arising from non-compliance to the Malaysian Anti-Corruption Commission (Amendment) Act 2018
- Customer distrust and loss of confidence stemming from reputational impact
- Breach of local telecommunications license conditions

Mitigations

- Implemented measures across CelcomDigi to reinforce a strong anti-corruption control environment
- Enhanced company-wide awareness and capability through our compulsory OneCompliance Program, which comprises annual anti-corruption learning, affirmation of CelcomDigi's Code of Conduct, and Conflict of Interest Declaration. Implemented holistic governance oversight for business partners via due diligence processes and compliance controls
- Established an independent integrity hotline for reporting any misconduct or human rights violations

Strategic Pillars



Capitals Impacted



Materiality Linked

G1 S1 S2 S7

Key Risks

CLIMATE AND ENVIRONMENTAL RISK

Description

Environment and climate-related risks continue to be a global challenge requiring businesses to embrace and adapt strategies to achieve a low carbon economy. We continue to play an active role in driving energy efficiency and clean energy adoption, while managing climate and environmental risks to minimise potential operational disruptions which may affect customer experience.

As climate-related risks including extreme weather, rising temperatures, and flooding become more prevalent, risk management and decarbonisation efforts are pivotal in delivering swift emissions reduction and transitioning to an environmentally responsible, low-carbon economy.

Impact to Value Creation

- Infrastructure damage and service delivery disruptions that impact our customers

Strategic Pillars

Capitals Impacted

Materiality Linked

EC2 G1 S1 S7 EN1

- Impact on company finances
- Loss of investor confidence and ESG ranking in key indices
- Customer, brand, and reputational impact

Mitigations

- Committed to setting Science Based Targets Initiative (SBTi)-aligned goals to guide climate transition, mitigation, and adaptation strategies
- Conducted climate risk assessment to incorporate climate-related risks into overall risk management processes
- Implemented sustainability reporting and GHG data systems to meet Bursa Malaysia's requirements for adopting IFRS S2 climate-related disclosures, and aligned with the Task Force on Climate-Related Financial Disclosure (TCFD) framework
- Drove waste and e-waste management initiatives as part of our network integration and modernisation programme

PEOPLE RISK

Description

We continue to invest in a strong employer brand, a cohesive company culture built on high performance, and the development of future-ready capabilities that equip, engage, and empower our workforce to deliver on transformation initiatives and long-term strategic priorities.

Impact to Value Creation

- Impact on innovation and delivery of strategic ambition
- Lower employee engagement and morale
- Inability to attract and retain the right talent
- Increase in talent attrition rate

Strategic Pillars

Capitals Impacted

Materiality Linked

EC2 EC3 S2

Mitigations

- Talent development and succession planning within CelcomDigi to take on further roles and responsibilities
- Deployed targeted learning programmes to build key functional and leadership competencies
- Conducted an employee engagement survey for feedback
- Strengthened employer brand through career fairs, HR awards participation, and internal and external engagements such as the Young Talent Programme and CD Academy to nurture future-ready employees and build a deep talent pipeline
- Launched Culture Communication Programmes to build a value-driven and connected company culture, strategy and performance

STRATEGY

Strengthen Market Leadership

Three years post-merger, CelcomDigi is today a unified organisation with a clear long-term strategy delivered through execution discipline and corporate governance. Over this period, the Company has balanced two core priorities – driving sustainable financial and operational performance in a competitive market, and executing a large scale integration and transformation programme critical to becoming the most trusted brand built on customer excellence.

Through the integration programme, we have managed to drive our operating model, harmonise our operations, strengthen governance, optimise operating costs, improve operational efficiency and productivity, strengthen strategic partnerships, and enhance customer experience. In 2025, we commenced the final phase of the integration programme with a majority of initiatives completed, and the last phase of IT consolidation projects are projected to conclude by early 2027.

We have built a high performing organisation anchored in the CelcomDigi Way – a strong values-driven culture that supports execution and accountability across the business. We are now transitioning from the integration phase to steady-state business execution and delivery of our strategy. Our strategy has evolved to reflect this shift, with the focus areas detailed below providing a clear pathway towards sustainable and profitable growth.

STRENGTHEN MARKET LEADERSHIP

Our approach to sustaining market leadership is anchored on driving value-led growth across our core business segments, ensuring excellent go-to-market execution, leveraging digital capabilities to deepen customer engagement, and building a trusted brand that customers can rely on in an increasingly digital-first world.

1. Execute for Growth and Market Leadership

- In the Consumer segment, our focus is to drive growth through high-quality, value-enhanced products tailored to specific segments, integrating connectivity and value-added services (VAS), and accelerating mobile/convergence adoption
- In the Enterprise business segment, we focus on growing our mobile business, becoming the most reliable fibre connectivity provider, and scaling our solutions portfolio across the areas of cybersecurity, cloud, IoT, AI and 5G
- Leveraging AI and analytics capabilities to drive customer engagement and deliver hyper-personalised offers to customers, ensuring relevance across customer segments

Enhance Customer Experience

Drive Operational Excellence

Invest For The Future

2. Strengthen Go-to-Market Execution and Deepen Digital Engagement

- Accelerating digital-first engagement with the new CelcomDigi App as the primary channel to deliver value and drive future growth
- Modernising and digitalising the sales ecosystem with AI and analytics capabilities, enabling frontliners to serve customers faster and more effectively
- Driving data-led sales execution to ensure seamless delivery across all channels and enable more localised and competitive market response

3. Trusted Brand Leadership

- Establishing the most trusted brand, built on customer excellence on the country's fastest, widest, and secure 4G/5G network
- Delivering technologies that customers can rely on to strengthen digital trust, deepen customer relationships, and win customer loyalty
- Executing our ambition of Trust and Customer Excellence by leveraging on harmonisation and CDzens

ENHANCE CUSTOMER EXPERIENCE

Our dedication to customer excellence is delivered through differentiated engagements across network, retail, product, and support experience.

- 1. Network Experience:** Delivering the most reliable, high-performing network with the widest coverage, superior quality, and enhanced security to ensure customers stay secure, leveraging on our 4G and 5G services.
- 2. Retail Experience:** Providing immersive connected lifestyle destinations for customers to discover the latest in smart living and to better serve their evolving digital needs. Our new experiential stores are the go-to for the latest in 5G and AI-powered devices, with the best mobile and convergence plans.
- 3. Product Experience:** Enriching our portfolio with a broad range of mobile, convergence propositions, and digital VAS for consumers. We deliver tailored enterprise solutions in mobile, fibre, cloud, cybersecurity, IoT, and 5G.

Strategy

4. **Digital Experience:** Establishing a digital first strategy with the new CelcomDigi app as a core platform for growth and customer experience. The app integrates new capabilities to drive personalisation, revenue, loyalty, cross channel engagement, and adoption of digital products and services.
5. **Support Experience:** Delivering trusted 24/7 nationwide support that is AI-enabled, personalised, and accessible across both physical touchpoints and an expanded suite of digital channels.

DRIVE OPERATIONAL EXCELLENCE (OE)

CelcomDigi is committed to becoming the most efficient telecommunications provider in the region. Key operational excellence focus areas include simplification, new operating models, technology-driven structural changes, and fostering an organisation-wide OE culture to deliver on our ambitions and enable us to invest in new capabilities and innovations for future business growth.

1. **Leverage technology and innovation for business efficiency and service excellence:** Adopting advanced technologies and enhancing systems and capabilities to enable smarter, more efficient operations. Key initiatives include process automation, improving cost and resource efficiency, and progressing towards a near-zero touch operations environment.
2. **Streamline operating models to drive simplicity and efficiency:** Enhancing operational effectiveness by reducing complexity, eliminating duplication, strengthening agility and competitiveness, and establishing future-ready operating models. Through tighter vendor management, smarter resource allocation, network and IT optimisation, and better procurement strategies, we strengthened our cost structure to deliver sustained long-term benefits. The synergies from our integration programme continue to be central to these improvements.
3. **Drive efficiency and productivity:** Optimising operations, leveraging economies of scale in day-to-day business functions, and fostering a sustainable OE mindset across the organisation to maximise value and returns.

INVEST FOR THE FUTURE

We are future proofing the business through targeted investments in autonomous technology, AI and data driven capabilities, workforce excellence, and responsible operations.

1. **Future-proofing an autonomous technology foundation:** Building a modernised, fully automated, and resilient network and IT stack to better meet the evolving needs of our customers. This enables business growth, optimises operational efficiency and security, and accelerates innovation. Last phase of integration is expected to conclude by 2027.
2. **Accelerating AI, Data, and 5G innovation opportunities:** Advancing enterprise-focused 5G and AI solutions across private networks, IoT, APIs, and Insights as a Service, supported by investments in cloud. This gives us the ability to provide personalised journeys and better upselling capabilities.
3. **Building a high-performing and highly competent and future-ready workforce:** Developing organisational and people capabilities through continuous learning and also competency and leadership development, and fostering a performance and values-driven culture to build a resilient organisation that can adapt to change and execute strategy effectively.

SUSTAINABILITY STATEMENT

CelcomDigi's vision of 'Advancing and Inspiring Society' is delivered through embedding responsible and sustainable practices across all parts of our operations. In 2025, guided by strong governance and ongoing stakeholder engagement, we focused on driving inclusive digital adoption, empowering communities, and building trust in an increasingly digital world.



CelcomDigi's Future Skills For All (FS4A) inclusivity programme in 2025 reached nearly 4,000 schools nationwide, and trained 150 special education teachers from national schools in coding and STEM skills.

Sustainability Statement

We continued rolling out efforts to promote digital inclusion, safety, and resilience, including Future Skills, S.A.F.E. Internet, nationwide scam-awareness, and our SafetyPLUS supplier programme, which advances human rights and health and safety standards across our supply chain. At the same time, we continued to modernise our network with energy-efficient, future-ready technologies.

During the year, CelcomDigi advanced digital inclusion, safety, and community resilience through structured programmes and partnerships. Digital safety programmes including our flagship S.A.F.E. Internet programme and media partnerships such as the *Kisah Benar: Scam Siber* television series produced by Media Prima, supported nationwide awareness on responsible online behaviour and scam risks. Concurrently, the Online Safety IRL campaign, in partnership with the Communications and Multimedia Content Forum of Malaysia (Content Forum), Meta Platforms, Inc., and Ratio:Cause, equipped media influencers and content creators with creative strategies to integrate awareness and preventive tips into their content, raising community resilience against online harm and scams. CelcomDigi's 2025 online and onground digital safety awareness campaigns impacted over 13.8 million Malaysians.

Digital capability initiatives such as Future Skills for All (FS4A), a scaled digital platform for piloted immersive AI, XR, and robotics-enabled workshops, in collaboration with the Ministry of Education, UNICEF, and Arus Academy, expanded access to future-ready skills. Corporate citizenship efforts also included flood preparedness, relief, and recovery support for over 50,000 affected families.

Governance and human rights practices were reinforced through the Code of Conduct, compliance learning, and a strengthened speak-up culture supported by the independently managed *speeki* platform. These were conducted both throughout the organisation at 100% completion rate, and across all key partners and suppliers. CelcomDigi's Anti-Bribery and Anti-Corruption (ABAC) framework

105,057* active users on the Future Skills platform

570 students and 190 teachers

reached in Sarawak scale-up

82 teachers and 75 schools

engaged under the Inclusive Scale-Up

(*assured by CelcomDigi's internal audit)

and Business Partner Code of Practice (BPCP) set clear expectations for ethical conduct, including a zero-tolerance stance on forced and child labour. Human rights commitments aligned with the Universal Declaration of Human Rights (UDHR) were supported by ongoing Human Rights Due Diligence (HRDD) processes to identify, assess, and validate potential human rights risks and to confirm the effectiveness of existing controls.

To enhance transparency and strengthen environmental performance, we advanced process automation such as our AI-enabled Greenhouse Gas (GHG) data management, completed our Scope 3 baseline, and submitted our Science Based Targets initiative (SBTi) goals. Our FY2025 Sustainability Statement aligns with Bursa Malaysia's Main Market Listing Requirements (MMLR) and adopts the National Sustainability Reporting Framework (NSRF) with transition reliefs, and is targeted for full alignment with the International Financial Reporting Standards (IFRS) Sustainability Disclosure Standards by FY2027.



Comprehensive data on supplier onboarding, adherence to the Agreement of Responsible Business Conduct (ABC), supplier training, inspections, audit findings, and local sourcing can be found in the ESG Performance Data Table on pages 82 to 87.

Employee health, safety and wellbeing remained a priority, with the goal of empowering wellbeing advocates by 2027. In doing this, we benchmarked progress against Josh Bersin's Healthy Organisation Maturity Model and the Hudson Safety Culture Model, achieving a Proactive Safety Culture maturity rating - and becoming the first company in Malaysia to be awarded ISO 45003 certification for psychological health and safety at work.

Audit / Evaluation	Results	Standard
OSH Policy & Manual Audit	Achieved Level 4/5	Internal Maturity Benchmark
Safety Culture Evaluation	Achieved Proactive Level	NIOSH & Hudson Safety Culture Model
ISO 45001 / 14001	Passed Surveillance Audit	Intertek

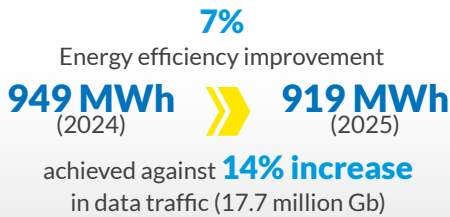


Comprehensive data on workplace incidents, training hours, and employee participation rates can be found in the ESG Performance Data Table on pages 82 to 87.

Sustainability Statement

Environmental performance and climate action continued to progress through network modernisation and low-carbon strategies. An efficiency study conducted across 212 representative clusters demonstrated the effectiveness of energy-efficient technologies and informed further optimisation efforts. These initiatives supported emissions reduction, resource efficiency, and infrastructure resilience.

Key achievements



Deployed **energy-efficient** equipment



Decommissioned redundant sites



Optimised resource utilisation



Reduced energy wastage



Advanced radio technologies using: **Twin Beam, High-Order MIMO and Massive MIMO**



Improved energy intensity by ~14.7%

Investments in FY2025 continued to prioritise:

- Network infrastructure modernisation, including the deployment of more energy-efficient equipment and sunsetting of legacy assets.
- AI-powered energy efficiency improvements across radio access networks, data centres, and transmission facilities.
- Enhanced energy performance monitoring, enabling more granular visibility of site-level energy usage.

Hybrid solar technology deployment

- Equipped at 47 sites (8 new sites identified for deployment in 2026)

Hybrid battery gensets installation

- Installed at 48 sites
- Reduced up to 40% of diesel consumption
- Remaining 65 sites have been identified under the Universal Service Provision (USP) programme, which will contribute to rural connectivity

Grid-connected solar deployment

- Deployed at 5 sites (7 new sites identified for deployment in 2026)
- Potential energy savings of 10–15%, depending on site space

Recognitions we received:

4-Star Lister recognition on the UN Global Compact Network Malaysia & Brunei ESG Select List



Ranked top 50 in the National Corporate Governance and Sustainability Awards (NAGSA) 2025



Received the Best Community Impact Award from Malaysian Dutch Business Council (MDBC) Innovations and Sustainability Awards 2025



2025 ESG Ratings



Maintained **4-star rating**



Maintained **'AA' rating**



Maintained **"Medium Risk" rating score of 23.5**

These collective efforts reinforce our role as a responsible and trusted enabler of Malaysia's digital future, delivering meaningful social impact while building a safe, inclusive, and sustainable digital ecosystem for all.

Sustainability Statement

A. INTERNATIONAL SUSTAINABILITY STANDARDS BOARD (ISSB) SUSTAINABILITY STATEMENT

BASIS OF PREPARATION

This sustainability statement has been prepared in accordance with the IFRS Sustainability Disclosure Standards as issued by the International Sustainability Standards Board (ISSB), in line with Bursa Malaysia's MMLR.

The statement should be read in conjunction with the Company's consolidated financial statements, which are prepared in accordance with the Malaysian Financial Reporting Standards (MFRS), IFRS Accounting Standards, and the requirements of the Malaysian Companies Act 2016. This report covers the financial year ended 31 December 2025, and is aligned with the reporting period of the related consolidated financial statements. The sustainability-related financial disclosures cover the parent company CelcomDigi Berhad, and all subsidiaries.

CelcomDigi is reporting under the IFRS Sustainability Disclosure Standards for the first time for the annual reporting period ended 31 December 2025. The Company has applied the following standards for the annual reporting period commencing 1 January 2025:

- IFRS S1 'General Requirements for Disclosure of Sustainability-related Financial Information'
- IFRS S2 'Climate-related Disclosures'

The MMLR provides transition reliefs for issuers listed on the Main Market of Bursa Malaysia. The Company has applied transition relief, whereby applicable:

- Comparative information under IFRS S1 Appendix E3 and IFRS S2 Appendix C3, except for metrics previously disclosed as set out in the Frequently Asked Questions document on the NSRF issued by the Advisory Committee on Sustainability Reporting
- Disclosure limited to climate-related risks and opportunities (in accordance with IFRS S2 Climate-related Disclosures), with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information applied only insofar as they relate to such disclosures
- Relief from disclosing Scope 3 GHG emissions

OVERVIEW OF THE COMPANY AND VALUE CHAIN

CelcomDigi's primary business activity is the provision of mobile, fibre, and digital connectivity services to consumers and businesses across Malaysia. The Company operates an extensive nationwide network infrastructure and offers a broad suite of telecommunications and digital solutions, including mobile voice and data services, home fibre, enterprise connectivity, cloud and cybersecurity solutions, and digital applications.

The Company's sole operating market is Malaysia, within which market revenue is generated from multiple service categories, driven by strong customer demand for reliable high-speed connectivity and digital services. The Company continues to expand its network modernisation efforts and digital capabilities to enhance customer experience and support Malaysia's digital economy.

CelcomDigi's business depends on a wide network of partners, suppliers, and stakeholders across the telecommunications ecosystem. This includes entities that provide network equipment, digital infrastructure, IT systems, devices, managed services, and logistics support. The Company also works closely with vendors, tower companies, and global technology partners to ensure efficient delivery of mobile and fixed connectivity, as well as digital services to customers nationwide.

Sustainability Statement

The table below summarises CelcomDigi's key upstream and downstream value chain relationships:

Upstream Value Chain		Geographical location
 Network & Infrastructure Sourcing	Network equipment such as radio units, antennas, core network systems, fibre cables, transmission equipment, data centre infrastructure, and related components	
	Energy supply for network sites, data centres, and operations	
 IT & Digital Systems	Software platforms including billing systems, Customer Relationship Management (CRM) platforms, cybersecurity tools, cloud services, and digital applications	
	Managed service partners for network operations, maintenance, field services, tower services, and site acquisition	
 Subcontracting & Strategic Partnerships	Technology and innovation collaborations (e.g., cloud partners, cybersecurity partners, digital service providers)	
	Transportation and warehousing of devices, SIM cards, network components, and retail supplies across Malaysia	
 Logistics & Distribution		
Downstream Value Chain		Geographical location
 Customers	Mobile consumers (prepaid and postpaid), home fibre customers, and enterprise clients	
	Wholesale partners, Mobile Virtual Network Operators (MVNOs), and digital ecosystem partners	
 Retail & Distribution Channels	CelcomDigi retail stores, dealers, device partners, e-commerce platforms, and enterprise solution channels delivering products and services to end-users	

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REPORTING BOUNDARIES

Reporting boundary (excluding GHG emissions)

The entities, assets, and operations (referred to as the 'reporting entity') included in the sustainability statement are the same as those included in the Company's 31 December 2025 financial statements.

Reporting boundary for GHG emissions

CelcomDigi uses the Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (the 'GHG Protocol', 2004) to measure its GHG emissions. CelcomDigi's reporting boundary for GHG emissions includes its organisational boundary and operational boundary.

Organisational boundary

CelcomDigi applies the operational control approach to establish its organisational boundary for GHG reporting. The Company considers this approach the most appropriate, as it ensures that all operations, entities, and emission sources over which CelcomDigi has operational control and that are material to our footprint are fully included within the reporting scope.

Operational boundary

CelcomDigi categorises emissions into Scopes 1, 2, and 3 per GHG Protocol guidance. Direct GHG emissions from sources that are owned or controlled by businesses and operations within the Company's organisational boundary are reported as Scope 1 GHG emissions of the Company. GHG emissions from the generation of purchased electricity consumed by these businesses and operations are reported as Scope 2 GHG emissions of the Company. The Company's relevant portion of other indirect emissions arising from its activities are reported as the Company's Scope 3 GHG emissions.

JUDGEMENTS AND MEASUREMENT UNCERTAINTIES

In preparing this sustainability statement, CelcomDigi has identified the sustainability-related risks, opportunities, and material information that are most relevant to the Company's operations. Some disclosures also involve estimation methods, particularly where data availability, value chain dependencies, or forward-looking elements introduce uncertainty.

SIGNIFICANT JUDGEMENT

Materiality assessment (refer to pages 60 to 63)

Management considered sustainability topics that are reasonably expected to affect CelcomDigi's business, strategy, and stakeholders. This included evaluating the significance of risks and opportunities and aligning with industry-relevant standards.

GHG emissions calculation methods (refer to pages 73 to 75)

Appropriate estimation methodologies and data sources were used to calculate Scope 1, Scope 2, and relevant Scope 3 emissions, based on data availability and reliability.

For Scope 1 emissions, fuel consumption from leased generators is estimated based on fuel requirements determined by generator set capacity, which may differ from actual fuel consumption.

For Scope 2 emissions, electricity consumption was determined using a combination of actual utility invoices, where available, and estimated consumption derived by converting electricity expenses incurred for the year based on average tariff rates. These rates are calculated based on the estimated timing and region of consumption and may differ from actual tariff rates. The Company applied the average tariff rates across each region (Peninsular Malaysia, Sabah, and Sarawak).

MEASUREMENT UNCERTAINTY

Climate-related transition risk (refer to pages 65 to 70)

Estimating potential financial impacts related to climate transition, such as evolving carbon regulations, energy market dynamics, and supplier responses, carry significant uncertainty due to limited forward-looking data and dependency on external market developments.

GHG-related metrics (refer to pages 73 to 75)

CelcomDigi measures GHG emissions in line with the GHG Protocol, unless otherwise required by IFRS S2. Emissions estimates involve uncertainties arising from activity data provided by suppliers, emission factors from third-party sources, and instances where data must be estimated due to timing or completeness limitations.

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MATERIALITY ASSESSMENT

CelcomDigi recognises the pivotal role of identifying and addressing dynamic and material sustainability issues that evolve over time and integrating these perspectives into our planning and strategic decisions. We conduct annual materiality assessments to identify our material matters. These assessments incorporate stakeholder perspectives, current sustainability issues, and relevant industry and regulatory changes.

For FY2025, CelcomDigi prepared a sustainability statement aligned with the IFRS Sustainability Disclosure Standards. We conducted a comprehensive materiality assessment to identify sustainability-related risks and opportunities (SROs) that could reasonably impact our short, medium, and long-term prospects.

The process was led by the Sustainability Department with input from Management, and was validated by the Board Governance and Risk Management Committee (BGRMC). It involved identifying relevant sustainability-related risks and opportunities and related material disclosures.

The assessment focused on information that may influence decisions by investors, lenders, and other creditors. It also considered significant developments in the reporting period.

Step 1 Identification of Sustainability-Related Risks and Opportunities (SROs)

This structured approach identified SROs that could reasonably be expected to affect the Company's prospects, taking into account operations, resources, and relationships across the entire value chain, including upstream suppliers and downstream partners.

1.1 Understand the Company's Operations, Resources, and Relationships

Initial efforts focused on mapping CelcomDigi's operating model. This included:

- Business activities: Core operations in mobile and fibre connectivity, digital services, and network infrastructure
- Geographical footprint: Nationwide coverage in Malaysia with partnerships across regional and global markets for technology, equipment, and solutions
- Regulatory environment: Compliance with stringent regulations, spectrum licensing requirements, cybersecurity, and data protection laws, alongside global standards for cybersecurity, Health, Safety and Environment (HSE), and Environmental, Social and Governance (ESG) performance management
- Key resources:
 - Network infrastructure (towers, fibre, spectrum assets)
 - Technology platforms and equipment
 - Skilled workforce and strategic partnerships
 - Financial resources for capital-intensive network and IT investments
- Relationships: Collaboration with regulators, government agencies, technology and solution partners, vendors, NGOs, media, and customers to deliver reliable connectivity and digital solutions

1.2 Identify Risks and Opportunities

The Company assessed whether interdependencies between critical resources could create SROs. Sources of information included:

- Existing Enterprise Risk Management (ERM) processes
- IFRS Foundation guidance on IFRS S1 and S2
- Industry-specific disclosure topics (e.g., Sustainability Accounting Standards Board (SASB) for Telecommunications sector)
- Peer benchmarking and sector trends
- Stakeholder engagement

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1.3 Assess Impact on the Company's Prospects

We assessed SROs that could reasonably influence our ability to generate cash flows, secure financing, or manage cost of capital, and considered these as financially material for inclusion in the Sustainability Statement under IFRS S1 section. Assessment criteria included likelihood of occurrence and magnitude of financial impact if the risk occurs.

Approach: We assessed uncertain future scenarios by weighing possible outcomes, with precedence given to historically recurring risks in determining their likelihood.

Focus: These insights were visualised on a materiality matrix, enabling the prioritisation of the most critical drivers of value by focusing on factors with the highest impact and likelihood, without applying fixed thresholds.

Verification: Our internal view was cross-referenced with external perspectives from the financial community. This engagement reinforced our findings, as no further material risks or opportunities were identified.

1.4 Mitigation actions and plans to remediate

CelcomDigi adopted a consistent approach to disclose material SROs that were assessed prior to the application of prevention and mitigation actions.

1.5 Final Consolidation and Approval

The Sustainability Department consolidated the identified risks and opportunities, forming the basis of disclosures in this statement. These were subsequently presented to the Board Governance and Risk Management Committee (BGRMC) for validation and approval.

Step 2 Determining Material Information

Following this, we evaluated the SROs materiality for disclosure based on qualitative insights and quantitative data. These assessments are reviewed regularly at each reporting period to reflect the evolving sustainability landscape.

The SROs identified via this methodology are summarised in the table below.

Material Matters	Risk / opportunities identified	Summary of Management Approach	Affected component of the reporting boundary
Economic			
Network Quality, Reliability, and Continuity	<p>Risk</p> <p>Service disruptions or network outages could impact customer trust and revenue.</p>	<ul style="list-style-type: none"> Continued investment in network infrastructure and 5G rollout Implemented preventive maintenance and real-time monitoring systems Strategised disaster recovery and business continuity plans 	Risk identified for operations and value chain (e.g., technology partners)
Governance			
Data Protection and Cybersecurity	<p>Risk</p> <p>Breaches, data leaks, or system exploitation by scammers could lead to regulatory penalties and reputational damage.</p>	<ul style="list-style-type: none"> Implemented robust cybersecurity and data protection frameworks, processes, and encryption protocols Launched scam prevention measures, safety products, and customer protection initiatives Conducted regular vulnerability assessments and penetration testing Ensured compliance with data protection laws and global standards 	Risk identified for operations and value chain (e.g., cloud service providers)

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Material Matters	Risk / opportunities identified	Summary of Management Approach	Affected component of the reporting boundary
Social			
Customer Experience and Satisfaction	Opportunity Enhancing customer experience can drive loyalty and revenue growth.	<ul style="list-style-type: none"> Established a new Customer Experience (CX) division Deployed AI-driven customer support and self-service platforms Continued monitoring of Customer Satisfaction Score (CSAT) and customer feedback Personalised digital offerings and service innovation 	Opportunity identified for operations
Environment			
Climate Change Adaptation and Mitigation	Risk Extreme weather events may disrupt network infrastructure; regulatory pressure to reduce emissions.	<ul style="list-style-type: none"> Adopted energy efficiency programmes and cleaner energy in network sites and data centres Conducted climate risk assessments and infrastructure resilience planning Committed to science-based targets and carbon emissions reduction roadmap 	Risk identified for operations and value chain (e.g., suppliers)

Materiality Matrix

In line with IFRS Sustainability Disclosure Standards (SDS) requirements, CelcomDigi has conducted a financial materiality assessment, which considers matters that could influence our ability to generate cash flows, access funding, or maintain our cost of capital.

In addition, and on a voluntary basis, CelcomDigi has also applied a double materiality lens to enhance our broader understanding of sustainability impacts. This additional analysis, which is not required under IFRS SDS, considers both:

- Financial Materiality:** Our ability to generate cash flows, access to funding, or maintain cost of capital.
- Impact Materiality:** Significance of our impact on the environment, society, and stakeholders.

This dual focus allows us to address both financial value and the broader environmental and social impacts that matter to our stakeholders. Recognising the fast-changing industry landscape, CelcomDigi has refined its materiality matters to better mirror our strategic direction and stakeholder needs. We have sharpened the focus of our framework by consolidating, adding, and renaming specific matters. The result is a more robust, dynamic model that effectively bridges the gap between financial materiality and our wider social and environmental impacts.

Information derived from this broader assessment is presented as supplementary context and does not replace or override disclosures determined to be financially material under IFRS SDS. The double materiality assessment did not identify any additional sustainability-related risks or opportunities beyond those already identified through the financial materiality assessment.

The definition and management of our material matters are detailed on our website.



Read more about our material matters at https://celcomdigi.listedcompany.com/sustainability_management.html.

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The matrix below plots 13 material matters across two dimensions: impact on stakeholders (horizontal axis) and impact on enterprise value (vertical axis). This enables CelcomDigi to prioritise issues that are critical for long-term business resilience, while ensuring transparency on matters that are most important to our stakeholders.



Material Matter	Status	Reason for Change
EC3 Digital Transformation and AI (EC3)	New addition	<ul style="list-style-type: none"> Strategic tech adoption Global AI competitiveness Future readiness and regulations
S6 Community Development	New addition	<ul style="list-style-type: none"> Digital inequality and AI divide Education and empowerment Market reach
S4 Digital Rights and Online Safety	Moved up in financial materiality	<ul style="list-style-type: none"> New regulatory laws Cyber threats Consumer trust
S7 Sustainable Supply Chain Management	Moved up in financial materiality	<ul style="list-style-type: none"> Global trade war and tariffs Global ESG trends Compliance risks Operational resilience

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SUSTAINABILITY GOVERNANCE

CelcomDigi's sustainability governance structure is integrated into our corporate governance framework. The Sustainability Department governs and coordinates the implementation of the Company's sustainability initiatives.

Sustainability Governance Structure	
Board of Directors (Board)	<p>The Board is ultimately responsible for the Company's strategic sustainability direction and oversight of sustainability-related risks and opportunities.</p> <p>The Board ensures that sustainability is integrated into the Company's overall corporate strategy and considers climate-related risks and opportunities when reviewing strategy, performance objectives, and risk management processes and policies.</p>
Board Governance and Risk Management Committee (BGRMC)	<p>The BGRMC oversees CelcomDigi's sustainability strategy, materiality assessments, targets, and reporting, ensuring climate-related risks are integrated into the Enterprise Risk Management (ERM) framework. Meeting quarterly, the BGRMC monitors performance and advises the Board on emerging sustainability issues.</p> <p>The Board maintains leadership by regularly assessing sustainability competencies. Directors appointed in 2025 have completed the Mandatory Accreditation Programme (MAP) Part I. All Directors have also completed MAP Part II on Leading for Impact, within the required timeframe. The Directors also participated in various continuous professional development activities, covering corporate governance, sustainability, and risk management, and attended role-specific programmes to support their responsibilities as Board or Committee Chairs.</p>
Governance, Risk and Compliance Committee (GRC) <u>CHAIR - CEO</u> CFO, CSTRO, CCAO, CHRO Compliance, Internal Audit, Enterprise Risk Management, Sustainability	<p>Chaired by the CEO and senior management, the Governance, Risk and Compliance Committee (GRC) strengthens CelcomDigi's sustainability and ethical frameworks. The committee meets regularly to manage non-financial performance and compliance, reporting quarterly to the Board via the BGRMC to ensure a culture of responsible business conduct.</p>
Climate Working Committee (CWC) <u>CO-CHAIR - CCAO, CTO</u> Heads of Sustainability, ERM, Technology Strategy & Architecture, Network Engineering & Operations, Workplace & Procurement	<p>The CWC, comprising heads from Sustainability, ERM, Technology Strategy & Architecture, Network Engineering & Operations, Workplace, and Procurement, supports the GRC in managing sustainability risks and opportunities. Meeting quarterly or as required, the CWC oversees:</p> <p>Strategy and Policy: Developing sustainability frameworks and materiality assessments.</p> <p>Climate Action: Implementing mitigation and adaptation strategies aligned with IFRS S2.</p> <p>Decarbonisation: Recommending initiatives to meet the Science Based Targets initiative (SBTi) near-term targets and Net Zero 2050 goals.</p> <p>Reporting: Producing climate-related disclosures and transitioning towards standardised financial impact reporting.</p> <p>Operations: Monitoring day-to-day execution of sustainability actions and climate scenario analysis.</p>



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CelcomDigi’s remuneration framework is overseen by the Board Nomination and Remuneration Committee (BNRC). At present, remuneration is not linked to climate-related KPIs. As the company further develops its climate strategy and KPI framework, the potential integration of climate-related metrics into future remuneration structures will be evaluated.

SUSTAINABILITY-RELATED RISKS AND OPPORTUNITIES

The processes and policies to identify and assess sustainability-related risks, including climate-related risks, are set out in the Materiality Assessment section of this statement (refer pages 60 to 63). The risk assessment process incorporates both qualitative and quantitative factors, and considers the nature, likelihood, and magnitude of potential risks.

Sustainability-related risks, alongside other risks for the Company, are identified through a materiality assessment. Once the sustainability-related risks and opportunities are identified, the Company implements a structured process to prioritise and monitor them. The GRC is responsible for identifying and managing company-wide risks. This process is integrated into the overall risk management framework of the BGRMC, which reports to the Board.

The GRC prioritises overall risks for the Company based on severity and likelihood, considering potential financial impacts, operational disruptions, and regulatory changes. These prioritised risks are considered and approved by the Board.

The Sustainability Department monitors sustainability-related risks and opportunities and tracks performance based on identified metrics and targets.

IFRS S2 CLIMATE-RELATED DISCLOSURES

Physical Risk

Extreme Weather Events Impacting Network Infrastructure

Overview

CelcomDigi faces physical climate risks from acute weather events (floods, storms) and long-term climate changes (rising temperatures). These threats can damage infrastructure, disrupt services, and inflate operational costs. Flooding in low-lying areas can damage network towers, while heatwaves strain data centre cooling, resulting in higher energy use and potential service outages.

Impact on Business Model and Value Chain

As physical climate risks increase in frequency, network reliability and customer experience are impacted. Adequate adaptation and scenario analysis are required to prevent risks such as financial loss, reputational damage, and regulatory penalties.

- Upstream: Emergency procurement of replacement parts and logistics disruptions during extreme weather events may increase costs and delay recovery.
- Core Operations: Network outages and equipment damage lead to revenue loss, higher repair costs, and penalties for service-level agreement breaches.
- Downstream: Service interruptions impact customer satisfaction and retention, especially for enterprise clients with critical connectivity needs.

Effects on Strategy and Decision Making

To address climate risks, CelcomDigi has implemented mitigation and adaptation measures aligned with its Sustainability strategy. These actions are organised into the following strategic pillars:

Strategic Pillars	Mitigation and Adaptation Actions
Network Resilience	<ul style="list-style-type: none"> • Conduct climate risk assessments for critical sites to identify flood-prone and high-risk areas • Physical elevation for vulnerable network sites or equipment • Implement flood-proofing measures at key facilities • Strengthen backup power systems and diversify energy sources to maintain service during outages
Emergency Response and Continuity	<ul style="list-style-type: none"> • Develop and conduct disaster recovery and business continuity simulations • Establish rapid response teams and stockpile critical spare parts for emergency repairs • Collaborate with local authorities for coordinated disaster response

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Transition Risk

Regulatory and Market Pressure to Decarbonise Operations

Overview

CelcomDigi monitors risks from shifting climate policies, compliance obligations, and rising stakeholder demands for decarbonisation. Insufficient adaptation measures may result in higher operational costs arising from regulatory carbon instruments (e.g., carbon taxes).

Impact on Business Model and Value Chain

- Upstream: Vendors and tower providers continue to explore pathways to decarbonise. The costs of these initiatives risk being passed on to CelcomDigi as vendors invest in green technologies.
- Core Operations: High energy use in networks and data centres are key contributors of Scope 2 emissions. Reducing these requires significant investment in renewable energy and energy efficiency equipment.
- Downstream: Enterprise clients and regulators are placing greater emphasis on transparent reporting. Falling short of these expectations could impact market presence.

Effects on Strategy and Decision Making

Strategic Pillars	Mitigation and Adaptation Actions
Energy Efficiency & Clean Energy Adoption	<ul style="list-style-type: none"> • Implement energy optimisation programmes across network sites and data centres • Increase use of clean energy through installation of on-site solar or hybrid solutions • Deploy high-efficiency equipment and AI solutions to reduce Scope 2 emissions
Carbon Reduction Roadmap	<ul style="list-style-type: none"> • Commit to science-based targets aligned with Malaysia's climate goals. Malaysia adopts an economy-wide absolute target covering all greenhouse gases and key sectors and aims to reduce 15-30 million tonnes of carbon emissions by 2035 from peak levels • Develop phased carbon reduction plans for Scope 1, 2, and relevant Scope 3 emissions • Monitor and report progress through transparent sustainability disclosures

Strategic Pillars	Mitigation and Adaptation Actions
Sustainable Procurement	<ul style="list-style-type: none"> • Embed environmental criteria into sourcing activities • Prioritise high-impact suppliers, collaborating for Scope 3 reduction, and setting clear supplier expectations

Financial Effects

Current financial effects

Physical Risk Extreme weather events

During FY2025, the Company made investments estimated at close to RM2 million arising from acute weather disruptions (floods, storms, heatwaves). These investments involve the following:

- Flood preparation and mitigation measures (e.g. additional generator sets rental)
- Elevation of tower plinths and structural reinforcements at flood-prone sites to mitigate future outage risk
- Emergency restoration of impacted tower sites
- Replacement and accelerated maintenance of weather-sensitive network equipment

Transition Risk Regulatory and market pressure to decarbonise

During the financial year under review, the Company also made an estimated RM48 million in decarbonisation-related investments, including:

- Cloud computing adoption and energy efficiency upgrades
- Clean energy adoption and leasing
- Internal capability building (e.g. deployment of smart energy meters and GHG management platform)

Anticipated financial effects

Over the planning horizon, the Company anticipates:

Physical Risk Extreme weather events

- Investments of approximately RM4-5 million per annum to harden infrastructure (e.g. tower elevations, flood-proofing) and repair infrastructure damage

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Transition Risk Regulatory and market pressure to decarbonise

- Investments of approximately RM50 million per annum for high-efficiency equipment, AI-solutions, cloud subscription, smart cooling, site modernisation, and on-site solar installations
- Compliance and assurance investments of approximately RM400k per annum for GHG management platform and assurance requirements
- Potential carbon tax exposure from 2027 onwards is anticipated to be within the range of RM8-15 million annually (assuming that both Scope 1 and Scope 2 emissions are subject to carbon tax) based on Malaysia's expected carbon tax and the Company's internal mitigation measures

Time horizons used

Short term » ≤ 12 months / FY2026 Medium term » 2-5 years / FY2027-FY2031 Long term » >5 years / FY2032 onward

The table below summarises the expected effects by financial position, financial performance, and cash flows, and indicates the financial statement line items to which amounts will be (or are) recognised. Ranges reflect scenario-based estimates and mitigation uptake assumptions.

In RM'000	Current financial effects	Short term financial effects (per annum)	Medium term financial effects (per annum)	Long term financial effects (per annum)
Financial position				
Property, plant and equipment	11,740	Between 15,000 to 20,000	Between 20,000 to 25,000	Note 1
Financial performance				
Operations and maintenance expenses	(38,210)	Between (35,000) to (40,000)	Between (35,000) to (40,000)	Note 1
Carbon tax			Between (8,000) to (15,000)	Note 1
Cash flows				
Cash used in operations	(38,210)	Between (35,000) to (40,000)	Between (43,000) to (55,000)	Note 1
Cash used in investing activities	(11,740)	Between (15,000) to (20,000)	Between (20,000) to (25,000)	Note 1

Note 1 – Due to inherent measurement uncertainty, CelcomDigi has omitted specific quantitative estimates. Future capital expenditure is expected to rise as the Company invests in network resilience and innovative solutions. While these investments will increase property, plant, and equipment (PPE) assets and cash outflows, it is also projected to enhance network reliability, service continuity, operational savings, and revenue growth. These long-term benefits will be partially offset by higher depreciation charges.

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Climate Resilience

CelcomDigi recognises the importance of our impact on the environment, evolving regulations, and weather-related challenges, and is committed to addressing these priorities responsibly. By upgrading our sites to withstand floods and heatwaves, and integrating smart solutions and clean energy, we have moved beyond historical vulnerabilities to ensure service reliability and increased operational efficiencies.

- **Resilient infrastructure:** Raising equipment off the ground at flood-prone sites and upgrading cooling systems for data centres to withstand heatwaves.
- **Smarter partnerships:** Working with partners to deploy energy-saving technology and hybrid solutions on-site.
- **Predictive maintenance:** Upgrades result in upfront costs, ensuring service reliability.
- **Clear goals:** CelcomDigi's sustainability strategy and decarbonisation roadmap guides emissions reduction and ongoing adaptation and mitigation initiatives.
- **Preparing for potential carbon taxes:** The impact from future implementation of carbon tax in Malaysia is expected to be partially mitigated through proactive energy efficiency programmes and cleaner energy adoption.

Climate-related scenario analysis

CelcomDigi conducts climate-related scenario analysis to assess the potential impact of both physical and transition risks on our operations. Drawing on data from authoritative international and regional sources, this analysis forms the basis of the Company's strategic planning across our operations. The Company reviews these scenarios annually to account for emerging uncertainties. While our current strategy effectively manages moderate climate risks, it is designed with the flexibility to scale adaptation efforts if more severe conditions materialise, ensuring long-term operational agility. Climate scenarios are categorised as either:

- High transition risk with low physical risk; or
- Low transition risk with high physical risk

CelcomDigi references the Intergovernmental Panel on Climate Change (IPCC) framework, which combines Shared Socio-economic Pathways (SSPs) and Representative Concentration Pathways (RCPs) – referred to as SSP-RCP scenarios – for climate modelling and projections. These scenarios represent differing future global conditions where mitigation and adaptation challenges vary from low to very high, and guide CelcomDigi's resilience planning and investment decisions.

To assess both extremes of climate-related risks, CelcomDigi performed scenario analysis using assumptions aligned with the IPCC SSP-RCP framework¹:

- SSP 5-8.5: Low transition risk, high physical risk
- SSP 2-4.5: Intermediate scenario (most probable baseline)
- SSP 1-1.9: High transition risk, low physical risk

These scenarios were integrated into CelcomDigi's strategic planning process to evaluate potential impacts on network infrastructure, energy costs, regulatory compliance, and customer expectations.

Scenario 1:

Low carbon regulations, high GHG emissions and temperatures

(SSP 5-8.5) – High Physical Risk

This scenario assumes delayed global and national climate action, resulting in significant global warming and severe physical climate impacts. For CelcomDigi, this means:

- Increased frequency and severity of floods and heatwaves, causing higher risks of network outages and equipment damage
- Substantial investment required for infrastructure resilience (e.g., tower elevation, improved cooling systems)
- Minimal transition risk due to low carbon regulations, however operational costs rise sharply from physical disruptions and insurance premiums

Sources:

¹ https://www.ipcc.ch/report/ar6/syr/downloads/report/IPCC_AR6_SYR_SPM.pdf

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Scenario 2:

Moderate carbon regulations, moderate GHG emissions and temperatures

(SSP 2-4.5) – Intermediate Risk

This scenario reflects moderate global and national climate action, with emissions reduction and adaptation progressing inconsistently. For CelcomDigi, this means:

- Physical risks remain manageable but require ongoing resilience measures
- Transition risks increase moderately, with compliance costs for carbon emissions disclosure and procurement of renewable energy
- Financial impacts include steady capital expenditure (CAPEX) for energy efficiency and resilience upgrades, balanced by gradual operational savings

Scenario 3:

High carbon regulations, lower GHG emissions and temperatures

(SSP 1-1.9) – High Transition Risk

This scenario assumes aggressive global and national climate policies aimed at achieving Net-Zero by 2050, limiting global warming to 1.5°C. For CelcomDigi, this means:

- Physical risks reduce significantly, but transition risks escalate due to rapid regulatory changes and carbon tax
- Higher upfront costs for renewable energy adoption, energy-efficient technologies, and supplier decarbonisation
- Potential competitive advantage if CelcomDigi meets sustainability targets early

The results are summarised below, together with the impact of each scenario on the Company’s strategy and business model:

Scenario	Short term (0-12 months)	Medium term (1-5 years)	Long term (beyond 5 years)
<p>Scenario 1: SSP 5-8.5 (High physical risk)</p> <p>High GHG emissions in the absence of Government policies to combat climate change; global warming between 3.2°C and 5.4°C is projected by 2100.</p>	<p>Physical risk exposure: Low to Medium</p> <p>Transition risk exposure: Low</p> <p>Minimal regulatory pressure, but increased variability in weather events may cause localised outages and higher maintenance costs.</p> <p>Estimated PBT impact: Decrease by approximately RM50-55 million per annum.</p>	<p>Physical risk exposure: Medium to High</p> <p>Transition risk exposure: Low</p> <p>Intensifying floods and heatwaves drive higher CAPEX for tower elevation and cooling upgrades.</p> <p>Estimated PBT impact: Decrease by approximately RM60-65 million per annum.</p>	<p>Physical risk exposure: High to Very High</p> <p>Transition risk exposure: Low to Medium</p> <p>Significant investment in resilience measures; operational costs rise due to frequent disruptions.</p> <p>Estimated PBT impact: Decrease by approximately RM90-95 million per annum.</p>
<p>Scenario 2: SSP 2-4.5 (Intermediate)</p> <p>The most probable baseline scenario where social, economic, and technological trends do not shift significantly from historical patterns; a global temperature rise between 1.7°C and 3.2°C by 2100.</p>	<p>Physical risk exposure: Low to Medium</p> <p>Transition risk exposure: Low to Medium</p> <p>Moderate compliance costs for sustainability reporting and energy efficiency programmes.</p> <p>Estimated PBT impact: Decrease by approximately RM55-60 million per annum.</p>	<p>Physical risk exposure: Medium</p> <p>Transition risk exposure: Medium</p> <p>Gradual increase in renewable energy adoption and supplier engagement costs.</p> <p>Estimated PBT impact: Decrease by approximately RM75-80 million per annum.</p>	<p>Physical risk exposure: Medium</p> <p>Transition risk exposure: Medium</p> <p>Balanced investment in resilience and decarbonisation; operational savings begin to offset costs.</p> <p>Estimated PBT impact: Decrease by approximately RM75-80 million per annum.</p>

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Scenario	Short term (0-12 months)	Medium term (1-5 years)	Long term (beyond 5 years)
Scenario 3: SSP 1-1.9 (High transition risk) A pathway that is contingent on global warming levels below 1.5°C, consistent with the goals established under the Paris Agreement; climate policies are introduced early and become gradually more stringent; shifts in customer behaviour are noted due to preference for sustainable products.	Physical risk exposure: Low Transition risk exposure: High Aggressive carbon regulations and early carbon tax increase compliance and procurement costs. Estimated PBT impact: Decrease by approximately RM60-65 million per annum.	Physical risk exposure: Low Transition risk exposure: High Significant CAPEX for renewable energy and energy-efficient technologies. Estimated PBT impact: Decrease by approximately RM85-90 million per annum.	Physical risk exposure: Low Transition risk exposure: Medium to High Operational savings from renewables and efficiency measures offset earlier investments; carbon tax exposure stabilises. Estimated PBT impact: Decrease by approximately RM75-80 million per annum.

Significant areas of uncertainty

There are several uncertainties and judgments involved in modelling climate-related scenarios and its potential impact on CelcomDigi's operations and financial performance. Key areas of uncertainty considered in the Company's assessment include:

- Future Carbon Tax Levels and Timing of Implementation**
 Carbon tax in Malaysia, when implemented, will target energy-intensive sectors under the National Energy Transition Roadmap (NETR). The exact timing, national scope, and rates remain uncertain. Potential variations include:
 - Jurisdictional differences in coverage (e.g., sector exemptions, thresholds)
 - Implementation lag and enforcement mechanisms
 - Significant variations in assumed price ranges (e.g., RM15/tCO₂e to RM150/tCO₂e up to 2030) could materially affect CelcomDigi's cost exposure for Scope 1 and Scope 2 emissions. This assumption is critical for guiding estimations of future compliance costs and internal carbon tax strategy
- Technological Viability and Cost of Low-Carbon Solutions**
 The feasibility and affordability of low-carbon technologies and renewable energy solutions remain uncertain. Factors include:
 - Speed of commercialisation as well as scalability of advanced network equipment and energy-efficient cooling systems
 - The speed at which a company can switch to low-carbon solutions often depends on local grid readiness and the ability to integrate energy storage

- Local supply constraints for renewable energy and low-carbon materials could lead to prolonged cost premiums
- Under high-transition risk scenarios, rapid adoption may strain supply chains, increasing CAPEX requirements and delivery timelines

Capacity to adjust or adapt strategy and business model

CelcomDigi's strategy and business model, including its mitigation plans and actions, are designed to remain flexible and responsive to evolving climate-related risks. These plans are based on the most probable baseline scenario (Scenario 2 – moderate risk) and take into account future developments. The Company's capacity to adjust is supported by the following:

- Financial Resources and Flexibility**
 Over the next five years, CelcomDigi has earmarked approximately RM50-60 million annually for climate-related mitigation and adaptation initiatives, including cloud computing and clean energy adoption, energy efficiency programmes, and network resilience upgrades.
 - In the current fiscal year, approximately RM49 million has been utilised for cloud computing adoption, tower elevation, cooling system upgrades, and solar installations
 - These budgets are reviewed regularly, enabling reallocation as needed
- Redeploying, Repurposing, and Upgrading Assets**
 CelcomDigi does not anticipate large-scale asset redeployment in the short term, as resilient measures are integrated into ongoing network modernisation programmes.

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- Conventional upgrades (e.g., tower reinforcement, elevated plinths) will be delivered concurrently with scheduled maintenance cycles
- In the medium to long term, the Company will evaluate and decommission legacy system assets where necessary, ensuring adoption of new technologies and alignment with climate resilience and energy efficiency standards

Advancing Environmental action through targeted investments

CelcomDigi continues to invest in initiatives to enhance resilience, adaption, and mitigation for improving operational preparedness.

- Deployment of cleaner energy and AI for weather pattern prediction at sites and data centres
- Expansion of Electric Vehicle (EV) charging stations
- Adoption of energy-efficient technologies and smart cooling systems to reduce operational emissions
- Supplier engagement programmes to integrate low-carbon criteria into procurement processes

Processes, controls and policies to manage climate-related risks and opportunities

CelcomDigi embeds the identification, assessment, prioritisation, and monitoring of climate-related risks within its Enterprise Risk Management (ERM) framework, ensuring alignment with the Company’s overall governance structure. This process covers both physical risks and transition risks, and is integrated into strategic planning and operational decision-making.

Key elements of the process include:

Structured Risk Assessment:

CelcomDigi applies a systematic approach to evaluate climate-related risks across its network and operations. This includes historical climate data analysis, vulnerability assessments of critical sites, and predictive modelling of potential impacts under different climate scenarios. Scenario analysis is a core tool, helping management understand implications of regulatory and market pathways towards decarbonisation.

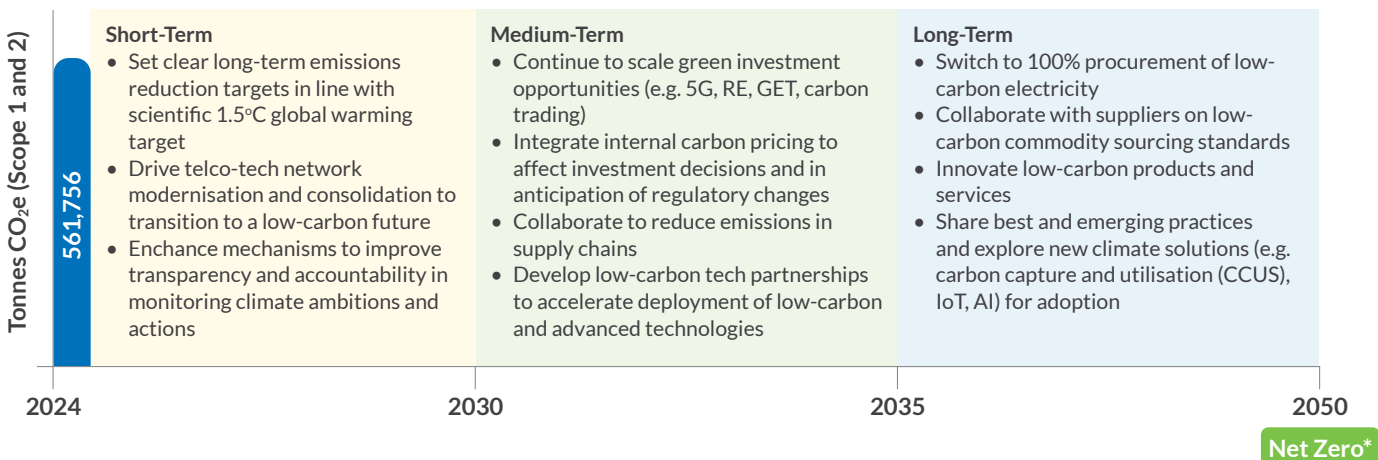
Opportunity Identification:

In parallel with risk management, CelcomDigi actively identifies opportunities to strengthen its competitive position through sustainability initiatives. These include:

- Expanding renewable energy adoption and energy-efficient technologies across network sites and data centres
- Engaging suppliers to meet low-carbon procurement criteria and improve transparency in carbon emissions reporting
- Leveraging digital tools for carbon emissions tracking and optimisation to enhance operational efficiency and reduce exposure to future carbon tax

By embedding these processes into its strategic planning, CelcomDigi ensures that sustainability is a core driver of long-term value creation, enabling us to meet evolving regulatory requirements, customer expectations, and market trends.

Overall decarbonisation targets and CelcomDigi’s Net Zero Roadmap



* The emissions reduction targets and related climate commitments disclosed in this report have been submitted to the Science Based Targets initiative (SBTi) and are currently pending formal validation. All stated forward-looking metrics, pathways and timelines may be subject to refinement following the completion of the SBTi review process.

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Internal Carbon Tax

CelcomDigi is considering the implementation of internal carbon pricing as part of its climate risk management strategy. The Company recognises the importance of internal carbon tax as a mechanism to guide long-term investment decisions, support decarbonisation efforts, and anticipate future regulatory and market developments.

In line with Malaysia's recent announcement on carbon tax under the National Energy Transition Roadmap (NETR) and anticipated policy instruments, CelcomDigi plans to introduce an internal carbon tax mechanism in the near term. This approach will be embedded into our scenario analysis, capital budgeting, and procurement evaluations to reflect the anticipated cost of carbon abatement across the Company's operations and supply chain.

The internal carbon price will be benchmarked against prevailing and projected carbon tax rates in Malaysia and ASEAN markets, ensuring alignment with national climate targets and global low-carbon transition trajectories. The Company will review this approach progressively to incorporate regulatory changes, voluntary carbon market signals, and stakeholder expectations.

Metrics and targets (non-GHG emissions)

CelcomDigi has established short-, medium-, and long-term targets to address climate-related risks across our operations, with a focus on reducing operational emissions (Scopes 1 and 2), enhancing network energy efficiency, and strengthening physical resilience of critical infrastructure. These targets are set internally by the Company and aligned with national climate policies under the National Energy Transition Roadmap (NETR) and CelcomDigi's long-term Sustainability roadmap.

The emissions reduction targets and related climate commitments have been submitted to the Science Based Targets initiative (SBTi) and are currently pending formal validation.

Climate-related risks and opportunities	Description of metric	Methodology to calculate metric	Measuring unit	Actual metric			Targets
				2023	2024	2025	
Metrics from IFRS S2 Industry-based guidance (Telecommunication Services)							
Environmental Footprint of Operations (TC-TL-130a.1)	Total energy consumed*	Quantitative	Gigajoules (GJ)	3,288,564	3,227,688	3,319,042	The Company does not have any targets for these metrics.
	Percentage grid electricity	Quantitative	Percentage (%)	N/A	N/A	99	
	Percentage renewable	Quantitative	Percentage (%)	N/A	N/A	1	

* The total energy consumed includes renewable energy of 15,262 GJ. The total energy consumed, excluding renewable energy of 3,303,780 GJ, has been subjected to limited assurance by PricewaterhouseCoopers PLT. Refer to the independent practitioner's limited assurance report included on pages 246 to 249.

Total energy consumption is measured using primary energy, expressed in gigajoules (GJ), to provide a consistent and comparable view of CelcomDigi's overall energy demand. Our energy use comprises purchased electricity, renewable energy, and other fuel-based energy carriers that support network operations and facilities. To ensure accuracy and comparability across all sources, consumption data is converted into GJ using standardised conversion factors.

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GHG EMISSIONS

Summary of gross GHG emissions

The table below summarises the Company’s total GHG emissions for the year. There are no GHG emissions attributable to investees outside the Company’s consolidated accounting group:

Absolute gross GHG emissions for the year

Metric tonnes of CO ₂ equivalent (tCO ₂ e)	2023	2024	2025
Scope 1 GHG emissions	53,670	43,810	A 51,043
Scope 2 GHG emissions	483,946	517,946	A 488,555
Scope 3 GHG emissions*	282	4,350	6,912
Category 6 – Business travel	282	1,249	1,704
Category 7 – Employee commuting	N/A	3,101	5,208
Total Scope 1, Scope 2, and Scope 3 GHG emissions	537,898	566,106	546,510

A These metrics have been subjected to limited assurance by PricewaterhouseCoopers PLT. Refer to the independent practitioner’s limited assurance report included on pages 246 to 249.

*CelcomDigi has applied the IFRS S2 transition relief for Scope 3 GHG emissions and is therefore not required to disclose them in the current reporting period. Nevertheless, the Company continues to disclose Category 6 (Business travel) and Category 7 (Employee commuting) on a voluntary basis as these categories were disclosed in the prior reporting period.

Our total Scope 1 and 2 GHG emissions declined by 4% year-on-year, driven by the ongoing network integration and modernisation activities. The consolidation of network infrastructure, decommissioning of legacy equipment, and deployment of AI-driven energy optimisation tools have enabled the network to deliver greater capacity while using less energy per unit of data traffic.

Activity data

For the measurement of emissions, the Company uses the following activity data:

- Scope 1² GHG emissions: Comprises mainly fuel consumption from leased and owned generator sets used for network sites. The quantity of fuel consumption from the leased generator sets were determined based on estimated fuel requirement of the generator set capacity; whereas quantity of fuel consumption from owned generator sets is based on actual utilisation of fuel from meter reading.
- Scope 2 GHG emissions: quantities of purchased electricity consumed based on invoices received from the Company’s utility providers, where available, or converted from electricity expenses incurred during the year using the average tariff rate which is calculated based on estimated timing and region of consumption in the regions where the Company operates in.
- Scope 3 GHG emissions: the Company prioritises the use of supplier-specific data where available with sufficient quality.

For activity data that is not available on a timely basis, the Company uses estimates based on historical data. For activity data that are missing, the Company uses proxy data or the most recent industry-average data.

² Includes:

- Stationary combustion: Fuel consumption from generator sets under CelcomDigi’s operational control and Liquefied Petroleum Gas (LPG)
- Mobile combustion: Fuel use from CelcomDigi-owned or controlled vehicles operated by employees
- Fugitive emissions: Refrigerant gases from HVAC (Heating, Ventilation, and Air Conditioning) equipment

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Scope 1, 2, and 3 Calculation Approaches

The Company calculates its Scope 1, Scope 2 and Scope 3 GHG emissions using the indirect measurement method as direct measurement is not available.

The Company calculates its Scope 2 GHG emissions under location-based methods. A location-based method reflects the average emissions intensity of grids on which energy consumption occurs (commonly using grid-average emission factor data). Reporting of both market-based and location-based emissions for CelcomDigi are the same, as no renewable energy certificate are currently being purchased.

Scope 1 – Fuel Combustion

Data inputs

- Fuel consumption at an equipment/fleet level
- Records of gasoline and LPG consumed
 - i. Where actual fuel litres consumption is not available, estimation is calculated based on technology baseline from equipment manufacturer (e.g. generator set capacity)

Methodology

The first calculation is conversion of different fuel types to energy units. The higher heating value of a fuel is used to convert from physical units of the fuel into energy units in gigajoules (GJ). Emissions factors used are those from the UK Department for Environment, Food & Rural Affairs (DEFRA 2025) which provides a resulting emissions calculation, presented in tonnes of CO₂ equivalent.

Scope 1 – Refrigerants

Data inputs

- Records of refrigerant top-ups - consisted of the type of refrigerant used (e.g., R-22, R-410A), the amount recharged per facility (kg), and the reporting period (calendar year)

Methodology

Refrigerant emissions were calculated for facilities where CelcomDigi has operational control over HVAC systems. CelcomDigi tracks annual refrigerant recharge data at the facility level, including reporting dates, HVAC application and equipment types, and, where available, the specific refrigerant used. In cases where the refrigerant type is not available, a default type was assigned based on the HVAC application, with R-410A applied in most cases. The amount of refrigerant recharged during the reporting period is assumed to be equivalent to the amount leaked. This approach,

noted as 'leakage calculation method = recharged amount', forms the basis of the emission estimate. Emissions are calculated by multiplying the recharge quantity (in kg) with DEFRA 2025 emission factors, resulting in tonnes of CO₂ equivalent.

Scope 2 – Purchased Electricity

Data inputs

- Combination of activity data and spend-based estimates
- Where actual kWh value is not available, the estimation is calculated through the following:
 - i. Cost of Electricity from System Applications and Products (SAP)
 - ii. Fixed Electricity Tariff (from RM value)
 - iii. Electricity passthrough
 - iv. Technology Baseline from equipment manufacturer (e.g. AC load, 2G/3G/4G)

Methodology

Reporting of both market-based and location-based emissions for CelcomDigi are the same, as no renewable energy certificates are currently being purchased. For non-network sites such as offices, retail stores, and other facilities where actual consumption data is available, electricity usage is recorded in kilowatt-hours (kWh) and used directly in the emissions calculation. For network-related sites and other facilities where direct activity data is not available, electricity consumption is estimated by back-calculating from spend amounts using the applicable tariff rates for each regional electricity grid. The resulting consumption data is mapped to each business facility and used as the basis for calculating Scope 2 emissions. Regional grid emission factors are applied based on facility location, following national reporting guidelines and published emissions intensities. These rates were based on the electricity suppliers TNB, SESB, and SESCO. Final emissions were calculated by multiplying the total grid electricity consumed by the applicable emission factor, referencing the Malaysian Grid Emission Factor 2022.

Scope 3 – Category 6 and 7

The Company calculates its Scope 3 GHG emissions using a combination of different calculation methods (see table below for details). Where allocations are necessary, value chain emissions are allocated using the physical allocation method except for specific categories where the economic allocation method is used. The physical allocation method allocates the emissions of an activity based on an underlying physical relationship between the multiple inputs/outputs and the quantity of emissions generated. The economic allocation method allocates the emissions of an activity based on the market value of each output/product. The economic

Sustainability Statement

allocation method is used when physical data is not available or does not reflect the causal relationship between the activity measured and the resulting emissions. For the Scope 3 categories presented in this report, no such allocation between multiple outputs is required.

Emission factors

For the measurement of Scope 1 and Scope 2 (location-based) GHG emissions, the Company applies the most recent emission factors, using:

- Scope 1 emissions are calculated using emission factors published by the UK Department for Environment, Food & Rural Affairs (DEFRA)
- Scope 2 emissions are calculated using the Malaysia Energy Commission's 2022 Grid Emission Factor, representing the latest available national factor for purchased electricity across each region (Peninsular Malaysia, Sabah, and Sarawak)

These emission factors best represent the Company's activities. The methodologies, inputs, and assumptions used in measuring the Company's Scope 3 categories are as summarised below:

Emission sources	Method	Activity Data	Emissions Factors
Category 6 – Business travel	Distance-based and spend-based method	Air travel: passenger travel distance data BEIS flight EF were applied Land travel: mix of distance travelled and spend based data <i>Where distance data is not available on a reasonable basis, a spend-based method is used based on travel expenditure by mode.</i>	BEIS distance EF and US EPA spend based EF applied on distance data and spend data respectively
Category 7 – Employee commuting	Distance based method	Total number of employees was used to estimate the total employee commute distance <i>% split of FTEs per transport mode for the country is based on research by Malaysia's Center for Transportation Research at the University of Malaya. Generic datasets (research studies and Numbeo) are used as proxies where company-specific commuting surveys are not available; as a result, the estimates are subject to uncertainty and may not fully reflect individual employee commuting patterns.</i>	BEIS distance EFs

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Metrics and targets

As part of CelcomDigi's commitment to contribute to Malaysia's transition towards a low-carbon and net-zero economy, the Company has formulated GHG emissions reduction targets aimed at achieving alignment with globally established pathways (subject to SBTi review and validation). These targets outline a clear and measurable decarbonisation pathway across our operations and value chain, covering all material emissions sources within Scope 1, Scope 2, and Scope 3.

CelcomDigi's submitted targets are set to reflect the latest climate science, applying comprehensively across the Company's key emission activities. Our emissions reduction targets were set using a combination of:

- Cross-sector absolute reduction methodology; and
- Market-based accounting approaches

Under this approach:

- Gross GHG emissions across Scope 1, Scope 2, and Scope 3 are intended to reduce in line with science-based pathway.
- Scope 1 and 2 reductions are intended to follow an absolute contraction trajectory.
- Scope 2 market-based emissions reductions are driven primarily by increased procurement of renewable electricity, including market-based mechanisms such as RECs and long-term renewable power purchase agreements.

CelcomDigi plans to review its emissions-reduction targets after five years to ensure they remain aligned with the latest climate science and guidance from independent experts. Targets may also be updated earlier if there are significant changes to our organisational boundaries, data quality, and methodologies, or if baseline emissions for Scope 1, Scope 2, or Scope 3 change by more than $\pm 5\%$.

As part of CelcomDigi's long-term net-zero emissions goal, we aim to neutralise residual emissions that cannot be reduced through operational improvements or value-chain decarbonisation. These residual emissions may be addressed through the use of high-quality carbon removals, or future solutions in line with the SBTi Corporate Net-Zero Standard³.

Source:

³ <https://files.sciencebasedtargets.org/production/files/Net-Zero-Standard.pdf>

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Statement of Assurance

Assurance Undertaken

In strengthening the credibility of our reporting, selected parts of this Sustainability Statement have been subjected to the following:

- a) an internal review by CelcomDigi’s internal auditors; and
- b) independent assurance for selected indicators in accordance with recognised assurance standards

The scope, subject matter(s) covered, and relevant conclusion(s) (where applicable) are provided below:

Type of Assurance	Subject Matter	Scope	Conclusion
Independent assurance	4 Selected Sustainability Information: Climate <ul style="list-style-type: none"> • Scope 1 emissions • Scope 2 emissions • Total energy consumption (excluding renewable energy) Non-climate <ul style="list-style-type: none"> • Lost Time Injury Frequency (“LTIF”) Rate 	Climate: Independent limited assurance in accordance with the IFRS Sustainability Disclosure Standards relevant to the preparation of the Selected Sustainability Information. Non-climate: Independent limited assurance in accordance with the applicable criteria set out in Note (b) in the “ESG Performance Data Table” on pages 82 to 87.	The independent limited assurance report by PricewaterhouseCoopers PLT can be found on pages 246 to 249
Internal review	4 Sustainability Indicators: <ul style="list-style-type: none"> • Customer Satisfaction Scores (CSAT) (%) • Number of new suppliers signing CelcomDigi’s Agreement of Responsible Business Conduct (ABC) • Employees receiving anti-corruption training (%) • Number of enrolments in Future Skills for All (FS4A) programme (31 Dec 2025) 	The review assessed the accuracy and completeness of the selected Sustainability Indicators against the source data and to the applicable criteria set out.	Not applicable

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Date & Time: 2026-04-01_16:21:00
FYE 31/12/2025

CelcomDigi Berhad
IFRS S2

Sustainability Matter	Metric	Measurement Unit	2025	Target	Assurance
GHG emissions	Scope 1	Metric tonnes of carbon dioxide equivalents (tCO2e)	51043	—	External (Limited)
GHG emissions	Scope 2 Location-based	Metric tonnes of carbon dioxide equivalents (tCO2e)	488555	—	External (Limited)
GHG emissions	Scope 3 Cat.6: Business travel	Metric tonnes of carbon dioxide equivalents (tCO2e)	1704	—	No assurance
GHG emissions	Scope 3 Cat.7: Employee commuting	Metric tonnes of carbon dioxide equivalents (tCO2e)	5208	—	No assurance
Climate	Total energy consumed (TC-TL-130a.1)	GJ	3319042	—	No assurance
Climate	Percentage grid electricity (TC-TL-130a.1)	%	99	—	No assurance
Climate	Percentage renewable (TC-TL-130a.1)	%	1	—	No assurance

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B. OTHER SUSTAINABILITY-RELATED FINANCIAL INFORMATION

As the Company continues to enhance its sustainability reporting processes, data systems, and governance, we are progressing towards achieving full compliance with IFRS S1 by FY2027.

NETWORK QUALITY, RELIABILITY, AND CONTINUITY

CelcomDigi ensures reliable digital infrastructure and service delivery through proactive risk management and disaster recovery planning. Our approach integrates network consolidation, resilient architecture design, AI-enabled predictive maintenance, stringent cybersecurity governance, and disciplined operational processes, all of which collectively ensure service continuity and delivers on national digital connectivity expectations.

Strategy

CelcomDigi has strengthened network resilience through strategic modernisation and efficiency initiatives. Key highlights include consolidating 90% of the Radio Access Network (RAN) across more than 14,500 sites which boosted 4G speeds by 20% nationwide, enhancing connectivity and service quality for customers nationwide. AI-enabled optimisations, including battery prediction, congestion balancing, and predictive assurance, have strengthened network stability while improving energy efficiency.

Potential financial impacts include revenue loss during service outages (estimated at RM35k per site for major disruptions) and potential penalties arising from non-compliance with Mandatory Standards on Quality of Service (MSQoS), which could reach up to RM1 million per site per incident. During the year, actual financial investments amounting to RM864 million were directed towards strengthening network resilience, advancing 5G service innovation and readiness, and scaling AI- and automation-driven capabilities. These initiatives helped mitigate operational risks, reduce long-term maintenance costs, and enhance service quality to protect customer experience and future revenue stability.

Risk Management

We mitigated integration and operational risks by implementing network upgrades in stages, with thorough checks conducted before each rollout. Regulatory risks, particularly compliance with Malaysian Communications and Multimedia Commission's (MCMC) minimum speed requirements, are proactively managed through

timely corrective actions. Cybersecurity risks are minimised through a Zero Trust framework, regular vulnerability testing, annual cyber-attack simulations, and clear processes that guide us from containment to full recovery.

Metrics and Targets

Indicator	Measuring unit	2025	Target
Network availability	%	>99%	N/A
Customer Network Experience Score (CNES)	%	>75%	>75%
RAN Sites consolidation	%	90%	N/A
4G Speed uplift	%	20%	N/A

DATA PROTECTION AND CYBERSECURITY

CelcomDigi is committed to protecting personal and sensitive information, enhancing cybersecurity readiness, and maintaining stakeholder trust through robust controls, clear governance, and proactive risk management.

Strategy

Key risks include data breaches, emerging cyber threats, and potential regulatory penalties, while opportunities arise from strengthening our privacy and cybersecurity posture to gain competitive advantage. These considerations guide strategy in:

- Privacy-enhancing tools, privacy-by-design, and trust-building programmes
- Multi-layered cybersecurity strategy featuring Endpoint Detection and Response (EDR), next-gen firewalls, Domain Name System (DNS) filtering, and encryption
- Enhanced incident-handling SOPs for ransomware, phishing, and business email compromise (BEC) with Security Orchestration, Automation, and Response (SOAR) integration for accelerated containment

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Strategic initiatives include:

- Monitoring effectiveness of privacy controls annually, such as business partner and data lifecycle management
- Achieving a maturity rating of 2.0 and 3.05 for privacy and cybersecurity respectively
- Refreshing e-Learning materials for employees
- Conducting a National Privacy Awareness Survey
- Hosting a Trust Circle for over 100 industry professionals

In FY2025, CelcomDigi spent more than RM700,000 on internal and external data protection initiatives, with total investment expected to reach RM2 million over the next three years. Potential financial implications from non-compliance with the Personal Data Protection Act 2010 (PDPA) may include fines of up to RM1 million. In addition, more than RM80 million was spent on maintaining existing AI tools for network protection and endpoint protection, security monitoring and scanning tools, and cloud-based AI scanning tools. In 2026, the Company plans to invest up to RM20 million in advanced security initiatives, including AI-enabled security tools, Human Risk Security management, and next-generation threat vigilance capabilities.

Risk Management

Risks are identified through annual privacy and security risk assessments, Security Operations Centre (SOC) monitoring, vulnerability scanning, penetration testing, and incident escalations. High-impact risks, including misuse of AI systems and solutions, service inconsistency, and data breaches are prioritised through enterprise risk ratings and reported on a quarterly basis to the Board.

Cybersecurity risk controls include:

- Reviewing user access management and, on a quarterly basis, Identity Access Management (IAM)
- Aligning cryptographic controls with regulatory key-strength requirements
- Monitoring security events, SOAR-orchestrated response
- Ensuring data processor due diligence, three-year vendor refresh cycles, and audit rights

Employee-related cyber risks are controlled through:

- Annual mandatory cybersecurity training, quarterly microlearning, and role-based access training
- Monthly phishing simulations with tracked KPIs: click rate, credential-submission rate, report rate, Time to Remediate (TTR), and repeat-offender reduction
- Multiple reporting channels including 'Report Phish', SOC hotline, service-desk category, and whistleblowing

Incident response is conducted in accordance with the Personal Data Breach and Cybersecurity Threat and Incident Management SOP, as well as ISO 22301-aligned Crisis Response procedures. Key procedures include containment, forensic investigation, escalation, and prompt notification to regulators or affected individuals to minimise impact.

Metrics and Targets

Indicator	Measuring unit	2025	Target
Substantiated customer-privacy complaints	Number	0	0
Data breaches per million subscribers	Number	0	0
Customers affected by data breaches	Number	0	0
Regulatory actions	Number	0	0
Completion rates of mandatory employee e-learning for Cybersecurity	%	100%	100%

CUSTOMER EXPERIENCE AND SATISFACTION

CelcomDigi is committed to delivering consistent, high-quality customer experiences across all touchpoints by strengthening service excellence, digital support channels, and operational responsiveness. Our approach emphasises a customer-first culture, enhancing digital care capabilities, and the use of data-driven insights to continuously improve satisfaction, and build trust and loyalty.

Governance

The CEO and Chief Customer Experience Officer (CCXO) provide oversight for the customer experience transformation via the Customer Experience Forum. Governance is reinforced through monthly and quarterly customer excellence (CX) performance reviews, assessing Customer Satisfaction Score (CSAT), Customer Dissatisfaction Score (DSAT), and monitoring service-level progress through CX dashboards and performance reports.

Strategy

CelcomDigi's customer experience strategy is guided by the key risks and opportunities identified in the CX transformation agenda. The

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Company recognises that increasing automation and AI adoption may lead to reduced empathy, inconsistent service experiences, and heightened data privacy and security exposure. To address these risks, CelcomDigi applies a digital strategy that aligns automation with human needs, including hybrid service models and empathy-focused training. Opportunities such as AI-driven personalisation, data-based recommendations, and tailored customer support help deepen customer relationships and guide our customer-led growth strategy, which connects satisfaction, retention, and monetisation. These opportunities also shape our investment priorities, directing resources towards AI enablement, advanced analytics, and secure data platforms that enhance service excellence.

Financial considerations include ongoing OPEX for staff reskilling and system integration. The Company is planning to allocate RM1.3 million in short-term CAPEX for AI infrastructure and customer data platforms, and an additional allocation of RM5.5 million as a medium- to long-term investment pipeline. Automation benefits are expected to deliver a 60% reduction in cost-to-serve and long-term improvements in Average Ratings Per User (ARPU), retention, and brand trust.

Risk Management

To ensure a consistent and high-quality customer experience, CelcomDigi actively monitors and manages potential risks through CX reviews, Voice of Customer analytics, CSAT and DSAT tracking, and service incident escalations. Risks are assessed and prioritised by impact and likelihood, with high-impact risks (e.g., AI misuse, service inconsistency, data breaches) escalated to Compliance. Opportunities to enhance customer experience, business value, and employee experience are evaluated through journey analytics and the CX Filter, with oversight from CX Forums and approval by the CEO or CCXO.

CX risks are integrated into the Enterprise Risk Management (ERM) framework supported by controls such as audits and service recovery playbooks.

Metrics and Targets

Indicator	Measuring unit	2025	Target
CSAT	%	>80%	>70%
Service Level MSQoS	%	>90%	85%/30secs

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C. ESG PERFORMANCE DATA TABLE

Indicator	Sub Category	Unit/Type	2023	2024	2025
Governance					
Regulatory Compliance and Business Ethics					
Board Balance and Composition	Independent Non-Executive Directors	count	4	4	4
	Non-Independent Non-Executive Directors	count	6	6	6
Gender	Male	%	70	70	70
	Female	%	30	30	30
Age	<55	count	4	4	2
	55 to 60	count	3	3	4
	61 to 65	count	1	1	2
	66 to 69	count	2	1	0
	70 to 75	count	0	1	2
Anti-Corruption	Percentage of operations assessed for corruption-related risks	%	100	100	100
	Confirmed incidents of corruption and action taken	Number	0	0	0
	Material Cases of Corruption	count	0	0	0
	Number of staff disciplined or dismissed due to non-compliance with anti-corruption policy/policies	count	N/A	N/A	0
	Cost of fines, penalties or settlements in relation to corruption	RM	N/A	N/A	0
	Percentage of employees who have received training on anti-corruption by employee category	CDM & CDL	%	2	3
Executive		%	95	92	94
Non-executive		%	3	5	2
Total amount of political contributions made		RM	N/A	N/A	0

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Indicator	Sub Category	Unit/Type	2023	2024	2025
Data Protection and Cybersecurity					
Substantiated complaints concerning breaches of customer privacy and losses of customer data		count	0	1	0
Number of customers whose information is used for secondary purposes		count	N/A	N/A	0
Data security	Number of data breaches	count	N/A	N/A	0
	Percentage that are personal data breaches	%	N/A	N/A	0
	Number of customers affected	count	N/A	N/A	0
	Regulatory actions	count	N/A	N/A	0
Completion rates of mandatory employee e-learning for Cybersecurity		%	N/A	N/A	100
Economic					
Network Quality, Reliability, and Continuity					
Population Coverage	4G LTE	%	97	98	98
	4G LTE-A	%	91	94	96
Network Availability		%	>99	>99	>99
Customer Network Experience Score (CNES)		%	N/A	N/A	>75
RAN Sites consolidation		%	N/A	N/A	90
4G Speed uplift		%	N/A	N/A	20
Systemic Risks from Technology Disruptions	System average interruption duration	minutes	N/A	N/A	0.14
	System average interruption frequency	number/day	N/A	N/A	16
Average actual sustained download speed		mbps	N/A	N/A	78
Number of employees who attended crisis training		count	32	45	64

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Indicator	Sub Category	Unit/Type	2023	2024	2025
Sustainable Business Growth					
Subscribers ('000)	Total	count	20,552	20,395	20,590
	Postpaid	count	6,938	7,324	7,993
	Prepaid	count	13,483	12,862	12,281
	Home & Fibre	count	131	209	316
Capital Intensity		%	13.8	18.7	12.1
Digital Transformation and AI					
Pilot use case	Solution adoption	count	N/A	13	28
Environment					
Climate Change Adaptation and Mitigation					
Total Scope 1 & 2 emissions		tonnes CO ₂ e	537,616	561,756	539,598
Total Scope 1 emissions	Total	tonnes CO ₂ e	53,670	43,810	51,043
	Network	tonnes CO ₂ e	53,499	43,712	50,957
	Fleet	tonnes CO ₂ e	161	88	76
	Buildings	tonnes CO ₂ e	10	10	10
Total Scope 2 emissions	Total	tonnes CO ₂ e	483,946	517,946	488,555
	Network	tonnes CO ₂ e	476,714	511,222	482,912
	Buildings	tonnes CO ₂ e	7,232	6,724	5,643
Total Scope 3 emissions	Total	tonnes CO ₂ e	282	4,350	6,912
	Category 6 - Business Travel (Air)	tonnes CO ₂ e	N/A	299	756
	Category 6 - Business Travel (Land)	tonnes CO ₂ e	282	950	948
	Category 7 - Employee Commuting	tonnes CO ₂ e	N/A	3,101	5,208
Carbon intensity per customer		tonnes CO ₂ e/customer	0.026	0.028	0.028
Carbon intensity per data usage		tonnes CO ₂ e/terabyte	0.10	0.09	0.07
Total energy consumption		GJ	3,288,564	3,227,688	3,319,042
Direct energy consumption from fuel	Total	GJ	720,612	588,852	735,328
	Network	GJ	718,272	587,448	733,982
	Fleet	GJ	2,196	1,224	1,176
	Buildings	GJ	144	180	170
Indirect energy consumption from grid	Total	GJ	2,555,640	2,622,924	2,568,452
	Network	GJ	2,519,964	2,590,704	2,540,866
	Buildings	GJ	35,676	32,220	27,586
Solar power generated (Network)		GJ	12,312	15,912	15,262
Energy Consumption Mix	Grid electricity	%	N/A	N/A	99
	Renewable	%	N/A	N/A	1

Sustainability Statement

Indicator	Sub Category	Unit/Type	2023	2024	2025
Energy use per customer		MJ/customer	160	158	170
Energy use per Data Usage		MJ/terabyte	595	493	425
Total water consumption		m ³	151,284	65,485	71,948
General Waste	Collected	tonnes	664	290	1,301
	Recycled	tonnes	22	2	0
E-Waste	Collected	tonnes	238	387	699
	Recycled	tonnes	48	39	0
Social					
Customer Experience and Satisfaction					
CSAT Score	Contact Centre	%	>60	>50	>75
	Retail Stores	%	>90	>90	>90
Service Level MSQOS		%/30sec	N/A	N/A	>90
Talent and Culture					
Total employees		count	3,655	3,079	2,880
Permanent & FTE (those directly under CD's payroll)					
Employees Type	Permanent	count	3,527	2,903	2,703
	Contract	count	128	176	177
Gender	Male	count	1,900	1,600	1,444
	Female	count	1,755	1,479	1,436
Ethnicity	Malay	count	2,264	1,840	1,672
	Chinese	count	924	842	823
	Indian	count	281	245	232
	Others	count	186	152	153
Age Group	<30	count	193	189	183
	30 to 50	count	2,687	2,266	2,053
	>50	count	775	624	644
Category	CDM	count	12	13	10
	CDL	count	101	92	89
	CelcomDigi Employees (Executive & Non-Executive)	count	3,542	2,974	2,781
New Hires	Male	count	40	132	110
	Female	count	33	121	91
Employee Turnover		Rate	5	6	7
Employee Turnover by gender	Male	%	8	4	3
	Female	%	7	4	5
Employee Turnover by category	CDM & CDL	count	13	17	12
	Executive & Non-executive	count	256	830	385

Sustainability Statement

Indicator	Sub Category	Unit/Type	2023	2024	2025
Employee Learning	Total learning hours	hours	65,404	55,143	102,866
	Average hours per employee	hours	14	14	27
	Average days per employee	days	N/A	N/A	4
	Average for male employee	hours	16	15	27
	Average for female employee	hours	12	13	28
	Average for management	hours	13	16	63
	Average for non-management	hours	14	14	24
Parental Leave	Paternity	headcount	177	60	42
	Maternity	headcount	62	88	23
Women in Leadership	CDM + CDL	%	41	37	38
Percentage of employees that are contractors or temporary staff		%	0.36	0.33	0.52
Percentage of employees under bargaining agreements		%	2	<1	<1
Health, Safety and Wellbeing					
Work-related fatalities		count	0	0	0
Lost time injury frequency (LTIF) rate		count/million hours	0.14	0.44	0.00
Occupational Safety and Health Coordinator (OSH-C)		headcount	92	96	119
General First Aiders		count	68	55	104
Mental Health First Aiders		count	59	32	109
Employees trained on health and safety standards		count	4,280	4,491	4,051
Employee training on health and safety standards		hours	6,967	9,329	9,399
Digital Rights and Online Safety					
S.A.F.E. Internet programme	Training of community leaders (ToT)	count	1,692	1,974	1,055
	Community outreach	count	139,842	146,574	13,081
	Online reach	count	8,696,965	7,799,033	13,879,024
Number of substantiated complaints concerning human rights violations		Number	0	0	0
Affordability and Inclusion					
NaDi centres operated		count	307	322	325
National Digital Network (JENDELA) sites		count	182	711	982

Sustainability Statement

Indicator	Sub Category	Unit/Type	2023	2024	2025
Community Development					
Future Skills For All (FS4A)	Students	count	N/A	3,956	10,834
	Teachers	count	N/A	510	1,053
	Schools	count	N/A	956	3,968
	Active students and trainers	count	44,856	63,374	105,057
Total amount invested in the community where the target beneficiaries are external to the listed issuer		MYR	2,000,000	2,320,410	1,725,800
Total number of beneficiaries of the investment in communities		Number	585,268	206,000	128,096
Sustainable Supply Chain Management					
Total number of suppliers		count	2,487	2,724	2,956
New supplier who have signed the Agreement of Responsible Business Conduct (ABC)		count	242	237	232
Total suppliers who have signed the ABC to date		count	2,487	2,724	2,956
Supplier training		hours	23,478	26,687	31,027
Inspections conducted	Unannounced	count	795	872	854
	Announced	count	10	7	10
	Total	count	805	879	864
Number of findings	Major	count	17	23	22
	Minor	count	84	42	134
	Contractors suspended	count	1	0	2
	Contractors terminated	count	0	0	0
	Contractors reinstated	count	0	1	2
Number of suppliers awarded contracts	Local Suppliers	count	607	558	477
	Foreign Suppliers	count	212	207	184
Proportion of spending on local suppliers		%	24	38	37

Notes:

- Energy consumption for 2023 and 2024, which was previously disclosed in gigawatt-hours (GWh), has been restated and presented in gigajoules (GJ) in the current reporting year. This change was made to improve consistency and comparability across all energy sources by adopting a common primary energy unit. The restatement reflects a change in presentation only, with no impact on the underlying energy consumption data, and was performed using standard conversion factors.
- Lost time injury frequency rate denotes the number of lost time injuries in the reporting period x 1,000,000 / Total worked hours (based on 9 working hours x actual working days in the year).
- Employee statistics (except for employee learning) includes permanent and contract employees, under active employment as of 31 December 2025. Employee learning includes permanent, contract, and outsourced employees.

Shaping vision into reality

Empowering people and
investing in partnerships
and technology for
what comes tomorrow



CelcomDigi, in partnership with University Malaya Medical Centre, are transforming healthcare in Malaysia with our AI Holomedicine solution, delivering critical live transmission powered by 5G, AI & XR.



STRENGTHEN MARKET LEADERSHIP

GUIDING FACTORS

Material Matters



Capitals Deployed



Stakeholders Affected



UNSDGs



Our approach to strengthening market leadership is anchored on driving growth across our core business and investing to accelerate emerging segments. This ensures excellent go-to-market execution, leverages digital capabilities to deepen customer engagement, and builds a trusted brand that customers can rely on in an increasingly digital-first world.

GROWTH DRIVEN BY STRONG MARKET EXECUTION AND OPERATIONAL EFFICIENCIES

In FY2025, CelcomDigi strengthened leadership through resilient market performance, disciplined execution, and sustained momentum across core segments. Total Revenue grew 2.2% year-on-year (YoY) to RM12,958 million, while Service Revenue improved 1.1% to close at RM10,906 million, supported by continued growth in Consumer Postpaid, Home & Fibre, and Enterprise solutions. These gains collectively offset softer performance in Prepaid and Enterprise Mobile, underscoring our diversified revenue mix and our ability to capture value across key customer segments.

Total Revenue (RM million)

■ Postpaid
 ■ Prepaid
 ■ Wholesale & Others
 ■ Home & Fibre

2025

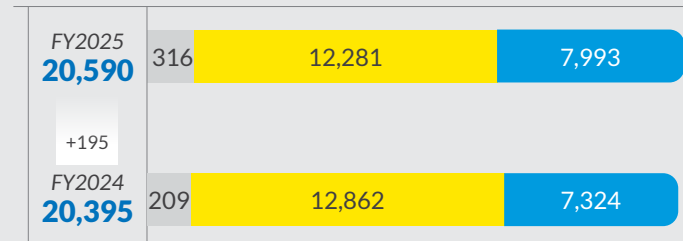
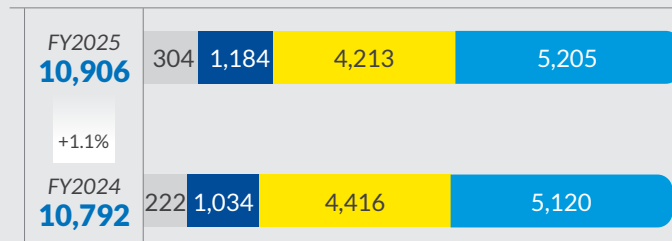
12,958

2024

12,679

Service Revenue (RM million)

Subscribers ('000)

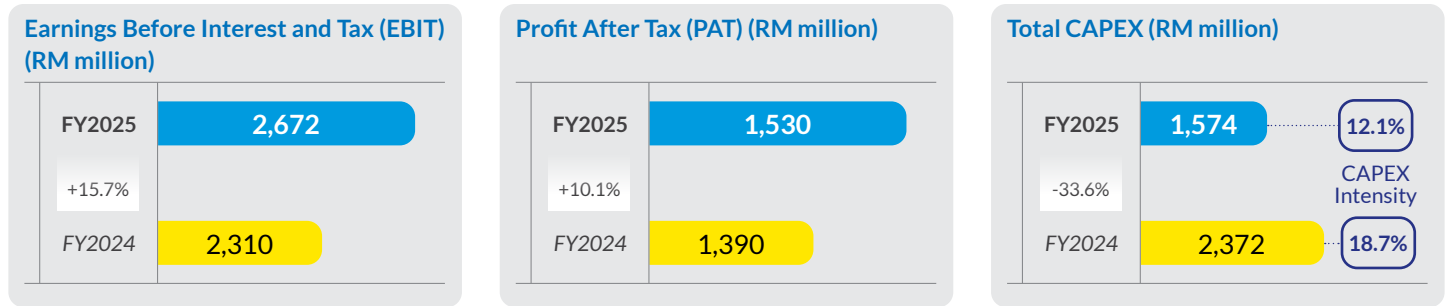


Earnings Before Interest and Tax (EBIT) remained resilient in FY2025 (+15.7% YoY), supported by disciplined cost management and the continued flow-through of RM304 million in gross savings from cost of goods sold and operating expenditure during the year. EBIT was supported by structural cost efficiencies from network, IT, and operating model integration, and offset higher operating cost pressures stemming from network investments, 5G access charges, device subsidies, and fibre expansion. This reflects our ability to preserve operating profitability while sustaining strategic investments that drive long-term growth and market leadership.

FY2025 CAPEX execution remained disciplined and aligned with approved strategic priorities, with the majority of investments primarily supporting network modernisation, completion of integration initiatives, and essential digital enablement. Total CAPEX for the year was RM1,574 million, reflecting the tapering of major integration programmes and more targeted deployment of capital.

Strengthen Market Leadership

Our integration and transformation programme is now approaching completion, with synergy targets firmly on track and cumulative benefits reaped from disciplined execution across network, IT, and operating model consolidation. Over the three-year integration period, the company delivered cumulative P&L savings of RM806 million and CAPEX avoidance of RM1,872 million, translating into total gross synergies of RM2,678 million as at FY2025.



In FY2025, we realised RM304 million in P&L savings and RM283 million in CAPEX avoidance, contributing to total gross synergies of RM587 million for the year. While annual synergy realisation has naturally moderated following peak integration milestones, the programme has successfully transitioned from consolidation to embedding recurring structural efficiencies.

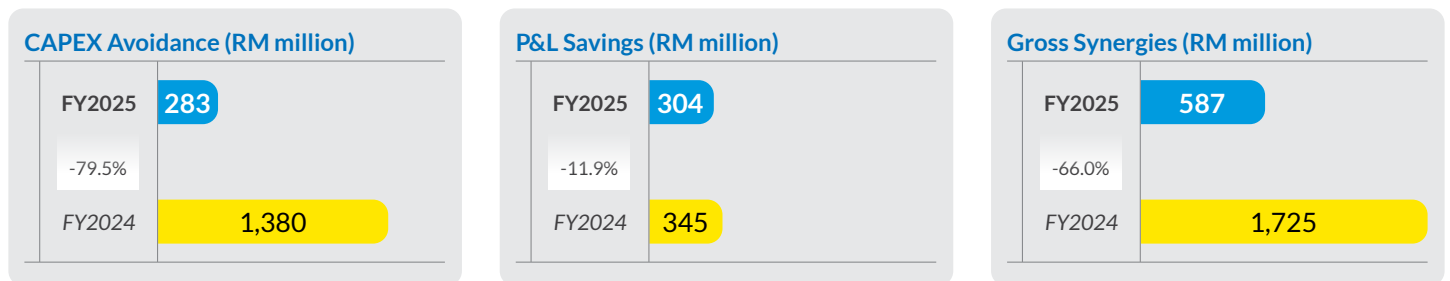
The culmination of our integration programme marks a significant milestone in strengthening our structural cost base, operational agility, and long-term shareholder value creation, with steady-state annual savings of approximately RM800 million expected post-2027 and Net Present Value (NPV) of synergies of approximately RM8 billion.

Earnings per share (EPS) improved to 12.9 sen in FY2025, reflecting disciplined cost optimisation, synergy realisation, and resilient operational performance. The company announced Dividend per Share (DPS) of 14.7 sen for the year, supported by stable operating cash flows and prudent capital management.

Total declared dividend for FY2025 amounted to RM1,724 million, representing a payout ratio above the company’s stated dividend policy of a minimum 80% of net profits. This underscores our continued commitment to delivering sustainable and attractive returns to shareholders while preserving financial flexibility to support long-term growth.

Total assets increased to RM36,878 million in FY2025, reflecting continued investments in network modernisation, digital platforms, and capitalised integration initiatives to strengthen long-term competitiveness.

Total liabilities rose to RM20,899 million, mainly attributable to financing activities and normalised working capital movements in support of ongoing capital commitments. The company maintains a prudent capital structure that ensures balance sheet resilience while sustaining shareholder returns, underpinned by healthy operating cash flows and disciplined financial management.



Strengthen Market Leadership

EPS

FY2025	12.9
+10.3%	
FY2024	11.7

DPS

FY2025	14.7
+2.8%	
FY2024	14.3

Dividend Declared

FY2025	1,724
+2.7%	
FY2024	1,678

Asset (RM million)

FY2025	36,878
+2.4%	
FY2024	36,012

Total Liabilities (RM million)

FY2025	20,899
+5.4%	
FY2024	19,821

Collectively, these outcomes reflect our ability to deliver sustainable financial performance while investing strategically to defend our market leadership position, drive innovation, secure sustainable growth, and deliver consistent shareholder returns.

EXECUTING FOR GROWTH AND MARKET LEADERSHIP

Our ambition to maintain market leadership is anchored on three key priorities: firstly, by delivering high quality products tailored to specific customer segments by integrating connectivity with value-added services (VAS); secondly, by accelerating convergence adoption to strengthen customer lifetime value through integrated multi-product propositions across mobile, fixed, and VAS; and finally, through leveraging advanced AI and analytics to deliver hyper-personalised offers that deepen engagement and relevance across all segments.



Consumer Business

- Introduced a refreshed and value-enhanced CelcomDigi product portfolio to capture new growth opportunities by addressing segment-specific needs, making these plans the right choice for the right segments.
- Refreshed CelcomDigi One™ plan – One™ Ultra and One™ Pro offer customers an enhanced connectivity experience with faster speeds, stronger security, and premium entertainment in an all-in-one subscription. These converged propositions deepen customer engagement, increase household penetration, and lift average revenue per user (ARPU) through multi-product adoption, driving stronger customer retention.

- Stabilised Prepaid business with a strategic focus on high-value segments, prioritising quality subscriber growth, and strong base management with retention of higher-value customers and monetisation through personalised offers and uptake of value-added services.
- Leveraged expanded VAS portfolio to further strengthen loyalty and grow average revenue per account (ARPA). New offerings such as Disney+ and Prime Video packages for entertainment, PhoneCARE and PhoneFIX for device care, and MobileSHIELD, WebSHIELD, and PrivateSIM for digital safety created new revenue streams beyond traditional data and voice.



Enterprise Business

- Strengthened mobile offerings in the micro, small, and medium enterprise (MSME) segments, designed to help MSMEs across Malaysia simplify and seamlessly digitalise their business. We conducted the MY5G SME Digital Workshops for the third consecutive year across five states, empowering more than 1,500 SMEs to digitalise faster and smarter with 5G-powered solutions. These efforts were complemented by enhanced value propositions, including secure connectivity with Cisco Security, Unlimited Internet when bundled with Business Fibre, and 50% savings on global roaming.
- Enhanced connectivity solutions through strengthened business propositions featuring zero-downtime guarantees, expanded Fixed Wireless Access (FWA) offerings with outdoor customer premises equipment (CPE) and mobile WiFi (MiFi), and the introduction of Fibre-to-the-Room (FTTR) for businesses. We launched the 4G Rapid Mobility (4GRM)

Strengthen Market Leadership

solution, leveraging satellite backhaul technology to deliver rapid 4G coverage in rural, hard-to-reach areas and emergency scenarios. We also introduced API-as-a-Service (APIaaS) based on CAMARA and Firebase standards, enabling enterprises and developers to build smarter, more secure digital services through scalable, carrier-grade network APIs.

- Advanced TechCo Cybersecurity, Cloud, IoT, AI and 5G were introduced, enabled by Bridgenet and the Axiata Cyber Fusion Centre (CFC). This includes an advanced Security Operations Centre (SOC) offering always-on, end-to-end protection across managed security services, strategy and assessment, and infrastructure security. Our cloud portfolio was strengthened with the addition of DevOps and application development capabilities, enhancing our end-to-end delivery. We also established an in-house AI-as-a-Service (AlaaS) solutions to help Malaysian SMEs adopt practical, high-value AI tools quickly and affordably.

SECURED STRATEGIC PARTNERSHIPS TO ADVANCE MALAYSIAN ENTERPRISE DIGITALISATION AND INNOVATION IN 2025

Public Sector

- Appointed as Strategic Partner for the Ministry of Investment, Trade and Industry of Malaysia (MITI) in support of Malaysia's ASEAN Chairmanship in 2025.
- Collaborated with MyDigital Corporation, Malaysia Digital Economy Corporation (MDEC), Digital Nasional Berhad (DNB), and Majlis Bandaraya Petaling Jaya (MBPJ) to develop Malaysia's first AI-powered neural network traffic intelligence solution, enabling real-time insights to improve urban mobility, enhance road safety, and support the nation's smart city ambitions.

Private Sector

- Partnered with Hospital Pengajar Universiti Malaysia Sarawak (HPUNIMAS) to enhance healthcare accessibility for underserved communities in Sarawak with MediRover and MediDoc.
- Collaborated with University Malaya Medical Centre (UMMC) to achieve a major milestone for digital healthcare in Malaysia with one of the world's first multi-country live surgery with 5G-enabled AI HoloMedicine.
- Forged a partnership with Google Firebase and Telenor Linx to introduce a network-based phone number verification solution, strengthening digital trust by enabling secure, seamless authentication without reliance on traditional one-time passwords (OTPs).
- Partnered with Payments Network Malaysia (PayNet) to advance secure digital financial transactions through the integration of Open Gateway APIs, strengthening authentication and reducing fraud risks.

STRENGTHENING GO-TO-MARKET EXECUTION AND DEEPENING DIGITAL ENGAGEMENT

We continued to strengthen our omnichannel ecosystem, seamlessly integrating physical and digital touchpoints to deliver a more intuitive, consistent, and convenient experience for customers to more easily engage with us.

Accelerating digital-first engagement

- Launched the CelcomDigi App as the primary customer touchpoint to accelerate digital-first engagement, enabling seamless, personalised digital experiences at scale. This reinforces the company's commitment to building a truly integrated and customer-first journey through enhanced self-service features, personalised offers, and in-app purchases of plans and add-ons. This strategic move elevates how we engage with customers, placing them at the centre of every interaction and transaction.
- We also transformed customer support by introducing new service channels and expanding AI-enabled assistance through innovations powered by GenAI and Agentic AI, including in retail, which has helped productivity in sales and retail.
- Successfully completed the unification of a single Distribution Management System (DMS) from ten legacy platforms, improving efficiency for inventory and logistics across sales channels.

Strengthen Market Leadership



Modernising and digitalising the sales ecosystem with AI and analytics capabilities

- Launched two flagship experiential CelcomDigi Store *Life* outlets to make connected living more accessible to customers. These new stores introduced the 'Endless Aisle', a wall-covering digital interactive screen that allows customers to explore the latest products and purchase digitally.
- Modernised the design of more than 200 branded stores as part of our retail transformation roadmap, redefining the retail experience to better meet our customers' evolving digital needs.
- Enabled AI-powered and performance-driven frontline excellence by piloting hyper-personalised in-store engagement and 360° customer insight capabilities.



Driving data-led sales execution

- Created hyperlocal customer engagements nationwide by leveraging geography cluster statistics to implement data-enabled sales routing, resulting in faster, more precise sales growth and stronger state-by-state market-share performance.
- Enhanced in-store journey management through upgraded Queue Management Systems (QMS) for better journey analytics and customer satisfaction tracking (CSAT), ensuring an enhanced customer experience.
- Initiated Regional Go-To-Market Intelligence Dashboards for cross-divisional execution and collaborations, mapping key network parameters against customer demand and sales initiatives.

TRUSTED BRAND LEADERSHIP

Establishing the most trusted brand, built on customer excellence

In 2025, we continued to strengthen CelcomDigi as a unified corporate brand, reinforcing our role as a trusted partner in connectivity and digital innovation for customers and the nation. Through impactful, customer-focused initiatives, we created meaningful connections that drove real value. CelcomDigi continues to earn industry recognition and prestigious awards for our brand efforts, reflecting our unwavering commitment to connect Malaysians through the widest, fastest, and most secure network.



Driving brand excellence

- Ranked 6th Most Trusted Brand in Malaysia by IPSOS Trust Track 2025
- Ranked as Malaysia's Most Valuable Telecoms Brand 2025 by Brand Finance
- +8-point boost in perception of CelcomDigi as the "Best 5G Coverage" (Q4 2025 vs Q4 2024) by Brand Health Tracking
- Our network leadership is validated by industry benchmarks, including:
 - Opensignal Mobile Experience Awards: Best Games, Voice, Video, Download/Upload Speed, Coverage & Consistent Quality
 - Ookla Speedtest Awards: Malaysia's Best Mobile Coverage
 - GLOMO GSMA Foundry Innovation Award
 - World Economic Magazine: Malaysia's Most Innovative Telecoms Company



Strengthened brand leadership

The Appies 2025

- Best in Digital **Gold** - Right Time, Right User, Real Results
- Best in OOH/DOOH **Gold** - CelcomDigi Dreams to the Heart of Sabahans, The Dreamer
- Best in Innovation **Silver** - Winning Malay SMEs Through the Power of AI Pantun
- Best in Influencers & Creator Marketing **Silver** - Turning Disruption into Influence

Smarties APAC

- Innovative Use of AI in Advertising **Bronze** - AI Pantuns for Malay SMEs

2025 MSA Awards

- Best Use of AI **Silver** - CelcomDigi Enterprise: Reimagining News Consumption With AI
- Best Use of AI **Bronze** - Which Speedster Are You?
- Best Use of Performance Media (Media Biddable) **Bronze** - Using Conversations for Conversions

Strengthen Market Leadership

Delivering technologies and safeguards that customers can rely on

We continued strengthening the security, integrity, and resilience of our network and data ecosystem to deliver a safe digital experience for over 20 million Malaysians.

Empowering customers with AI-driven digital safety

We put protection directly into our customers' hands through a suite of AI powered mobile and network-level safeguards, securing every layer of their digital journey. These three value-added services equip Malaysians with greater control over their digital safety while protecting them from scams, threats, and data breaches. Together, they deliver a smarter, safer, and more seamless experience that reinforces CelcomDigi as a brand that customers can trust and rely on in this digital age.



MobileSHIELD

Device-level defence – encrypts Internet connection, detects and blocks scam messages, monitors personal data, and protects against malware and risky apps on the device.



WebSHIELD

Network protection – blocks fake sites, phishing pages and harmful links at the network level before they reach the device.



PrivateSIM

Protects personal numbers by keeping primary numbers private by using PrivateSIM as the dedicated number for safer online transactions and reduced spam and scams.

Anti-scam and fraud efforts

We are guided by a clear principle to A.C.T. – to create Awareness, drive Compliance across the business, support efforts of enforcement agencies, and leverage Technology effectively to combat evolving cyber threats and build security safeguards for Malaysians.

We intensified our anti-scam and fraud prevention efforts in 2025 to protect customers across our network and all touchpoints.

In the year, we focused on:

- Enhancing internal fraud prevention controls through improved screening of suspicious originating calls and scam-linked SMS patterns.
- Strengthening verification and access safeguards to reduce fraudulent misuse of accounts and digital transactions.
- Maintaining clear, centralised reporting channels, enabling customers to escalate scam cases promptly for investigation and action.
- Deepening cross-functional coordination with fraud management, security, regulatory, compliance, and customer teams to ensure timely response and mitigation of emerging scam activity.
- Expanding ecosystem-wide efforts in collaboration with the Ministry of Communications, Malaysian Communications and Multimedia Commission, Royal Malaysia Police (PDRM), Meta, and MalaysiaKini.



Enhancing data protection and strengthening cybersecurity controls

We continued strengthening customers' personal data protection through robust privacy and cybersecurity measures and practices.

Privacy and data protection

We remain committed to ensuring responsible handling of our customers personal data. Our approach is grounded in strict compliance with the Personal Data Protection Act (PDPA) and we focused on strengthening internal governance, prioritising compliance, upskilling employees and partners, and shaping industry-wide dialogue on responsible data practices.

During the year, we strengthened our data protection approach by implementing an enhanced Privacy Management Framework with defined controls and procedures covering the full data life cycle, conducting an independent privacy maturity assessment benchmarked against regional industry peers, and providing structured training to ensure employees and business partners have a baseline understanding of privacy and personal data protection requirements.

The initiatives implemented during the year strengthened internal controls by enhancing consent practices at customer registration and payment points, rolling out privacy e-learning to employees and business partners, and updating Privacy Notices across customer touchpoints using simplified infographics. These actions also supported the organisation's positioning in privacy and data protection discourse at national and regional levels.

Strengthen Market Leadership

Protecting your data, every step of the way.
 (Privacy and Security built into everything we do.)

- Secure Sign-Up**
 - We only collect what's necessary such as your ID & payment info.
 - We clearly explain how your data is used.
 - Your data goes straight into our secure systems.
- Strong Security, Always**
 - We combine technology and continuous monitoring to keep your data secure.
 - Our employees are equipped to safeguard your data.
 - Data access is restricted to authorized employees. They only see what's required for your transaction.
- Privacy on Every Call**
 - We verify your identity so we can safely assist you.
 - Our agents follow strict privacy rules when accessing your data.
 - We never disclose data to anyone but the account owner.
- Protected on the App**
 - We have strict authentications to prevent fraud and identity theft.
 - We use data insights to personalise your experience while protecting your privacy.
 - You can manage family accounts securely all in one app.



Read more about our Data Protection Practices and Privacy Statement at <https://corporate.celcomdigi.com/company/governance>.

Cybersecurity

Our cybersecurity approach combines a multi-layered defence mechanism built on internationally recognised standards and best practices. This includes a zero-trust approach, strong operational controls and oversight, and routine testing across network and IT systems to protect service integrity. We adopt evolving technologies to strengthen network defences and work closely with regulators and enforcement agencies to counter cybercrime.

Efforts undertaken in the year include:

- Maintained ISO-certified information security and business continuity frameworks (ISO/IEC 27001 Information Security Management System (ISMS), and ISO 22301 Business Continuity Management System (BCMS).
- Conducted 24/7 monitoring via our Security Operations Centre for continuous AI-driven threat detection and rapid incident response in real-time.
- Conducted regular vulnerability assessments and technical reviews to strengthen threat readiness.
- Ensured our business continuity and disaster recovery tests aligned with recovery time objectives/recovery point objectives for critical telecommunications services.
- Implemented 3rd Generation Partnership Project (3GPP) Security Standards – governing LTE and 5G network security architecture, authentication, and encryption.
- Aligned with GSMA Security Frameworks for mobile network equipment and supply-chain assurance, and National Institute of Standards and Technology (NIST) Cybersecurity Framework (CSF) for identifying, protecting, detecting, responding to, and recovering from network threats.