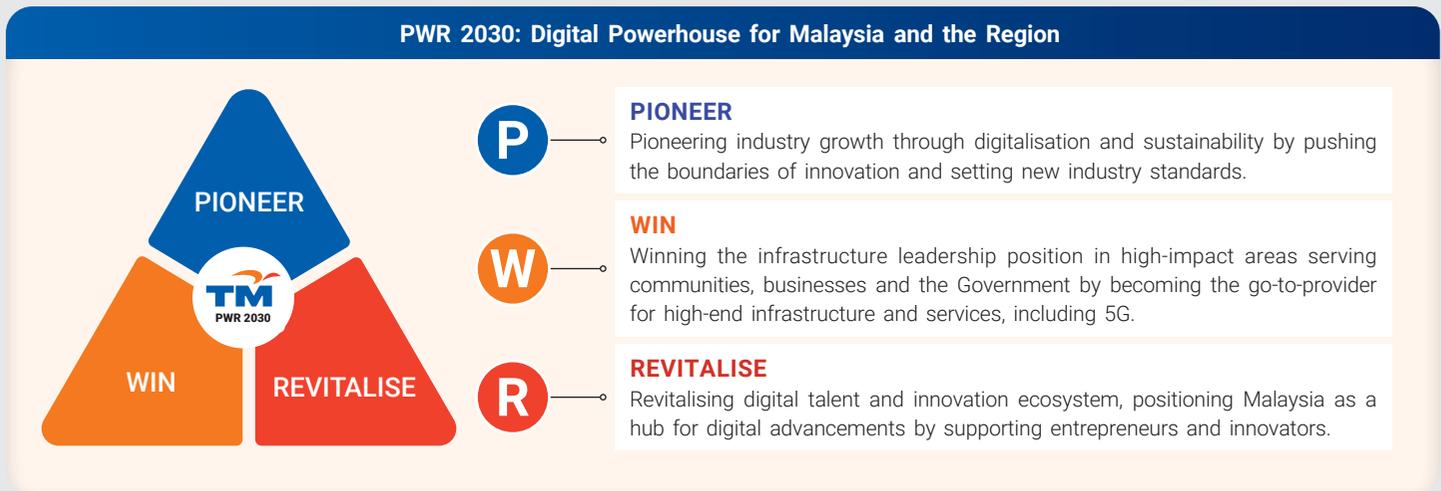


# STRATEGY IN ACTION: EMBARKING ON PWR 2030 TO DRIVE LONG-TERM SUCCESS

The growing demand of Malaysians with their digital lifestyle is reshaping Malaysia’s digital economy, further enhanced by emerging technologies notably AI. As Malaysia’s national connectivity and digital infrastructure provider, TM is poised to take up the role of leading and shaping the digital innovation to drive the digital economy and position Malaysia as a leading digital hub for ASEAN.

We are continuing with our PWR 2030 strategy which anchors on three (3) core principles: Pioneer, Win and Revitalise; aligning to our aspiration of becoming a **Digital Powerhouse by 2030**.



## OUR STRATEGIC EXECUTION FOR 2024-2026: DEFEND AND BUILD

2024 marks the beginning of Phase 1: Defend and Build, the first step in our PWR 2030 journey. This phase is about solidifying our foundation to protect existing core business while building momentum for transformation towards advancing Digital Solutions and building platform ecosystems. We aim to achieve the following goals:



These would lay the groundwork to becoming the Digital Powerhouse by 2030.

### 1 Protecting Our Core Business

As demand for reliable, high-speed connectivity increases, we are focused on strengthening our existing services, optimising network performance and expanding our infrastructure investments to support the country’s digital ambitions. The strength of our core connectivity becomes the foundation to our Digital Solutions<sup>1</sup> business.

<p><b>Defending Our Market Position:</b> As Malaysia’s Convergence Champion, we continue to enhance our broadband and mobile offerings to retain market leadership and improve customer experience.</p> <p><b>Highlight</b> UniVerse campaigns offered integrated broadband solutions bundled with mobile, entertainment and lifestyle solutions, led to an increase in our convergence customer base YoY.</p>	<p><b>Expanding National Digital Infrastructure:</b> We continue to play a key role in supporting the industries’ 5G ecosystems, expanding fibre coverage and mobile services to meet growing consumer and business demands.</p> <p><b>Highlight</b> We supported the installation of over 5,300 5G sites with our extensive backhaul network while also focusing on delivering 5G services and solutions to our consumer and business segments.</p>	<p><b>Investing in Strategic Infrastructure:</b> To sustain our core business and accelerate future growth, we continue to invest in data centres and submarine cables—critical assets that support local and international demands.</p> <p><b>Highlight</b> We are expanding the capacity of our existing data centres to meet hosting services demand and started building a new AI-ready data centre with capacity scalable up to 200MW.</p>
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<sup>1</sup> Digital Solutions refers to our Beyond Connectivity services.

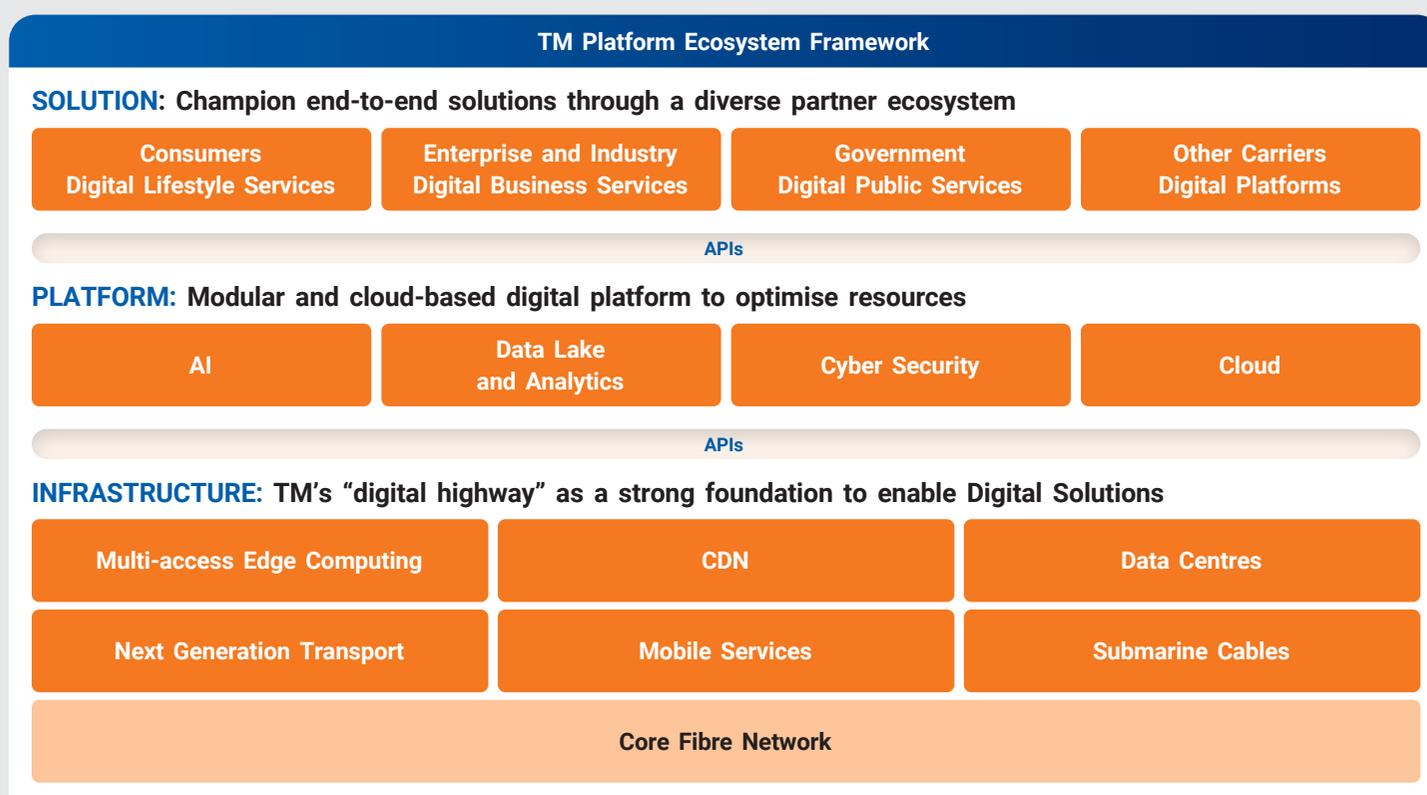
## 2 Advancing Digital Solutions and Building Platform Ecosystems

To advance our Digital Solutions initiatives, we established the TM Platform Ecosystem framework in 2024. This initiative aims to expand our market share in the digital market and enhance customer engagement by exploring adjacent markets and developing digital solutions within our platform ecosystem.

Our Digital Solutions business encompasses B2C digital solutions such as gaming, smart home and content; and B2B ICT digital solutions such as cloud, smart services, cyber security, business process outsourcing, data centre and AI, leveraging on our superior infrastructure and platform ecosystem.

### TM PLATFORM ECOSYSTEM

The TM Platform Ecosystem framework integrates Infrastructure, Platform and Solutions layers; creating seamless connection across business units, enablers and external partners. This fosters greater collaboration, efficiency and strengthens TM's value proposition.



#### Solution Layer

The top layer delivers a range of digital solutions hosted on the platform through diverse partner ecosystems. By collaborating with partners across adjacent industries, we offer end-to-end solutions that enhance customer experience and business outcome.

#### Platform Layer

Built on our superior infrastructure, this layer provides the shared services, data and integration capabilities to support TM's solutions and strategic collaborations. The adoption of a modular, industry-recognised platform with standard API integration enables external customers and partners to seamlessly access our platform resources.

#### Infrastructure Layer

Our expansive core fibre network spanning across Malaysia with its global reach, serves as the backbone of our infrastructure layer. This core strength powers our Digital Solution services, unlocking new growth opportunities and creating substantial long-term value.

In conclusion, through the TM Platform Ecosystem framework, we are able to deliver a broader range of digital products and services while also hosting customer applications and services in our National Sovereign Cloud, integrated with AI, analytics and cyber security.

## STRATEGY IN ACTION: EMBARKING ON PWR 2030 TO DRIVE LONG-TERM SUCCESS

### 3 Evolution of Current Business

In transforming ourselves into a Digital Powerhouse, we have taken proactive steps to reshape our business model, enhance business collaboration with partners and future-proof our workforce to be digitally competent. These reforms ensure greater agility, efficiency and innovation in an increasingly competitive digital landscape.

#### Revamping Business Models for Growth:

We have evolved our partnership models to unlock new revenue streams, foster deeper collaborations and drive outcome-based innovation. By shifting towards dynamic, value-driven engagements, TM is now better positioned to co-create digital solutions with platform ecosystem players.

#### Highlights

Empowering digital healthcare through the launch of e-pharmacy platform, offering SMEs in the healthcare sector access to specialised digital solutions.

We launched Innovation Lab and Enterprise 5G Lab to promote industry and technology collaboration for smart solutions co-creation, demonstrating the transformative power of Enterprise 5G technology.

#### Upskilling and Digital Competency:

We ensure *Warga TM* is equipped with the necessary skills needed for the digital era. More than 200 courses such as AI, cloud and digital technology, have been curated together with MMU and our learning partners to enhance the digital competency of our workforce.

#### Highlight

Our Talent Marketplace is a platform which produces a ready pool of digital talent to meet the evolving business needs and emerging technology. Powered by AI, the Talent Marketplace ensures the right skills are matched and deployed to the right projects to drive impact. In 2024, we have onboarded more than 2,500 digital talents onto the Talent Marketplace.

#### Optimising Resources for Greater Efficiency:

Through business consolidation, automation and operational efficiency improvements, we have created a leaner and more agile organisation, driving cost savings and improved productivity.

#### Highlight

Network efficiency has been optimised, improving fibre restoration time to 90% within eight (8) hours and reducing network faults by nearly 12%. This progress is driven by the self-healing application, which enables proactive issue resolution through network auto-rerouting, access backup optimisation and auto-ticket self-healing.

### PROGRESS IN 2024

While we are still in the early stages of PWR 2030 journey, this initial year has yielded significant progress. We successfully established the foundation for 'Phase 1: Defend' and Build of the PWR 2030 journey, ensuring the resilience and growth of our core business while diversifying our Digital Solutions.

Among our notable achievements is the growth of our fixed broadband customers to 3.18 million, the inception of AI Foundry, the launch of GPUaaS solutions and a joint venture to develop a new cutting-edge AI-ready data centre.

 For a dashboard view of our achievements in 2024, please refer to pages 70 to 71.

## WHAT'S NEXT?

As we continue our PWR 2030 journey, TM remains committed to driving digital transformation, expanding our service offerings and cementing Malaysia as ASEAN's leading digital hub. Each of our business segment will execute targeted strategies to accelerate growth, enhance customer experience and unlock new market opportunities.

Business-to-Consumer (B2C)	Business-to-Business (B2B)	Carrier-to-Carrier (C2C)
 <p><b>Leading the Digital Convergence</b></p> <p>Unifi will reinforce its position as Malaysia's only true quad-play provider, offering seamless connectivity, entertainment and tailored digital solutions.</p> <p>Our focus remains on enhancing customer experience through AI-driven predictive network maintenance and personalised customer alert and recommendations. By leveraging on omnichannel engagement and self-service solution, we ensure smarter, faster and more personalised interactions across all touchpoints.</p> <p>Unifi Business will strengthen its role as the preferred digital partner for MSMEs, providing comprehensive digital solutions to digitally empower businesses.</p>	 <p><b>Maintaining Leadership Position in Enterprise and Government</b></p> <p>TM One and Credence will continue to deliver exceptional business value for the B2B segment.</p> <p>TM One will focus on serving enterprise and government sectors to accelerate their digital transformation through seamless enterprise-grade connectivity, enterprise 5G, cyber security and smart services.</p> <p>Credence as the national cloud provider will focus on building and deploying applications on its cloud infrastructure to unlock potential for businesses to succeed and grow.</p>	 <p><b>Powering Malaysia as a Regional Digital Hub</b></p> <p>TM Global will continue strengthening Malaysia's digital backbone while expanding our global footprint via AI-ready data centres, edge facilities and submarine cable systems. We will diversify our GPaaS to meet the rising demand for AI-driven applications.</p> <p>Domestically, we continue to provide high-speed backhaul for 5G and broadband networks to empower licensed service providers.</p> <p>Globally, we will continue to reinforce Malaysia as ASEAN's leading digital hub by enhancing connectivity, driving innovation and elevating customer experiences through strategic alliances with global carriers and hyperscalers.</p>

The following key enablers are driving the efforts towards achieving the business aspirations of PWR 2030.

 <p><b>AI Foundry</b></p> <p>Introduce a collaborative platform to unlock AI transformative power</p>	 <p><b>Platform Ecosystem</b></p> <p>Enable a broader range of products and services through collaboration and partnership</p>	 <p><b>Cyber Resilience</b></p> <p>Ensure robust cyber security measures across the organisation</p>
 <p><b>Telco-as-a-Service (TaaS)</b></p> <p>Improve customer experience with faster go-to-market strategies</p>	 <p><b>Network Modernisation and Automation</b></p> <p>Increase operational efficiency and accelerate innovation through AI and Autonomous Networks (AN)</p>	 <p><b>Future-Ready Workforce</b></p> <p>Drive a culture of innovation, collaboration and entrepreneurship</p>

As we continue to progress on our PWR 2030 journey, TM remains committed to driving digital transformation, expanding our service offerings and cementing Malaysia as ASEAN's leading digital hub.

We will double down on executing the TM Platform Ecosystem through collaborations with strategic partners and customers to strengthen our value proposition.

Looking ahead, we remain steadfast in our execution strategy, guiding our journey forward towards becoming a Digital Powerhouse by 2030.



## EMBRACING ARTIFICIAL INTELLIGENCE (AI)

### TM's Vision for an AI-Powered Digital Nation

For decades, TM has laid the digital arteries of Malaysia, the very lifeline that fuels progress and connects communities, businesses and the Government. But in today's world, connectivity alone is no longer enough. The future demands more than infrastructure; it calls for intelligence, innovation and a deeper understanding of human needs.

Our vision goes beyond just connectivity – it's about the people we serve, the opportunities yet to be unlocked and the untapped potential waiting to be realised. True progress isn't just about building connections; it's about making them intelligent and empowering. It's about harnessing the transformative power of AI to personalise experiences, empower individuals and drive real, lasting impact.

This is more than a strategic shift; it is a commitment to Malaysia. As Malaysia's national connectivity and digital infrastructure provider, TM is embracing AI to shape a smarter, more inclusive future. Our goal is to ensure that technology doesn't just connect, but actively transforms – enhancing lives, creating opportunities and driving Malaysia towards an AI-powered future.

### AI as a Catalyst for Transformation

AI emerged as our answer, not as a fleeting trend but as a transformative force. We witnessed its power to break down barriers, to reach the unreached and create a more equitable digital landscape. Our internal AI deployments have delivered significant improvements across key areas – enhanced network performance, enabled greater operational efficiency, higher customer satisfaction and strengthened customer trust. AI-powered predictive maintenance reduced network downtimes by a significant 13%, ensuring reliable connectivity for our customers nationwide. AI-driven proactive service alerts propelled operational efficiency by a striking 30% and improved Unifi customer satisfaction and contributed to TM's NPS of +45. Armed with our AI-powered fraud detection systems, we intercepted and neutralised 1.4 million fraudulent calls, safeguarding both our customers and our network from substantial harm and financial losses. These tangible triumphs demonstrated the significant impact of AI on our operations and our unwavering commitment to delivering a superior customer experience.

Witnessing these successes firsthand, we have sought to harness the full potential of this technology, building expertise and refining skillsets along the way. We established an AI COE with a clear mandate to accelerate, expand AI efforts across TM and accumulate invaluable experiences. We recognised that this knowledge shouldn't remain confined within our walls and aspired to bring these advancements to Malaysia, empowering our nation with its transformative power. This aspiration, driven by our commitment to national progress, catalysed the development of TM AI Foundry, a platform that brings together scalable infrastructure, essential tools and specialised expertise to build and deploy tailored AI solutions. This will be the engine of change that is set to extend its benefits to every corner of Malaysia.

We envision a Malaysia where AI's benefits freely flow, enriching every facet of society, seamlessly aligned with the NAI0's goals – to propel Malaysia's digital economy, elevate public services and champion sustainable development.

### **TM AI Foundry: A Bridge to Digital Sovereignty, Powered by Unmatched Infrastructure**

TM AI Foundry, built upon our strong digital foundation is a testament to our unshakeable belief in Malaysia's potential. TM boasts the largest domestic network infrastructure, the most extensive international submarine cable systems and the largest hyper-connected data centres in Malaysia. Together, they provide a solid backbone for the AI Foundry. Strengthened by our extensive fibre networks, it is capable of delivering high bandwidth at low latencies, which is crucial for the demanding needs of AI applications. Our modular, scalable infrastructure ensures our smooth adaptability to the ever-evolving AI landscape, safeguarding a secure and sovereign digital future.

Our hyper-connected AI-ready data centres are designed to accommodate AI's growing demands with sustainability in mind. As LEED (Leadership in Energy and Environmental Design) green-certified buildings, our data centres come with scalable power and cooling, including support for high-density liquid cooling, a reflection of our commitment to a responsible and environmentally conscious future.

### **Building a Nation, Connecting Lives**

We exist to ensure every Malaysian experiences and benefits from the transformative power of AI in their daily lives. Imagine millions of healthcare records that AI will be able to leverage on when making a medical prognosis; terabytes of satellite imagery used to optimise agricultural yields and monitor deforestation; nationwide traffic flow data used to create smarter, more efficient transportation systems; massive datasets of customer interactions allowing for deeply personalised service experiences, all this and more, safely processed and securely protected within our borders, fuelling innovation and driving progress.

TM AI Foundry is a platform for collaboration, a hub where Government, industry and academia converge to unlock AI's transformative power, making its benefit accessible to all. Today, we are already seeing healthcare transformed by AI-driven diagnostics reaching remote villages, sustainable farming practices optimised for local farmers and public services tailored to the specific needs of every citizen. This isn't just about technology; it's about real, tangible human impact transforming and improving the lives of ordinary Malaysians.

We recognise that groundbreaking technology demands equally groundbreaking talents. That's why we're leveraging on our esteemed institution, MMU, as a cornerstone of our AI talent development strategy. Through focused programmes and collaborative research initiatives, MMU is cultivating the next generation of digital leaders, supplying skilled professionals necessary to harness and advance AI capabilities. These graduates will be the architects of Malaysia's AI-powered future, equipped to tackle complex challenges and drive innovation across industries that will propel Malaysia forward into the bright digital future.

### **AI for All: Bridging the Digital Divide**

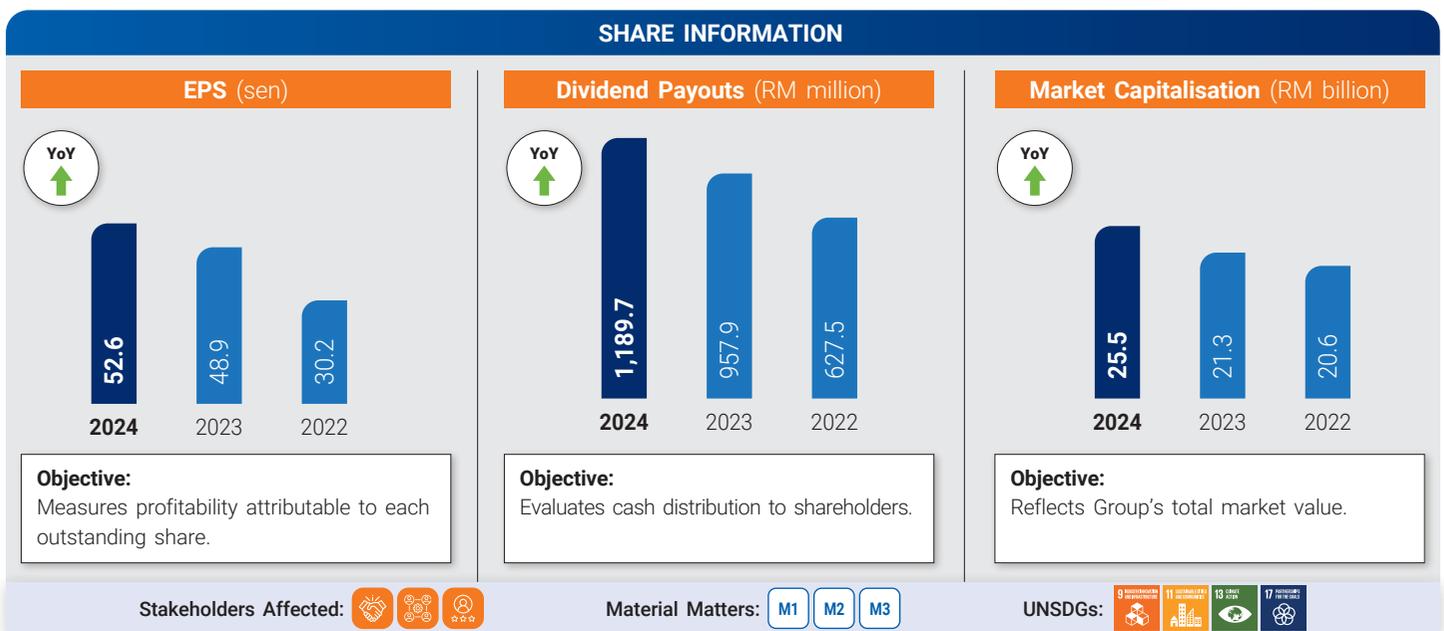
TM has long been recognised as a leader in connectivity infrastructure. However, we are much more than that – we are a key enabler of Malaysia's digital economy. And now, we are pioneering the nation's AI-powered digital transformation, closing the digital divide and positioning Malaysia as a leading digital hub for the ASEAN region.

# STRATEGIC GROWTH FACTORS – PERFORMANCE DASHBOARD

TM's progress towards achieving its Digital Powerhouse aspiration is measured by both financial and non-financial metrics.

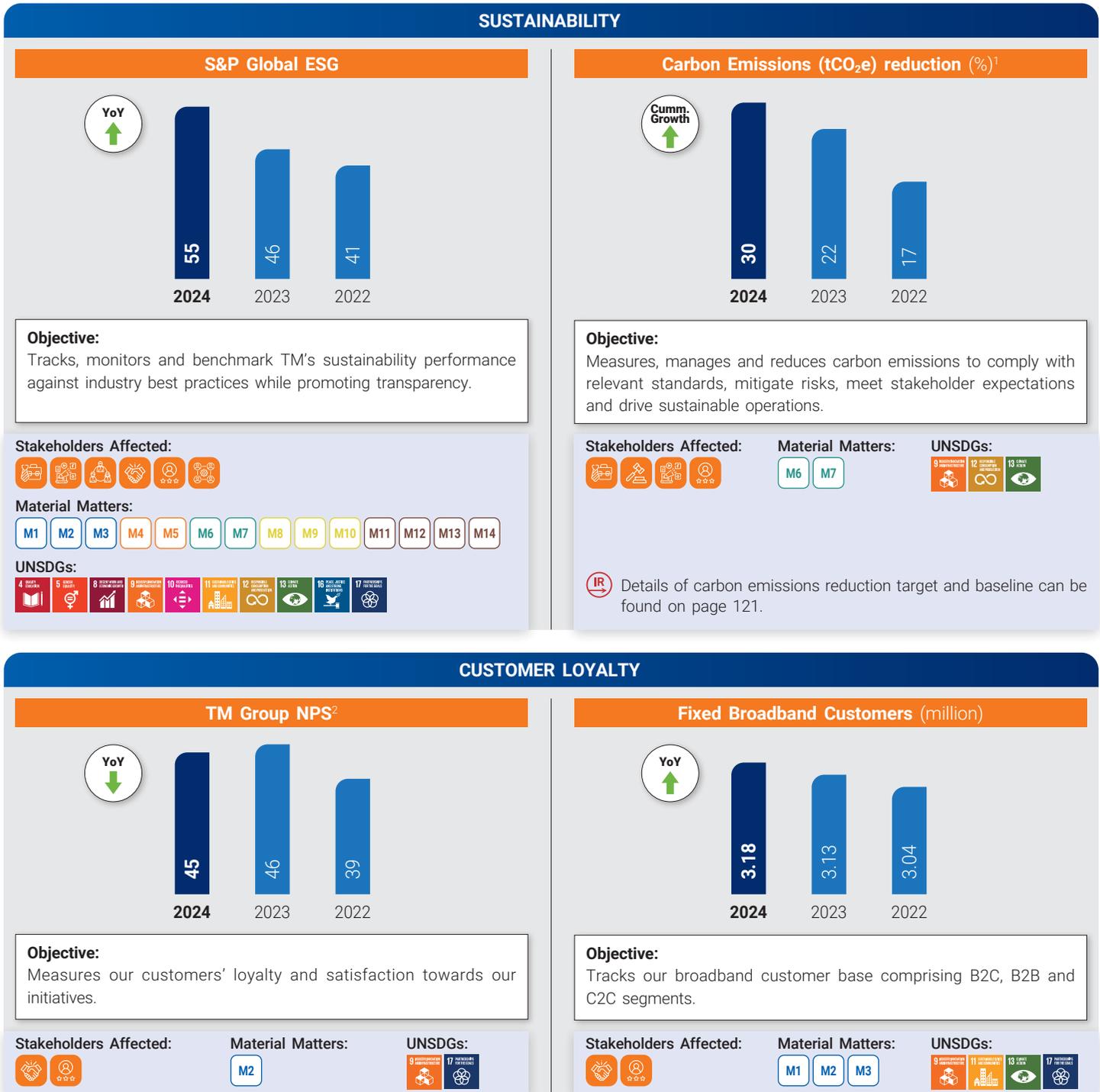
## FINANCIAL PERFORMANCE

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



## NON-FINANCIAL PERFORMANCE

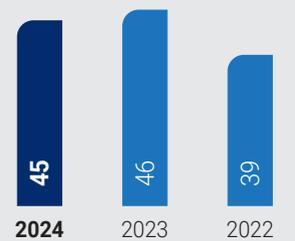
In addition to financial metrics, we also track non-financial metrics that supports our Digital Powerhouse aspiration. The indicators track scores for sustainability and customer loyalty. These metrics reflect our commitment to delivering value to our stakeholders.



CUSTOMER LOYALTY

TM Group NPS<sup>2</sup>





**Objective:**  
Measures our customers' loyalty and satisfaction towards our initiatives.

**Stakeholders Affected:**



**Material Matters:**

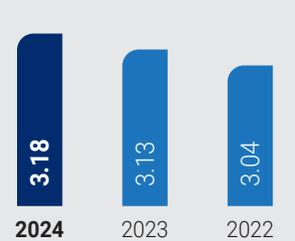
M2

**UNSDGs:**



Fixed Broadband Customers (million)





**Objective:**  
Tracks our broadband customer base comprising B2C, B2B and C2C segments.

**Stakeholders Affected:**



**Material Matters:**

M1M2M3

**UNSDGs:**



**Notes:**

- For more details, please refer to Environmental Management on pages 121 to 129.
- TM Group maintained strong customer satisfaction with a NPS of 45 in 2024, reflecting a slight decline of 1 point compared to the previous year. Despite this minor decline, TM's NPS demonstrated an upward trend in the second half of 2024, driven by the Unifi Ultra Experience for high-value customers. A key factor in this improvement was the Unifi Elite Crew, which provided proactive maintenance and on-demand home support.