



CHAIRMAN'S STATEMENT

As Malaysia stands on the brink of a new era, the pace of technological advancement is accelerating like never before. To understand how TM is navigating this digital transformation, we sat down with Dato' Zainal Abidin Putih, Chairman of TM, to discuss the Board's priorities, key strategic decisions and the company's role in shaping Malaysia's digital future.

DATO' ZAINAL ABIDIN PUTIH
Chairman

Q1

TM continues to operate in an evolving global and national landscape. What are the key forces shaping today's digital and economic environment and how does the Board ensure TM remains resilient and ahead of the curve?

A1

It is my privilege, as Chairman of TM, to address you at a time of unprecedented technological advancement and economic opportunity. As a government-linked and publicly listed company entrusted with a crucial role in Malaysia's development, we bear a profound responsibility: to uphold exemplary governance, champion innovation and enable our nation to navigate the digital revolution with confidence.

At TM, we are committed to more than simply delivering connectivity. We see ourselves as facilitators of national progress—driving inclusive digital transformation that empowers enterprises, enriches communities and bolsters economic resilience. With emerging technologies such as Generative AI (Gen AI), cloud computing and 5G accelerating across global markets, governments, businesses and consumers are rapidly adapting to a more digital and interconnected future. The Malaysian Government's RM2.8 billion digital investment reinforces the nation's commitment to accelerating this shift. At TM, we are fully aligned with this vision—staying agile, expanding our capabilities and setting new benchmarks in service excellence to ensure that Malaysia remains at the forefront of the digital economy.

We also see this transformation as an opportunity to illustrate what it means to be a world-class organisation. We believe that global standards of excellence are less about sheer scale and more about service reliability, innovative offerings and a commitment to building robust digital infrastructure. We aim to anticipate change, creating value for the nation by staying abreast of rapidly shifting technology landscapes, enabling businesses to thrive and ensuring communities are not left behind.

The Board underscores the importance of proactive policy alignment as well. Recent developments—such as the Communications & Multimedia Act (CMA) Amendment 2025 and the Cyber Security Act 2024 (Act 854)—bolster our national digital resilience. We fully support these policies and actively collaborate with regulators to uphold security, trust and sustainable growth in Malaysia's digital ecosystem.

The Board also continuously evaluates risks and opportunities, ensuring TM's risk appetite remains aligned with economic shifts, evolving regulations and technological disruptions. This proactive approach enables us to safeguard our long-term growth while capitalising on emerging opportunities, helping to set the pace of digitalisation for Malaysia and the region.

Q2

In this fast-moving environment, strategic decision-making is more critical than ever. At the Board level, what were the most pivotal deliberations and decisions in 2024 that shaped TM's growth and strengthened its leadership in the industry?

A2

The Board constantly evaluates decisions through the prism of long-term value creation and sustainable growth. In 2024, we focused on fortifying TM's core business fundamentals while forging key partnerships that support our broader digital ecosystem.

One notable milestone was our collaboration with Nxera, a subsidiary of Singapore Telecommunications Limited (Singtel). This collaboration significantly advances TM's data centre strategy, deepening our role in Malaysia's rapidly growing data centre landscape. Our comprehensive evaluation of this opportunity highlights TM's strategic focus to high-value digital sectors and its focus on fostering new growth engines.

Another dimension is ensuring equitable access to digital infrastructure. Our participation in the 6-way Multi-Operator Core Network (MOCN) reflects our dedication to bridging connectivity gaps nationwide. Through initiatives like MOCN, we uphold our mission of driving inclusive progress—ensuring that every Malaysian can benefit from the digital revolution.

Ultimately, each decision the Board makes is rooted in a fundamental objective: create value sustainably for our stakeholders. Whether through industry leadership, next-generation infrastructure investment, or digital inclusion, we are dedicated to strengthening TM's industry leadership while shaping a future where Malaysia prospers in the global digital arena.

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Q3○
Strong governance is the foundation of any world-class organisation. How does the Board ensure that TM upholds the highest standards of governance while balancing business performance, stakeholder trust and national responsibilities?

A3○
Governance for TM is a multifaceted commitment that underpins accountability, strategic foresight and sustainable growth. As Chairman, I work closely with my fellow Board members to embed a robust governance culture across every function of the organisation, in strengthening business performance while fulfilling our national responsibilities.

Our decision-making process is rigorous. We actively challenge management proposals – whether on investments, partnerships or operational strategies – to guarantee that every strategic move is backed by comprehensive analysis, aligns with our corporate vision and meets the needs of our shareholders and the nation. This disciplined approach enhances our capacity to navigate complex business landscapes and ensure continuous value creation.

Throughout 2024, TM has further strengthened its leadership structure, balancing seasoned expertise with fresh perspectives, ensuring TM remains future-ready. We also prioritised upskilling Board members to maintain relevance in the face of evolving regulations, digitalisation and sustainability trends. By doing so, we affirm our role as prudent stewards of TM's mission—to catalyse the growth of Malaysia's digital economy.

We view ESG not merely as a requirement but as a strategic value that can foster innovation, mitigate risks and sustain long-term value for the economy, environment and society.

Q4○
With rising Environmental, Social and Governance (ESG) expectations and the growing intersection of technology and sustainability, businesses must integrate ESG into their core strategies. How is the Board embedding ESG into TM's business to drive both impact and long-term value?

A4○
ESG has become a business imperative. Investors, regulators and other stakeholders now expect companies to demonstrate not just financial strength, but also responsible business practices. ESG principles have always been integral to our operations at TM, guiding us to balance profitability with broader economic, environmental and social impact. We view ESG not merely as a requirement but as a strategic value that can foster innovation, mitigate risks and sustain long-term value for the economy, environment and society.



This commitment is reflected in TM's Sustainability Framework, built on two (2) core objectives: enabling sustainable growth for our customers and communities and ensuring resilience within our business and value chains. These objectives guide how we integrate ESG into our strategy – making it a key driver of innovation, risk management and long-term business growth. In 2024, we aligned our Sustainability Framework with the International Sustainability Standards Board (ISSB) under Malaysia's National Sustainability Reporting Framework (NSRF). By embracing global standards ahead of regulatory mandates, we fortify investor confidence and solidify TM's position as an industry leader in sustainable practices.

We have also improved ESG ratings from Morgan Stanley Capital International (MSCI) and the S&P Global Corporate Sustainability Act (CSA). Our ESG rating assessments guided the development of TM's Sustainability Policy, reinforcing governance structures and ensuring that ESG principles drive business decisions at every level. These mirror our dedication to aligning robust governance with positive social and environmental outcomes—demonstrating how technology and sustainability can reinforce each other when guided by a clear sense of purpose.

Q5o
How do you see the country's economic trajectory evolving and what role will TM play in shaping the future of businesses, communities and the digital landscape?

A5o
Malaysia stands at a pivotal stage in its economic development. Despite external uncertainties, the country's fundamentals remain solid, with GDP projected to grow between 4.5% to 5.5% in 2025, supported by strong domestic consumption and increased investments driven by key national frameworks including MADANI, the New Industrial Master Plan 2030 (NIMP 2030) and the National Energy Transition Roadmap (NETR). These frameworks underscore Malaysia's ambition to remain competitive on the global stage, focusing on industrial transformation, sustainable practices and digital advancement.

Beyond national policies, Malaysia's attractiveness as a digital investment hub continues to grow. Global technology giants are expanding their footprint in the country, drawn by its strategic location, strong infrastructure and government-led digital economy initiatives. This surge in investment signals Malaysia's potential to become a leader in ASEAN's digital and AI-driven future.

At TM, we see this as a moment of opportunity. Our role is to ensure Malaysia is not just adapting to this change, but leading it. We are committed to strengthening the nation's digital backbone through cutting-edge infrastructure, AI-driven innovation and robust cross-border connectivity. Our aim is to support Malaysia

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in becoming a vibrant hub for digital investments in ASEAN, which in turn drives new business prospects, job creation and technological breakthroughs.

Of course, rapid transformation brings challenges. Shifting market dynamics, evolving regulations and disruptive technologies demand agility, collaboration and foresight. TM is committed to continue working with the Government and industry players, guiding the aforementioned shifts in step with national priorities—including Malaysia's role as ASEAN Chair in 2025—to ensure regional digital integration and economic resilience.

The future is promising and TM is ready to shape it. As we advance towards becoming a Digital Powerhouse by 2030, we remain committed to building world-class digital infrastructure, driving innovation and empowering the future where Malaysia emerges as the digital hub for ASEAN.

CLOSING & APPRECIATION

On behalf of the Board of Directors, I extend my deepest appreciation to all our stakeholders, particularly the Ministry of Communications and the Malaysian Communications and Multimedia Commission (MCMC). Your unwavering support and engagement have been instrumental for us to fulfil our role as the nation's leading connectivity and digital infrastructure provider.

I would also like to express my gratitude to YM Tunku Afwida Tunku Dato' A.Malek, Mr. Balasingham A. Namasiwayam and Mr. Saheran Suhendran for their invaluable contributions during their tenure on the Board. Their leadership, insights and dedication have played a vital role in TM's continued success. We wish them the very best in their future endeavours.

Allow me to also thank Puan Rossana Annizah Ahmad Rashid for her advocacy and mentorship during her time with TM. Her commitment and dedication have been invaluable to our organisation. As she prepares to step down from her role as Board Member at the upcoming AGM in May 2025, we extend our heartfelt thanks for her contributions and wish her continued success in her future endeavours.

At the same time, I am pleased to welcome Tan Sri Datuk Yong Poh Kon and Datuk Bazlan Osman as Independent Non-Executive Directors. Datuk Bazlan is a familiar figure at TM from his previous tenure as Group Chief Financial Officer, Deputy Group Chief Executive Officer and Executive Director of TM. Their expertise and perspectives will be invaluable in driving TM forward as we pursue our ambitious growth strategy.

Finally, to our customers, employees, partners and shareholders – your trust and commitment have been the foundation of our achievements. While there is much more to do, we look ahead with optimism and determination. Together, we will continue forging a path towards a digitally empowered Malaysia, ensuring that every success we achieve throughout our journey to become a Digital Powerhouse by 2030, is shared with the people and communities we serve.



Dato' Zainal Abidin Putih
Chairman