

CONNECTING YOU
TO WHAT MATTERS MOST
SUSTAINABILITY
REPORT 2018



CONTENT



3

CEO'S MESSAGE

4

AT A GLANCE

6

SUSTAINABILITY
GOVERNANCE

12

STAKEHOLDERS

15

ETHICS AND
COMPLIANCE

23

WINNING
TEAM

29

CLIMATE CHANGE
AND ENVIRONMENT

34

EMPOWER
SOCIETIES

39

ABOUT OUR
DISCLOSURE

CEO'S MESSAGE

Digi is committed to prioritise and deliver on United Nation's Sustainable Development Goal #10 (#SDG10) – Reduced Inequalities, where we aspire to provide access to meaningful internet services for all Malaysians and drive greater socio-economic development for communities. Now more than ever, it is important to ensure that we are able to equip as many Malaysians with the ability to use technology and develop innovative solutions to problems that can otherwise leave them marginalized. Access to opportunities should be equal to everyone. This is our purpose in existing as a business, to empower societies and reduce inequalities.

To keep up with challenging times and ever increasing demands of the future, we remain resilient to uphold the standards of ethics and integrity to achieve sustainable growth. Maintaining high levels of trust and reputation sits at the top of the leadership agenda. Our values and refreshed Code of Conduct provides guidance for all employees to live up and embed the culture of integrity in both personal and business practices.

We believe lasting change happens when we are able to create a fulfilling place to work, inspired through a common understanding of shared-value between our business and employees.

Our People strategy focuses on a people-first approach, where everyone has the opportunity to grow and inspire. We are committed to develop talent and facilitate our people's growth by providing the right experiences, exposures and education.

Supply Chain Sustainability is another important area in which we aim to build our competitive advantage by setting high requirements, and provide capacity building for our suppliers. Digi adopts international principles and standards to systematically guide, reduce risk, and bring positive impacts across our value chain. I'm also happy to note that we have attained the newly introduced ISO 45001:2018 Occupation Health and Safety Management System certification - being the first telecommunications service provider to attain the certification. This reaffirms Digi's commitment towards a safe and sustainable workplace for all of its employees.

Upholding the safety of our customer data and privacy remains a priority, and we have integrated all data-privacy related functions and mapping them in accordance to our business value chain. This allows us to monitor data flows across all customer touch-points and being agile in introducing new tools and practices that could enhance governance on privacy related matters.

In a world where our children are “growing up digital”, we at Digi, see the need to keep our children safe through responsible digital usage and in ensuring that everyone is empowered with access to the internet to reduce inequality, which is at the core of what Yellow Heart stands for.

I'm also pleased to note the important role and support that we have from our like-minded partners such as our regulator, the Malaysian Communications and Multimedia Commission (MCMC), the Ministry of Communications & Multimedia, Ministry of Education, UNICEF, PetroSains, and many others in driving the ambition that we have set in developing digital competencies and resilience. These partnerships have enabled us to collaborate and scale the various initiatives towards embracing digitalization, in promoting towards an equitable society.

Thank you.

Albern Murty
Chief Executive Officer



AT A GLANCE

OUR PURPOSE

Connecting you to what matters most.

OUR STRATEGY

We have put in significant efforts and continue to refine our strategy to fuel sustainable long-term growth and value creation, anchored by well-defined growth drivers and the responsible way we drive our business and engage our community.



GROWTH

Deliver profitable growth ahead of industry



EFFICIENCY & SIMPLIFICATION

Focus on cash flow improvement and drive lowest production cost



RESPONSIBLE BUSINESS

Position Digi as an exemplary corporate citizen



WINNING TEAM

Build future-ready talents and culture that inspires Everyday Innovation

2018 AT A GLANCE

CONNECTING CUSTOMERS TO WHAT MATTERS MOST WITH A WIDE RANGE OF CONNECTIVITY AND DIGITAL SERVICES, WHILE BEING A RESPONSIBLE, PEOPLE-FIRST COMPANY



3.1 MILLION
Active MyDigi Users



10,000 REWARDS
Touchpoints on MyDigi



8.59 MILLION
Upsell transaction on My Digi



69% BILLS
Payments on digital



> 2.6 MILLION
Social Media followers

PERFORMANCE

SERVICE REVENUE
RM5.92 BILLION

PROFIT AFTER TAX
RM1.48 BILLION

EBITDA MARGIN
46%

DIVIDEND PAYOUT
RM1.52 BILLION



MALAYSIA'S LARGEST NETWORK

89%
4G LTE COVERAGE

65%
4G LTE-A COVERAGE

8,400KM
FIBRE NETWORK

CUSTOMER



9.2 MILLION
Internet customers



11.7 MILLION
Customers



7.9 MILLION
4G LTE customers



9.9GB
Average monthly data usage by customers



79.6%
Smartphone adoption

INSPIRING BRAND



#1 NET PROMOTER SCORE



#1 TELCO BRAND INSISTED BY MALAYSIANS

FUTURE-PROOFING OUR WORKFORCE



118,470
Estimated total learning hours by Digizens



190
Employee with Udacity nanodegrees

OUR PEOPLE



78% EMPLOYEE
Engagement scores



Close to **50/50**
Men and women employees

SUPPLY CHAIN



442
Unannounced site inspections to ensure contractors' compliance



2060 HOURS
Of supply chain capacity building

YELLOW HEART TO REDUCE INEQUALITIES



Yellow Heart
A Ugi Inisiatif



> 300,000
Students educated on online safety



> 650
Students trained with digital skills

EMISSIONS



23%
Growth in carbon intensity per customer



31%
Decrease in Carbon intensity per data usage

SUSTAINABILITY GOVERNANCE

Structured governance to identify, manage business risks and opportunities

Digi's corporate governance principles and practices define a framework of rules and procedures for how business operations is governed. The governance framework is used as a platform to integrate material sustainability issues into business strategies, daily operations and relationships with stakeholders.

Digi's corporate values and ethical standards represent an important foundation for implementing our governance framework as we believe that upholding high standards of corporate ethics is key to long-term value creation and contributes directly to improved business performance.

More information on Digi's principles and practices for corporate governance can be found in our website [here](#).

We are committed to all UN Sustainable Development Goals but with specific focus on goal #10 Reduced Inequalities. This is where we believe we can deliver the most impact, by being a responsible business that provides innovative services built on the highest standards and principles of integrity and sustainability, and aligning it to our vision to empower societies. Our digital offerings impact economy and social well-being of Malaysians via direct value creation, innovation and productivity gains across various industries. We remain committed to raise standards across our operations and to strive for greater access and increased opportunities by empowering societies wherever we are.

10 REDUCED INEQUALITIES



The United Nations Sustainable Development Goal #10 aims to reduce inequalities in our society.

We believe there is a critical role for technology to address this gap fuelled by access to technology and digital skills empowerment.

Digi's aspiration is to connect customers to what matter's most and we believe that through the power of the internet built on right principles, we can create shared value for all.



SUSTAINABILITY FRAMEWORK

EMPOWERING SOCIETIES TO REDUCE INEQUALITIES

Our sustainable business strategy is deeply rooted on our long-commitment for future growth. Digi is a purposeful business and well positioned to be a leader in providing connectivity and future digital services that delivers on economic, environment and social (EES) wealth to Malaysia. Beyond commercial and financial success, our longstanding commitment to operating responsibly is integral to meet the challenges and capitalise on the opportunities that lie ahead.



CONNECTING CUSTOMERS TO WHAT MATTERS MOST - EMPOWERING SOCIETIES

DRIVING STANDARDS	ETHICS AND COMPLIANCE	ACCELERATING ACCESS	YELLOW HEART
	SUPPLY CHAIN SUSTAINABILITY		DIGITAL INCLUSION
	CLIMATE CHANGE AND ENVIRONMENT		DIGITAL RESILIENCE
	WINNING TEAM		

RESPONSIBLE BUSINESS CONDUCT

SDG 10 - REDUCING INEQUALITIES

Digi remains in the FTSE4Good Index Series, which only includes companies that reflect strong ESG risk management practices as measured by an overall ESG rating.

The FTSE4Good Index Series is a market-leading sustainability benchmark tool for investors.

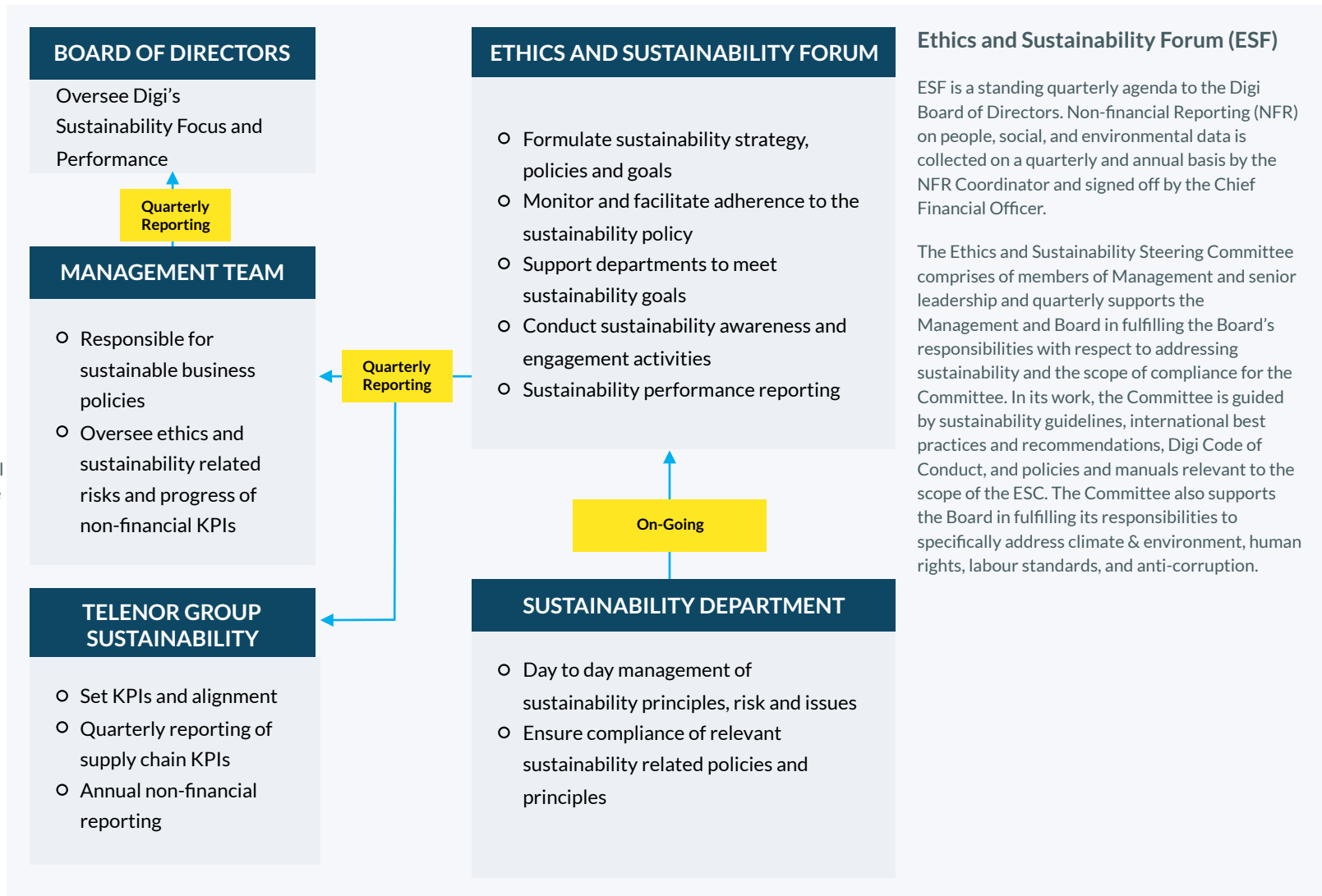
GOVERNANCE STRUCTURE

Sustainability in Digi is governed across various levels in the organisation – the Board, Management, and working groups consisting of different functions – Sustainability, Compliance, Legal and Governance, Supply Chain Sustainability, Network and Human Resources.

Sustainability is under the division of the Corporate Affairs Office. The Head of Sustainability oversees the daily operations of the team to meet the non-financial Key Performance Indicators (KPIs) established jointly with Telenor Group Sustainability. Sustainability KPIs are reported quarterly to the Ethics & Sustainability Committee (ESC). Chaired by the Chief Executive Officer, the forum includes the Chief Human Resource Officer, Chief Technology Officer, Chief Corporate Affairs Officer and other senior leadership members.

More information on Digi's principles and practices for corporate governance can be found in our 2018 Annual Report and at the [Governance section](#) of our corporate website.

Human Rights Due Diligence has been embedded within the Sustainability Framework and high on the agenda for the Ethics and Sustainability steering committee. The assessment is undertaken once every two years involving individuals performing functions where there are heightened risks of complicity to human rights abuse. Findings of the assessment are shared with the Management Team.



MATERIALITY

In 2018, we migrated from G4 to using selected Global Reporting Initiative (GRI) Standards for our Sustainability Reporting. The selected Standards with GRI-referenced claims are summarised in the GRI Index Table at the end of this report. The GRI Standards which are the first global standards for sustainability reporting feature a modular, interrelated structure, and represent the global best practice for reporting on a range of economic, environmental and social impacts.

ASSESSMENT

Constant engagement with our wide range of stakeholders forms a key understanding in evaluating and shaping our materiality matrix. We refreshed our materiality assessment, collected views from our internal and external stakeholders, and mapped them against Digi's strategic priorities. Collectively, scores indicate that our stakeholders prioritised these top five material issues.



These areas relate directly to our core business as we prioritise on delivering quality services on our network, sharpening our policies and procedures around data protection and human rights, always being people-first, and strengthening our practices around ethics and corruption. Other fronts where we actively address material issues include our Yellow Heart commitment to provide digital inclusion to marginalised communities, while keeping families safe on the internet. Under our Supply chain sustainability, we ensure our suppliers uphold responsible business practices, monitor compliance, undertake capacity-building, and extend the supplier requirements further down in their own supply chain. Carbon management is also emphasised by exploring adoption of energy efficient technologies in our growth journey commitments.

The top five material issues were chosen from 26 topics that included new social trends and concerns that may have significant EES impacts on our business or substantively influences the assessment and decisions of our stakeholders.

26 topics included in Digi's 2018 Materiality Assessment

- | | | |
|--------------------------------------|--------------------------------|-----------------------------------|
| ○ Anti-corruption | ○ Energy efficiency | ○ Occupational health & safety |
| ○ Child rights and safety | ○ Emissions (GHG) | ○ Product design (lifecycle) |
| ○ Corporate governance | ○ Environment & Climate Change | ○ Radiation concerns |
| ○ Customer privacy | ○ Electronic waste | ○ Service reliability and quality |
| ○ Customer concerns | ○ Fair Competition | ○ Supply chain sustainability |
| ○ Data protection | ○ Green ICT | ○ Talent and culture |
| ○ Digital inclusion (access) | ○ Health and Safety | ○ Waste management |
| ○ Digital resilience (safe internet) | ○ Human Rights / Labor Rights | ○ Workplace environment |
| ○ Diversity and inclusion | ○ Indirect economic impacts | |

MATERIALITY ISSUES MAPPED TO OUR VALUE CHAIN

In identifying and assessing these material issues, and in forming our reporting framework, we have taken reference to the Global Reporting Initiative (GRI) Standards, the Second Edition of the Bursa Malaysia Sustainability Reporting Guide (2018) and mapped the material issues by ranking them across our value chain. The following are the top 10 material issues identified from our assessment.

The Materiality Issues Mapped to our Value Chain allows for a prioritisation exercise that resulted in scores for each issue – scoring for impact on the business's Economic, Environmental and Social aspects, and scoring for stakeholder importance. Most of the 26 topics are identified as relevant to our industry by different stakeholder groups as referenced under the guidance of the Global Reporting Index (GRI). (Source : GRI – Sustainability Topics for Sectors : What do stakeholders want to know?)

VALUE CHAIN MATERIAL ISSUES	STRATEGIC PLANNING & INNOVATION	SOURCING & SERVICE DEVELOPMENT	SALES & DISTRIBUTION	NETWORK & IT SERVICE	BILLING & CUSTOMER SERVICE	CUSTOMER SERVICE & DATA INSIGHT
ANTI-CORRUPTION	●	●	●			
DATA PROTECTION			●		●	●
CUSTOMER CONCERNS			●	●	●	●
TALENT AND CULTURE	●	●				
HUMAN RIGHTS	●	●				
SERVICE RELIABILITY & QUALITY				●	●	
DIGITAL RESILIENCE (SAFE)	●			●		
DIGITAL INCLUSION (ACCESS)	●			●		●
ENVIRONMENT & CLIMATE CHANGE	●			●		
DIVERSITY & INCLUSION		●			●	
SUPPLY CHAIN SUSTAINABILITY			●	●		

MATERIALITY MATRIX BY PRIORITISATION & MAPPED TO SDG AND 11TH MALAYSIAN PLAN

The stakeholders involved in this assessment included analysts, investors, government ministries, UN agency, PDP commission, business partners, sustainability partners, suppliers, business customers, NGOs, union, people council, and management. We believe that this updated materiality will better guide future initiatives and sustainability planning.

IMPORTANCE TO STAKEHOLDERS

- Economic
- Environmental
- Social



SIGNIFICANCE OF IMPACTS

- Strategic Thrust #1 - Enhancing inclusiveness towards an equitable society
- Strategic Thrust #2 - Improving wellbeing for all
- Strategic Thrust #3 - Accelerating human capital development for an advanced nation
- Strategic Thrust #4 - Pursuing green growth for sustainability and resilience

- Strategic Thrust #5 - Strengthening infrastructure to support economic expansion
- Strategic Thrust #6 - Re-engineering economic growth for greater prosperity

STAKEHOLDERS

Building trust of stakeholders through structured engagement and accountable actions.

We engage our stakeholders to understand their concerns and emerging priorities. Through the close working relationship we have established with them, we are able to better identify and address issues, pooling together diverse groups of expertise and expectation, in collectively achieving far greater positive impact on our EES indicators.

REGULATORS	CUSTOMERS	EMPLOYEES
SHAREHOLDERS, ANALYSTS & INVESTORS	BUSINESS PARTNERS	MEDIA
COMMUNITY, SUSTAINABILITY PARTNERS & NGOS	DEPARTMENT OF PERSONAL DATA PROTECTION	UNICEF EMPLOYEES UNION



DEEPENING TRUST OF STAKEHOLDERS

The following are a summary of key stakeholders who we engage with.

REGULATORS



ENGAGEMENT MEANS

- Regular reports and periodical information sharing with Ministry and regulators

ISSUES

- Widespread digital adoption
- Service quality & reliability
- National Fiberisation and Connectivity Plan (NFCP)
- Tech talent development

HOW WE ADDRESSED

- Nationwide 4G LTE network coverage upgrades to 89% population
- Expanding LTE-A network coverage to 65% population
- Rolling-out 8,400km of fiber network
- Threshold of throughput speeds raised to 1Mbps at 80% of the time, and reduced network latency
- Test beds for 5G trials together with industry
- Nurture skills for digital future (eg. Digi Academy, Digi Petrosains Robotics Programme and entrepreneurship at our Pusat Internet)

CUSTOMERS



ENGAGEMENT MEANS

- MyDigi App
- Digi retail outlets
- Website & Social Media
- Digi's Annual Customer Engagement Day
- Customer Service channels (Online customer service and call centre)

ISSUES

- Coverage and service quality
- Bill shocks from third party content providers

HOW WE ADDRESSED

- Upgrades and expansion of our 4G LTE and LTE-A network coverage
- Introduction of innovative service offerings - Launch of Prepaid biGBonus and Internet Cili Padi offers, flexibility & convenience of Digi Family Postpaid plans, Borderless Roaming & PhoneFreedom 365
- Improved functionalities and introduced more self-service options on MyDigi App; launch of newly improved Digi Rewards and personalised 'Box of Surprise' to drive usage
- Driving a customer-obsessed mindset coupled with strong passion for everyday innovation among Digizens
- Introduction of 300 #DigiFriend Ambassadors, providing a personalised, people-friendly service at our customer touch-points
- Mitigation of unauthorised subscription of content through SMS (with third party content providers) by implementing additional security layers, timely monitoring and escalation process
- Enabled Digi Wifi access across 277 locations nationwide

EMPLOYEES



ENGAGEMENT MEANS

- Best on people Council
- Digi Telecommunications Sdn Bhd Employee Union
- Annual Employee Engagement Survey
- Multiple internal engagement channels (Circular emails, Workplace, Quarterly company and divisional Town Halls)
- Leadership forums comprising Senior Leadership and Extended Management
- Innovation platforms

ISSUES

- Career development plans
- Rewards and benefits structure
- Employee engagement and enablement

HOW WE ADDRESSED

- Our annual Employee Effectiveness Survey, showed a 1% increase (from 2017) in both Engagement and Enablement, at 78% and 76%, and is above the percentage of high performing companies, and Malaysian companies.
- People Dialogue and Impact-based rewards
- 40-Hour Learning challenge to encourage employees to learn via various digital learning platforms
- Internalising Innovation – design sprints, innovation bootcamps, and intrapreneur programmes

SHAREHOLDERS, ANALYSTS & INVESTORS



ENGAGEMENT MEANS

- Annual and sustainability reports
- Annual General Meetings
- Quarterly financial announcements, earnings call and press release
- Non-deal roadshows and investor conferences
- Thematic analyst day briefings
- Digi Investor Relations website (www.digi.com.my/investors)

ISSUES

- Business performance and outlook
- Sustainable growth and earnings
- Digital transformation and strategy
- ESG and governance

HOW WE ADDRESSED

- Facilitate discussions on company's earnings performance, strategies and business operations and provide timely and comprehensive disclosures
- Continue to create sustainable values by delivering on Digi's growth, operational efficiency and digital transformation strategies

BUSINESS PARTNERS



ENGAGEMENT MEANS

- Annual Self-Assessment Questionnaires
- Site inspections and audits
- Supplier training
- Product presentations

ISSUES

- Health and safety in supply chain
- Non-compliance in supply chain
- Integrity due diligence

HOW WE ADDRESSED

- Training sessions: capacity building for our contractors and sub-contractors ranges from Health and Safety related matters to anti-corruption
- Collaboration with industry to implement joint enforcements to maintain the highest standards of safety across our supply chain.
- Achieved zero Lost Time Injury Frequency (LTIF) in 2017

MEDIA



ENGAGEMENT MEANS

- Media interviews & events
- Formal and informal briefings
- Media familiarisation visits
- On demand requests

ISSUES

- Corporate strategy
- Financial performance
- Products and services
- Customer related issues

HOW WE ADDRESSED

- We conducted regular media engagements to provide updates on business performance and strategy, products and services, and address issues of customers' concerns

COMMUNITY, SUSTAINABILITY PARTNERS & NGO



ENGAGEMENT MEANS

- Engage and partner with government agencies, corporates, and NGO forums to address issues in the community

ISSUES

- Leveraging mobile technologies & future skills content to empower local communities
- Safe internet use by young children

HOW WE ADDRESSED

- Running digital resilience and digital inclusion programmes in partnership with NGO & communities. The digital resilience programme has engaged over 500,000 individuals since its inception

DEPARTMENT OF PERSONAL DATA PROTECTION (PDP)



ENGAGEMENT MEANS

- Industry collaboration sessions
- On demand requests

ISSUES

- Authority requests
- Clarification on the application of personal data law to day-to-day operational matters

HOW WE ADDRESSED

- Joint initiatives with all including industry and regulators

UNICEF



ENGAGEMENT MEANS

- Global partnership (Telenor group) and Local partnership (Digi)

ISSUES

- Global and local partnerships to enable programmes to reduce inequalities in identified communities

HOW WE ADDRESSED

- Digital Inclusion and Digital Resilience Programmes, capacity building sessions, training and ideation workshop sessions

DIGI TELECOMMUNICATIONS SDN BHD EMPLOYEES UNION (DGEU)



ENGAGEMENT MEANS

- Meeting with Union committee members

ISSUES

- Employee welfare
- Alignment of company direction

HOW WE ADDRESSED

- Quarterly meet-ups with Management
- Half yearly gathering with committee members
- Collective bargaining process started mid-2017, that resulted in the Second Collective Agreement being signed in 2018

ETHICS AND COMPLIANCE

Establish leadership benchmark on being ethical and compliant in our business operations.

Digi maintains a zero tolerance stance on corruption. We practice the highest ethical standards to promote good business practices and adhere to applicable laws, regulations and internationally recognised standards.

In an age of oversharing and abundance of information, trust and transparency are vital currencies for any organisation to operate. We therefore adhere to the highest standards of ethics and integrity in conducting our business. We see emerging forces of disruption in the areas of data security, consumer responsibility, and supply chain risks, and we have been agile in adapting to these shifts in the interest of our stakeholders.

SETTING THE STANDARDS IN GOVERNANCE	DATA SECURITY AND PRIVACY	SERVICE RELIABILITY AND QUALITY
CUSTOMER CONCERNS	SUPPLY CHAIN SUSTAINABILITY	MEDIA



SETTING THE STANDARDS IN GOVERNANCE

All employees are expected to comply with the Code and all related policies and manuals. The Code is owned and approved by the Board of Directors, and is implemented by the Ethics and Compliance function. Compliance incidents are reported through several means: an Integrity Hotline at <http://telenorhotline.ethicspoint.com>, through leaders or directly to the Internal Audit and Investigations department. The Internal Audit and Investigations department is responsible for all investigations including those raised by whistle-blowers, and handled according to a well-defined process outlined in the Whistle-blowing Manual. The team works closely with the Ethics and Compliance department to conclude investigations and take appropriate action, this includes legal action if required. Any failure to report a breach of the Code warrants an immediate inquiry and action to be taken against the relevant individual.

The Audit and Risk Committee has responsibility over the reports raised by whistle-blowers, to review the related policy and manual in addressing such reports, and to ensure investigations are conducted objectively and independently. Both the Internal Audit and Investigations department and the Ethics and Compliance department report to the Audit and Risk Committee and the Board regularly on any reported cases as well as follow-up actions taken.



Digi was the only Malaysian company to attain the Best Corporate Governance recognition for the highest level of disclosure as published in the CGIO-ACN Corporate Disclosure on Business Integrity in ASEAN 2018 report.

Published by the ASEAN CSR Network (ACN) and the National University of Singapore (NUS) Business School, the study compared the 50 largest companies by market capitalisation in five ASEAN countries – Indonesia, Malaysia, Philippines, Singapore and Thailand – and ranked them based on a set of 13 questions developed by Transparency International.

IMPLEMENTING INTERNATIONAL STANDARDS

Digi maintains a zero-tolerance stance towards all forms of corruption, including bribery, facilitating payments or otherwise offering an improper advantage to influence a third party. We conduct our business in an open and transparent manner. In 2019, we will undertake the ISO 37001 (Anti-Bribery Management Systems) certification which covers elements such as due diligence, financial and non-financial controls, policies on specific high-risk bribery areas, whistle blowing policy, and training and communication. The standard also provides guidance in defining clear roles for leadership in driving Digi's anti-bribery agenda, third party compliance assessment, and embedding a compliance culture that focuses on prevention.



RESPECT FOR HUMAN RIGHTS

Digi supports and respects internationally proclaimed human rights including the UN Declaration and conventions on human rights. In 2018, we undertook a Telenor Group Human Rights Due Diligence exercise in collaboration with Business for Social Responsibility™ (BSRTM). This company-wide exercise involved participation of key business functions aligning our operations and supply chain to adhere to best practices in human rights including freedom of expression, data privacy, health and safety, bonded labour, child labour, non-discrimination, child online safety and access to technology. The due diligence assessment identified risks and planned preventive and mitigation actions to address human rights impacts. We also engaged external stakeholders such as the Human Rights Commission of Malaysia and UNICEF Malaysia to gain a macro perspective of the industry and the country.

AN INTEGRATED CULTURE OF INTEGRITY



In 2018, we refreshed our Code of Conduct (the Code) mandated for all employees. The new Code adopts a 'requirement, risk and guidance based model' versus the previous 'high level principle based model'.

Launched group-wide by Telenor, the new code was enhanced to provide greater clarity on expected employee conduct with clear links to relevant policies and manuals. It also included additional sections to address scenarios concerning 'Business partners and Public officials'.

The Code was made available on mobile to ease access and search capabilities.

INTEGRITY DAY



We also conducted an Integrity Day themed #SticktotheCode on 15 November, in conjunction with the renewed Code. The event saw the participation of Digizens from all functions signing the Code, drawing a deeper understanding of its principles and undertaking scenario-based learning modules to help them internalise the Code in a simplified, practical manner. External speakers were invited to share knowledge on various topics surrounding gift policies, conflict of interest, and sexual harassment at workplace among others.

As part of the awareness, 100% Digizens completed the compulsory Code of Conduct eLearning module hosted on the Telenor campus, an e-learning platform catered for employees' learning and development. Similar sessions and activities were also extended to colleagues in the regions so as to ensure an inclusive participation from all employees within the organisation.

SPEAK UP PROGRAMME



The Speak-Up Programme, introduced in 2016, continues to encourage employees in reporting incidences or to raise concerns of possible acts of non-compliance. All compliance cases reported in 2018 were concluded with resolutions and remediation plans within the guided 30 to 45 days. In the year, we also completed the implementation of all remediation plans identified in 2017. To enhance our processes, we engaged a 3rd party service provider to conduct an Integrity Due Diligence screening for new business partners and tightened our compliance risk assessment methodologies.

SCENARIO-BASED LEARNING

DECLARING PERCEIVED CONFLICT OF INTEREST



We continue to engage Digizens through periodical byte-sized information under the proposition of Doing Business the RIGHT Way. The scenario-based learning approach helped Digizens to understand and internalize various aspects of Ethics and Compliance in a more simplified and practical manner.

DATA SECURITY AND PRIVACY

Safeguarding customer privacy remains a priority and we have integrated all data- privacy related activities into everyday organisational processes. We enforced stringent measures to address possible gaps across our business value chain to ensure we continue to protect the privacy and security of our customers.

New tools and practices introduced during the year included enhancing governance on privacy matters, privacy risk assessment as part of data processing, establishing privacy compliance in vendor process, identifying key functions within the organisation with heightened responsibilities to manage data, and constantly engaging employees with relevant capacity-building programmes. All these measures support our commitment to remain transparent on how we collect and use personal data.

ENCOMPASSING PRIVACY MATTERS



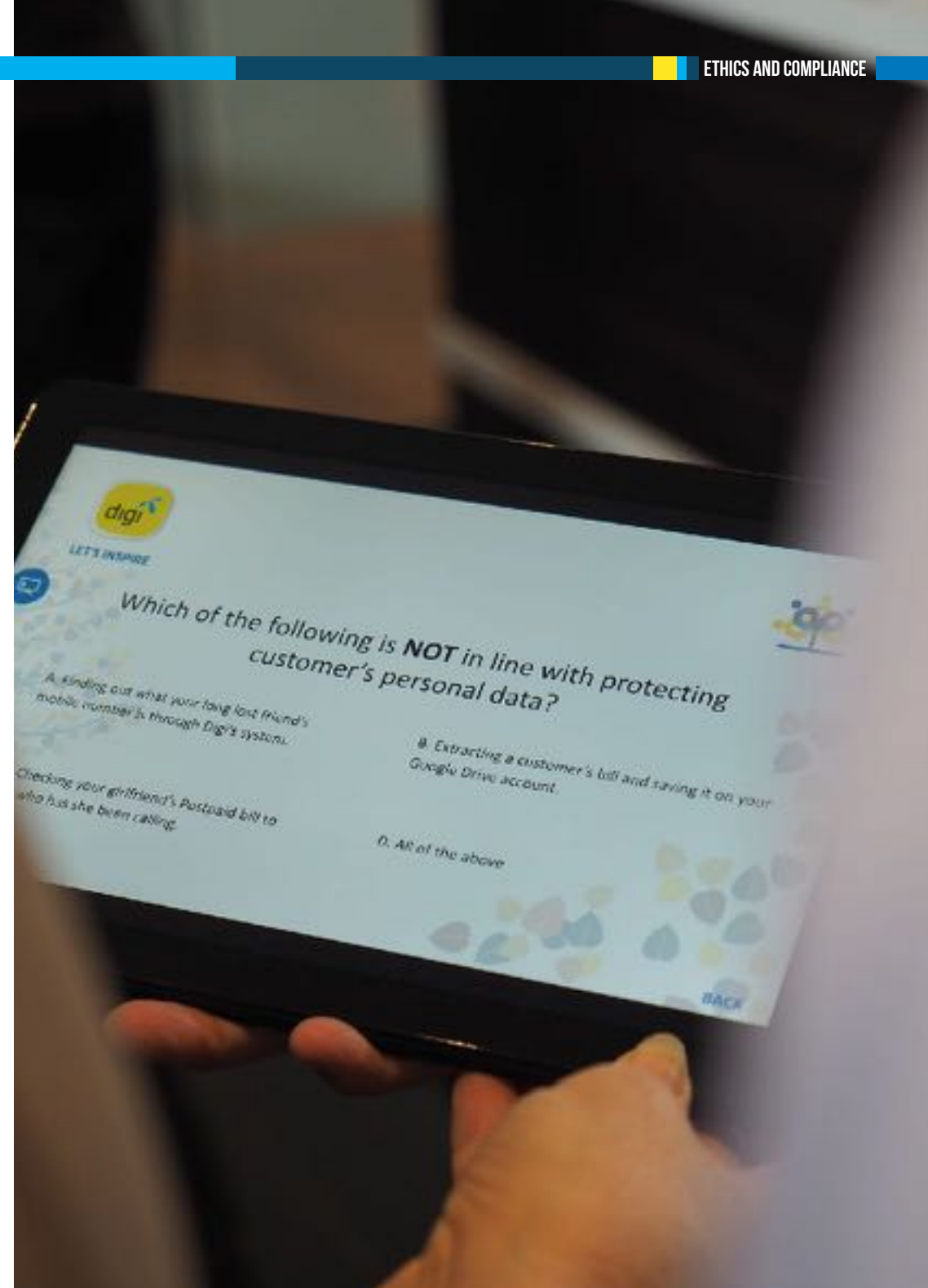
We recorded a 100% completion of the Privacy Matters e-learning module by employees. The module emphasises and cultivates privacy knowledge and awareness to embed a culture of privacy compliance across all job functions. It was made a mandatory learning for all new employees in the onboarding process, and part of periodical training sessions for job functions involving customer data, such as retail frontlines and contact centre.

OPERATIONAL COMPLIANCE AND PROCESS IMPROVEMENTS

We introduced an enhanced data processing framework to streamline and simplify processes, while ensuring improved control mechanisms for access to personal data. All internal or external data processors are bounded by data processing agreements that hold them responsible for the implementation of adequate security and confidentiality measures. Planned and systematic risk based measures such as data or privacy impact assessments are carried out to ensure adequate and satisfactory information security management.

FUTURE-PROOFING PRIVACY AND FRAUD

In 2018, Telenor launched a two-year privacy programme across its Asian markets to build capacity and introduced scenario-based learning to ensure synchronisation among business units in navigating the complex and changing privacy regulatory landscape.



digi
LET'S INSPIRE

Which of the following is **NOT** in line with protecting customer's personal data?

A. Finding out what your long lost friend's mobile number is through Digi's system.

B. Extracting a customer's call and saving it on your Google Drive account.

C. Checking your girlfriend's Postpaid bill to who has she been calling.

D. All of the above

BACK

SERVICE RELIABILITY AND QUALITY

We now serve 9.2 million internet customers whose 9.9GB average monthly data usage has driven a 70% surge in data traffic on our network. As data demand continues to rapidly increase, we remain committed to provide a quality and consistent network experience for customers.

This year, we expanded our nationwide 4G plus network footprint to cover 89% of the population with 4G LTE, 65% with LTE-A, and grew our fibre network to 8,400km. Our commitment to service quality was also reflected in the results of the Malaysian Communications and Multimedia Commission (MCMC)'s Network Performance Report 2018. The report outlined nationwide network performance measurements based on key metrics such as data throughput speeds and network latency, in line with the Mandatory Standards for Quality of Service for Wireless Broadband Access services.

DIGI KEY METRICS / YEAR	2017	2018
(Throughput) Average Download Speed	15.57MBPS	23.10 MBPS
(Throughput) Speeds	98.80% > 650 KBPS	98.49% >1MBPS
(Network Latency) % of the time latency ≤ 250 ms	99.61%	99.36%
(Network Latency) Packet Loss	0.52%	0.12%

Note: In 2017, most networks were on 3G with throughput set at 650kbps at 65% of the time. In 2018, the threshold was raised to 1Mbps at 80% of the time aligned to LTE coverage deployments. (Source: MCMC Network Performance Report 2018)

i) Throughput - refers to how much data can be transferred per unit of time across a network from one location to another, experienced by end user as internet speed. Higher throughput means better internet speeds.

ii) Network Latency - refers to the Return Trip Time (RTT) of data transfers on a network, how long it takes for the data to travel to its destination. Low latency is considered better than high latency.

iii) Packet Loss - refers to amount of data sent which are unable to reach its intended destination. Low packet loss indicates the network's ability to transfer data from the user end to the destination host with high reliability.



4G PLUS NETWORK COVERAGE

Nationwide LTE upgrade on

89% 65% 8,400KM
4G LTE LTE-A FIBRE

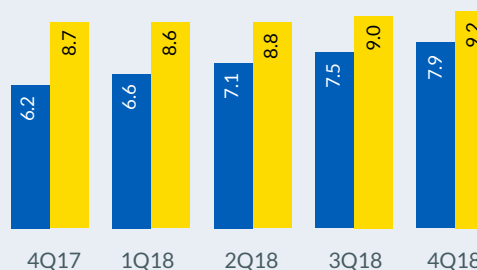


DATA TRAFFIC GROWTH

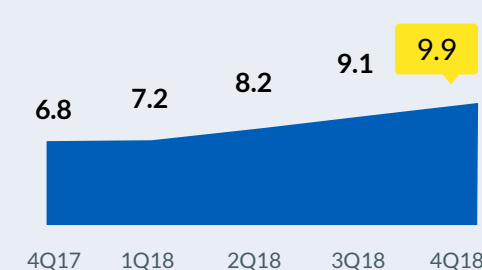
+58% +11%
Y-Y Q-Q



4G & INTERNET SUBSCRIBERS (M)



MONTHLY DATA USAGE (GB/USER)



4G Internet

CUSTOMER CONCERNS

We remained true to our mission of always employing a customer-first mindset and to put customer concerns at the core of all we do. We have a dedicated customer management team constantly working to innovate new ways of improving customer experience across all our digital and retail touchpoints. These efforts have led us to score the highest customer Net Promoter Score (NPS) within the industry for the second consecutive year. NPS is calculated as the percentage of promoters (customers likely to promote a brand) deducted from the percentage of detractors.

DIGITALLY INTEGRATED CUSTOMER MANAGEMENT

We continued making smart investments to redefine our customer experience by digitising customer care services across our touchpoints to meet the expectations of our customers. We introduced further enhancements to offer improved service quality that is relevant and timely.



MYDIGI

Enhancing our self-serve platform to incorporate personalised member rewards and offers, we saw app adoption grow to three million monthly active users (>20% growth from the previous year), with customer logins averaging 10.7 times a month for multiple usages.

LIVE CHAT

As we introduced more digitised customer care options, we saw a 51% reduction in total calls to our Customer Service across all services.

In 2017, we developed an in-house chatbot fondly known as Will that functions as the first point of contact on Live Chat to filter simple customer queries.



In 2018, we recorded positive customer satisfaction (CSAT) scores across both our key touchpoints – contact centre and retail stores, registering an increase of 5% and 1% respectively.

CSAT Ratings	2017 [^]	2018*	Difference
Contact Centre	58%	63%	5%
Retail Centres	87%	88%	1%

(* assured by KPMG) Note: [^] based on data collected from July – December 2017

CONTAINING THIRD-PARTY CONTENT

We took necessary measures to mitigate disputes over unauthorised subscription of content through SMS with third party content providers. We worked to help our customers better manage their subscriptions by implementing an additional authentication layer via Transaction Authorisation Code (TAC) for all third party subscription requests made via SMS, and established a weekly complaint monitoring framework to monitor and escalate disputes to content providers for resolution. We raised efforts to keep customers informed on how they may have unknowingly subscribed to third party services and how to unsubscribe.

ARTIFICIAL INTELLIGENCE AT WORK

We leveraged on the power of Artificial Intelligence (AI) and machine learning to improve cyber security, fraud detection, and streamline processes. These technologies gave us security capabilities to prevent and reduce the effects of a range of threats, including the ability to swiftly detect and respond to fraudulent activities, achieve greater process efficiencies, and reduce human error to provide better protection for customers. The fraud detection AI solution (Automated Deep Learning detector) was developed internally and is able to identify tampered photos and invalid registrations.

MOBILE DATA MANAGEMENT FEATURE

Our latest innovation for customers came in the form of a mobile data management feature for Android users. A collaborative effort between Google and Telenor Group, the feature enables customers using Android devices running on 4.0 operating system and newer to access their mobile data plan, purchase data offers and

receive alerts via phone settings instead of an app. This brought greater convenience to our customers to enjoy our services seamlessly with minimal disruption, resulting in a better internet experience.

BRAND AMBASSADORS

To internalize on the ambition of understanding our customers better, we encourage all employees, beyond retail front-liners and contact center employees to be engaged in internal programs that can help them understand the importance of providing excellent customer experience and how that makes good business sense.



Chitty-Chat-Chat

Chitty-Chat-Chat is a bi-monthly self-running platform to encourage sharing amongst Digizens. From new product launches, to new package plans and service offerings or an innovation story – this platform sets the stage for employees to keep themselves abreast of the latest developments within Digi.

Listening in to customer engagements

For selected day in the month, Digizens are invited to listen-in to calls made by our live-chat teams during their engagement with customers, primarily network detractors. This allows employees from different functions to gain first-hand insights and feedback on how Digi could improve in many aspects of running the business.



Digi Customer Engagement Day

For the sixth year running, our Customer Engagement Day saw over 1,000 employees taking to the streets of Malaysia, with the aim of connecting with our customers and understanding what matters most to them. Themed #DigiNation Freedom to Connect, the annually-held exercise provides our employees the opportunity to gain insights and have honest dialogues with our customers on how we can do better.



#DigiFriend

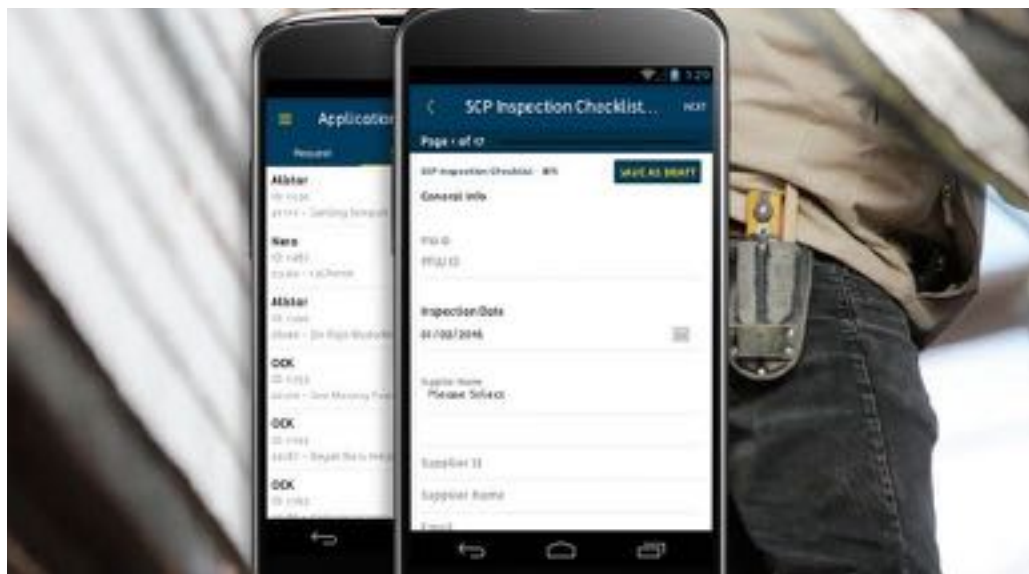
#DigiFriend is an ambition held by frontliners across our retail land contact centre touchpoints, to encourage a people-friendly culture where they approach customers like a friend. We re-imagined our store setup and introduced over 300 #DigiFriend ambassadors across retail stores nationwide to provide personalised and world-class services to customers. As importantly, we also prioritised to serve expectant mothers, seniors and people with disabilities first in our stores.

SUPPLY CHAIN SUSTAINABILITY

Digi adopts international principles and standards to systematically guide, reduce risk, and bring positive impacts across our value chain. Through our Supply Chain Sustainability (SCS) focus, we require responsible business conduct from all our suppliers in accordance with our Supplier Conduct Principles (SCP), which is part of our Agreement on Responsible Business Conduct (ABC). These requirements are complemented by systematic monitoring and risk management. We believe that decent working conditions, respect for human rights and the environment, as well as willingness to improve standards amongst our suppliers is the only viable way forward. By working closely with our suppliers, we can raise the standards and build a competitive edge from the way we manage our supply chain.

COMPLIANCE, CAPACITY BUILDING AND CONTINUITY

Integrity is a vital part of Digi's business, and we exercise due diligence when it comes to the selecting of business partners to ensure compliance with our ethical standards. We have implemented mandatory requirements for screening and conducted integrity due diligence (IDD) assessments on all business partners and suppliers. Parties with a direct contractual relationship with Digi are legally obliged to uphold responsible business practices and adhere to our SCP.



The principles include areas related to human rights, health and safety, labour rights, environment, privacy, and prohibited business practices, which sets out the minimum standards we expect to see achieved over time. Suppliers are also obliged to ensure compliance with applicable anti-corruption laws and regulations.

In 2018, all 162* newly registered vendors signed the Agreement of Responsible Business Conduct (ABC) which communicated our anti-corruption policies and procedures. We conducted 464 site inspections in the year, 95% of which were unannounced. Eight sites were found to have committed major compliance breaches and 35 sites recorded minor breaches. As a result of failing to meet our safety standards, six subcontractors were terminated while two others were suspended for six months pending improvements.

All our suppliers underwent capacity building workshops accumulating 2,060 training hours in the areas of safety awareness guidelines, proper ways of using equipment and also on human rights.

We also made functional enhancements to the Digi Permit to Work (D'PTW) app to better track the operations of our contractors and sub-contractors working at our sites. The D'PTW app was developed to digitise safety monitoring and simplify the permit approval process for all contractors and sub-contractors. Features of the app ensure that contractors have Health, Safety and Environment (HSE) competencies, working at height competency and adherence to Personal Protective Equipment (PPE) requirements. With geo-tagging, and check-in and check-out features among others, the app provides real-time monitoring of a contractor's HSE compliance.

Agreement of Business Contract

unit : number of ABC signed and entered into the system by 31 Dec

Supplier Inspections and Audits

unit : number

Major Non-Compliance

unit : % of total inspections

Minor Non-Compliance

unit : % of total inspections

Contractors Terminated or Suspended

unit : number

Fatality

unit : number

HSE Training for Suppliers

unit : hours

	2018	2017	2016
Agreement of Business Contract unit : number of ABC signed and entered into the system by 31 Dec	162	165	119
Supplier Inspections and Audits unit : number	464	898	984
Major Non-Compliance unit : % of total inspections	1.7%	1%	1%
Minor Non-Compliance unit : % of total inspections	7.5%	3%	9%
Contractors Terminated or Suspended unit : number	8	7	11
Fatality unit : number	8	7	11
HSE Training for Suppliers unit : hours	2060	2690	2050

WINNING TEAM

Building future ready talents and a culture that inspires everyday innovation.

In this new-age of disruption, automation, digital platforms and other innovations are changing the fundamental nature of work, drawing the fine line even closer between man and machine. Realising this, we practice a strong culture that focuses on developing talent, and believe that everyone should have the opportunity to grow and inspire. Our people grow through experiences, exposures and education, where a great emphasis is placed through learning on the job, supported by programmes that enhance their knowledge and capabilities.

- ▶ Agile Employer Brand
- ▶ On-boarding Employees on Strategy
- ▶ Self-Learning Platforms
- ▶ Digital Frontrunners
- ▶ Innovation 360
- ▶ Design Sprints and Everyday Innovation Bootcamps
- ▶ Digital Day & Red Explorer Team
- ▶ Telenor Ignite and Digi CXO Apprentice
- ▶ Employee Effectiveness Survey 2018
- ▶ Diversity & Inclusion
- ▶ Talent & Culture
- ▶ Labour & Employee Representation
- ▶ Employee Health & Safety
- ▶ Digi Medical Response Team
- ▶ Promoting Well-Been through Health and Wellness
- ▶ D'Gym Classes
- ▶ Digi Wellness Programme



AGILE EMPLOYER BRAND



Freedom to Inspire the Next is Digi's brand promise to give our employees the freedom to always explore inspiring ideas for new products, service improvements or innovation, irrespective of hierarchy, tenure or job functions.

We strongly believe in developing talent, supported by multiple streams of self-learning and development platforms. We do this through a systematic approach of identifying future skills relevant to the demands of the business, weighed against the career aspiration of each of our employees, better known as Digizen.

ONBOARDING EMPLOYEES ON STRATEGY

What's Your Next is a half-day course designed to help every employee understand and appreciate Digi's strategy and purpose, facilitated by Digi's leadership team. A total of 1832 participants* nationwide underwent these sessions, including permanent and contract employees. During the sessions conducted periodically every other month, employees undergo a deep dive into the strategy pillars and how they could play a role in driving the company's growth forward.

*Total data from January 2018 to February 2019.



SELF-LEARNING PLATFORMS

Learning exposes us to new ideas for growth, broadens our perspective and helps build our competency, giving us that competitive edge so that we can remain relevant to our customers and to the business. To cultivate a habitual learning culture within Digi, each employee was challenged to complete 40 hours of learning on various digital platforms such as Lynda.com, Coursera, Udacity and Linux Academy.

We achieved a total of 103,614* hours of learning with an average of 64 hours per employee. On top of this, we estimate an additional 14,856 hours of learning by 190 employees who graduated with Udacity Nanodegrees. (*assured by KPMG)



103,614hrs
of learning



64hrs
average per employee



DIGITAL FRONTRUNNERS

We aspire to create a positive workplace culture, anchored on attracting passionate talents and providing continuous growth opportunities. We are a company focused on being customer-obsessed and innovation-led in running our business and creating positive experiences for our customers.



INNOVATION 360

Our approach to Innovation 360 is to inspire, equip and enable employees to adopt and apply innovation to their way of work every day. Guided by our refreshed values of Always Explore and Create Together, complimented by Being Respectful and Keeping Promises, we aim to do different things or to do things differently.



DESIGN SPRINT & EVERYDAY INNOVATION BOOTCAMPS

Design sprints are conducted frequently for departments & project groups to improve agility and to promote a red way of work (prototyping, fail fast and innovate). We had 9 departmental sprints & multiple innovation bootcamps for key functions within the organisation such as Customer Management and Technology, and engaged 680 Digizens through these sessions.



DIGITAL DAY & RED EXPLORER TEAM

Digital Day is an annual one-day event dedicated for all employees to internalise our digital ambition. This year, we saw over 1,300 Digizens actively engage in the speaker series, roundtable forums, exhibitions and master classes conducted throughout the day.

Meanwhile, the Red Explorer Team (RET) was introduced to encourage participation of employees who aspire to be an intrapreneur and work on high impact digital projects. Two RET teams were formed comprising of eight selected employees who hatched ideas into prototypes over the course of the year. One idea is being developed into a health wearable product while the other is a WiFi-enabled service.



TELENOR IGNITE AND DIGI CXO APPRENTICE



Telenor Ignite is organised by the Telenor Group as a global platform for intrapreneurs from different Telenor markets to develop their ideas into a product or service.

Season 3 saw four teams from Digi pitching in the 'Top 18' finals. Team Eureka, with a predictive solution to address network complaints was crowned the winner for the season.

The third edition of the CXO Apprentice Programme paired talented young graduates with Digi's CXOs for a year, giving them opportunities to be part of high-impact projects and front-row seats to business decision-making. Nine out of 870 bright young minds were selected based on their ability to solve key business challenges using a digital frontrunner mindset.



This year, the programme focused on reaching out to Malaysian students studying abroad, along with more outreach to local public universities, resulting in a very diverse application pool. A game-based assessment was employed to better understand the candidates and help with the filtering process. Candidates who made through the shortlisting were then invited to Digi for individual and group assessment process, including one where they were required to be product managers, having to create new products and pitch their ideas within an hour.

This was done to look into how well the candidates could think rapidly and work independently on their own as well as in a group. The Digi CXO Apprentice Programme has been crafted to allow the apprentices to spend their last few months assimilating themselves into their future roles to ensure a smooth transition from the apprenticeship to their new roles in Digi.



EMPLOYEE EFFECTIVENESS SURVEY 2018

Our annual Employee Effectiveness Survey (Our Voice) released in November last year, showed a 1% increase (from 2017) in both Engagement and Enablement, at 78% and 76% respectively, and we achieved a 98% response rate (1,536 respondents). These scores also surpass the Engagement and Enablement scores for Telenor Group by 1% and 2% respectively. The survey provides an opportunity for employees to express their views about working at Digi. Findings show that majority of employees have a good grasp of the company's strategy and believes that good governance is practiced across the business functions.

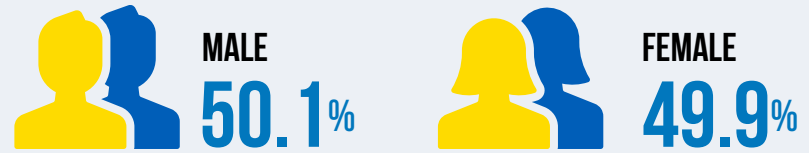
DIVERSITY AND INCLUSION



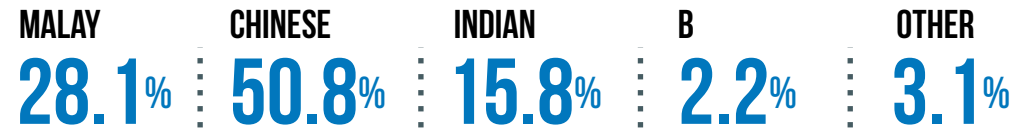
Digi was the sole Malaysian company to make it to the Top 50 in the Thomson Reuters Global Diversity and Inclusion (D&I) Index for 2018. The D&I Index ratings are benchmarked against Thomson Reuters environmental, social and governance (ESG) data, which measures over 24 metrics clustered across four key pillars: Diversity, Inclusion, News & Controversies and People Development. Among the issues considered are Board Gender Diversity, Women Employees, Diversity, Flexible Working Hours, Employee Satisfaction and Career Development Processes.

We believe in having a diverse and inclusive workforce at all levels of the organisation. Our Board level has a 57% composition of women board members with the appointment of Ms Anne Karin Kvam as Non-Independent and Non-Executive Director in October 2018. The Management team consists of 25% women representation while our leadership comprises of 46% women leaders.

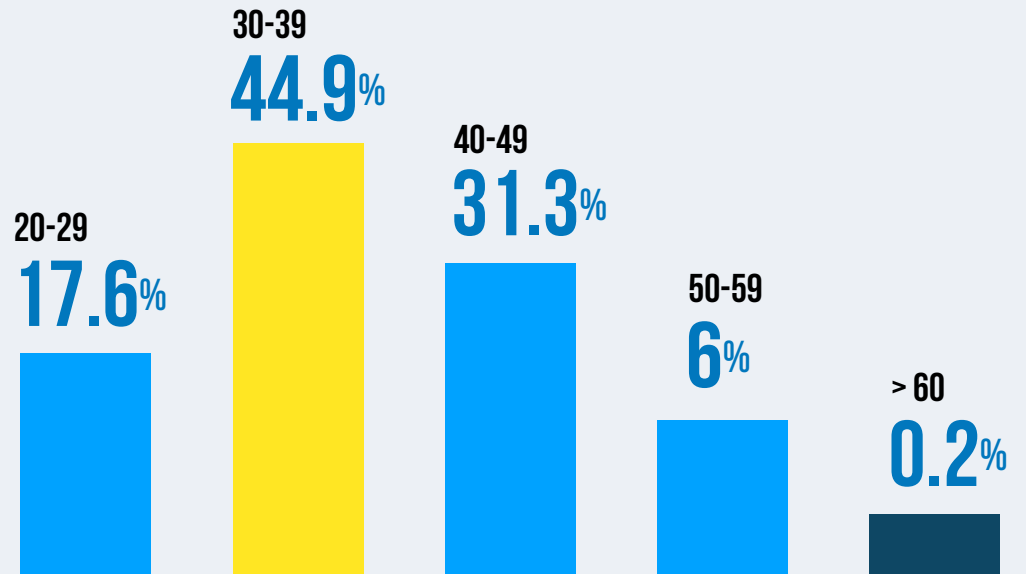
GENDER



ETHNICITY



AGE GROUP



TALENT AND CULTURE



We believe in building a fulfilling workplace, inspired through a common understanding of shared-value between management and employees. A people-first approach remains a key priority for sustained competitiveness and growth in our HR strategy.

Leadership and expert training programmes are provided periodically to prepare aspiring leaders for the next step in their career progression. Selected leaders joined the Telenor Strategy Execution Programme, organised by Telenor Group with INSEAD, out of which eight graduated with distinctions. Among others, the programme is carried out with the following anticipated outcomes :

- To have a clear, aligned understanding of what it means to be a digital services provider
- To learn how to organise, measure progress and develop people in a truly ambidextrous organisation
- To plan for strategising and leading in uncertainty
- To foster cross-functional collaboration and adopt an empowering leadership style
- To commit to challenging past ways of working and striving for continuous self-development

Face-to-face quarterly townhall sessions are conducted involving all Digizens in the company, where the Management team provides both financial and non-financial updates. This among others, covers reiterating on the organisation's purpose and alignment to business strategies, quarterly financial performances, new products and service offerings, people related matters, and environmental and social impact.

LABOUR AND EMPLOYEE REPRESENTATION



Digi is a professional and inclusive workplace that observes the International Labour Organisation (ILO)'s fundamental conventions. We recognise and respect the right to freedom of association and the right to collective bargaining within national laws and regulations. We do not employ or contract child labour or any form of forced or compulsory labour, as defined by ILO fundamental conventions. We are also opposed to all forms of discriminatory practices and do our best to promote equality in all employment practices. We do this by constantly promoting a working environment where employees are encouraged to speak up and share their views on all matters affecting employee welfare and engagement, productivity as well as operational and process improvements. Our Best on People Council (BOPC) and Digi Telecommunications Sdn Bhd Employees Union (DGEU) comprising elected employee representatives from across the Company work in close collaboration with the Management in addressing all matters raised by employees.

We signed our second Collective Agreement with DGEU on 9 April 2018, in the presence of the Director-General of Industrial Relations from the Industrial Relations department under the Ministry of Human Resources, the President of UNI Malaysia Labour Centre (UNI-MLC) and Telenor Group's Chief Human Resource Officer. The renewed Collective Agreement binds new variations to terms and conditions of service and will remain in force until December 2020.

EMPLOYEE HEALTH AND SAFETY

Digi pioneered the adoption of ISO 45001:2018 Occupation Health and Safety Management System certification in the industry to ensure enhanced compatibility with wide range of national health and safety management standards.



The ISO 45001:2018, is the world's first international standard for occupational health and safety management, and provides a framework to increase safety, reduce workplace risks and enhance health and well-being at work for all organisations.



This reaffirms our commitment towards a safe and sustainable workplace for all employees. We continue to enhance competency for our Health, Safety and Environment (HSE) team members, established a new HSE Policy Statement, analysed non-operational risk for the organisation and upgraded our HSE manuals among others.

Having achieved a year of zero lost time injury frequency (LTIF)¹ in 2017, we recorded one significant employee injury in 2018 with our LTIF at 0.27* per million hours of work. Employees percentage in sickness absence frequency² recorded a marginal increase of 0.05% for 2018, settling in at 1.09%. (*assured by KPMG)

1.Lost-Time Injury frequency (LTIF) measures all work related fatal accidents and lost time injuries for employees per million worked hours. 2.Sickness absence frequency measures the absence rate of employee against the total number of available working days

DIGI MEDICAL RESPONSE TEAM (MRT)



Our First Aid emergency hotline is supported by a MRT comprising of Digi volunteers trained to handle medical equipment such as trauma quick response kits, automated external defibrillators and oxygen packs. In 2018, our 30 volunteers received their training certification from the Emergency Care & Safety Institute, United States

PROMOTING WELL-BEING THROUGH HEALTH AND WELLNESS

Since 2016, we embarked on five year long-term strategy to promote greater health and well-being for our employees.



D'GYM CLASSES

We increased our gym class offerings to include metafit, zumba, circuit training, tabata and kickboxing. 2,500 gym class registrations were recorded in the year, an increase from 500 a year ago.



NO LIFT DAY

Every Friday is observed as a No Lift Day, and all employees at D'House (Digi's Headquarters complex) are encouraged to use the stairs instead. One lift is maintained functional for the physically challenged or unwell employees to use.



DIGI WELLNESS PROGRAMME

We executed an eight-week wellness challenge to promote healthier lifestyles and weight management. 260 employees undertook the fitness challenges, gained nutrition awareness and are practicing good lifestyle habits.



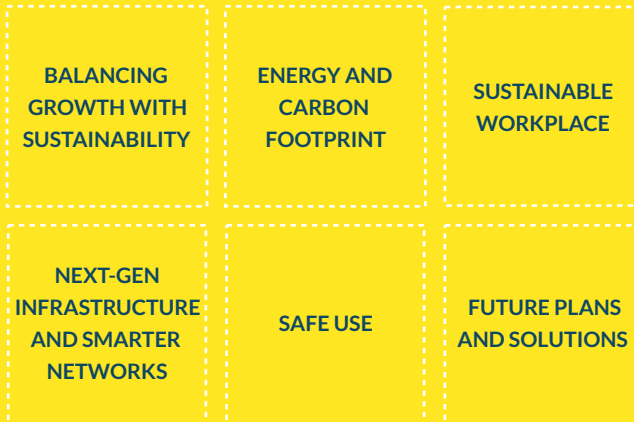
NO SMOKING DAY

16 October 2018 was officially celebrated as a No Smoking Day in Digi, whereby smoking was completely prohibited within the office vicinity. This is to encourage employees to reduce or to quit smoking.

CLIMATE CHANGE & ENVIRONMENT

Minimising our environmental footprint while growing our reach, and leveraging digital services to address climate change.

Digi pursues long-term environmental targets and this is reflected through the strategic and operational decisions that drive effective management of environment matters.



BALANCING GROWTH WITH SUSTAINABILITY



Digi has a large and growing footprint across Malaysia. With the increasing usage of digital services, we have seen a phenomenal growth in internet traffic on our network and this forms the continuous challenge to balance the demand for growth with the need for sustainability. While we understand our impact on the country's greenhouse gas emissions and waste challenges, we are also aware of the huge potential of technology to decarbonise the entire economy.

Our climate strategy remains focused on pushing for energy efficiency gains in all aspects of our energy consumption to minimise our carbon footprint and pave the way to realise climate-friendly innovations. We continue to disclose our carbon footprint and we report as part of the Telenor Group to the Carbon Disclosure Project (CDP) climate reporting system, in line with the Task Force on Climate-related Financial Disclosures (TCFD) reporting framework. For the fourth year in a row, CDP rated Telenor Group in their 'Leadership' category as part of its climate ranking list for 2017.

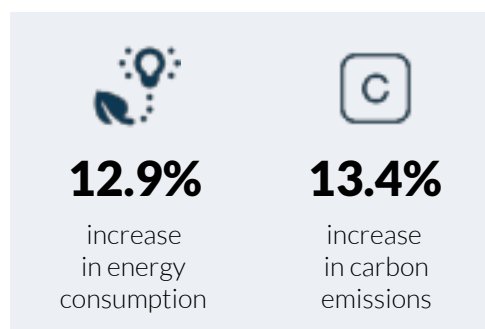
We continue to take guidance from the Global e-Sustainability Initiative (GeSI) SMARTer 2030 Global Report which demonstrates ambitions of how responsible technology-enabled transformation initiatives can improve the quality of human life globally and create a more sustainable world. According to the report, by 2030, technology has the potential to slash global greenhouse gas (GHG) emissions up to 20% by helping companies and consumers to use and save energy intelligently, thus contributing to operational efficiencies and wider societal benefits.

For instance, to generate carbon savings in our downstream, our iFleet smart solution reduces fuel wastage and improves driving behaviour for corporate customers while Digi Connected Cars with AXA FlexiDrive is a commercial offering that rewards safe and efficient driving patterns, tracked based on speed and mileage. Meanwhile, Omni, our innovative enterprise-level virtual phone system allows enterprises to dematerialise and avoid resource-intensive setups for office phone systems or a call centre.

ENERGY AND CARBON REPORTING

Our non-financial reporting framework tracks energy usage and carbon emissions from the grid and generators for our network, buildings, flights, fleet and rental vehicles. Being aware of where our most significant emissions are produced, we continue to explore new avenues to reduce our emissions while delivering business goals. In 2018, while we saw energy savings in some indirect value chain emissions (Scope 3), we still recorded energy growth in our direct (Scope 1) and indirect emissions (Scope 2) resulting from our business growth. Our energy consumption increased by 12.9% while our carbon emissions increased by 13.4%.

Digi Climate Metrics/ Year	2017	2018
Scope 1: Direct Energy Consumption from Fuel (GwH)	101*	111^
Scope 1: Carbon Emissions (Tonnes)	24,262	26,960
Scope 2: Indirect Energy Consumption from Grid and Green Electricity (GwH)	194	230
Scope 2: Carbon Emissions (Tonnes)	131,926	153,769
Scope 3: Indirect Energy from Value Chain (GwH)	9*	9
Scope 3: Carbon Emissions (Tonnes)	1,782	1,728
Total Energy (GwH)	304	350
Total Carbon Emissions (Tonnes)	157,970	182,457



Note: Our boundary for carbon reporting only covers emissions from Digi Telecommunications Sdn Bhd. Our network accounts for the largest emissions operating under this company. It does not include subsidiaries, outsourcing services or joint ventures.

All energy and emission figures (Scope 1, 2 and 3) are assured by KPMG except for ^ which includes an estimation for diesel consumption in generators on standby. Standby generators account for 0.18% of total diesel consumption.

** Energy consumption from transportation reported in 2017 has been categorised to Scope 1 and Scope 3*

Digi Intensity Metrics/ Year	2017	2018
Customer Base (mil)	11.75	11.66
Energy Usage per Customer (KwH)	25.8	29.7
Carbon Intensity per Customer (tCO2e)**	0.013	0.016
Energy Usage per terabyte (MwH)	0.56	0.38
Carbon Intensity per terabyte (tCO2e)**	0.29	0.20
Customer Base (mil)	11.75	11.66
Energy Usage per Customer (KwH)	25.8	29.7
Carbon Intensity per Customer (tCO2e)**	0.013	0.016

In 2018, our total carbon emission equivalent is at 182,457 tonnes (15.5% year-on-year rise). While the carbon intensity per customer has risen 23% to 0.016 tonnes CO2e due to demands of a growing subscriber base, the carbon intensity per data usage has decreased by 31% to 0.20 tonnes CO2e. This means that though the average customer is using more data, we have achieved a lower carbon footprint per unit of data consumed.



31%
decrease in
carbon intensity
per data usage

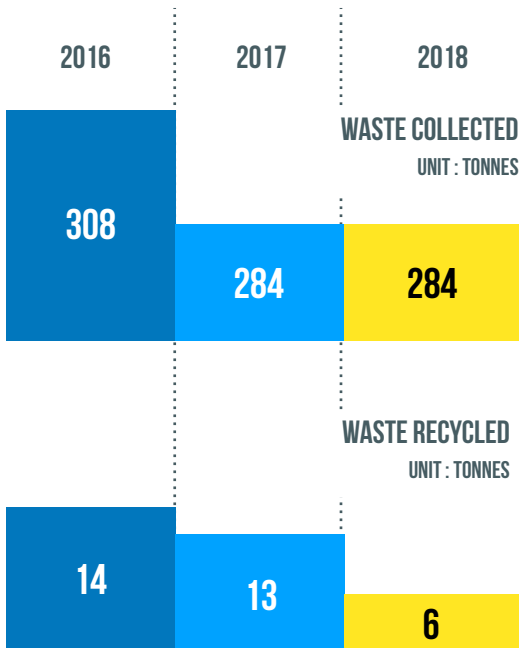
*** Carbon Intensity is the emission rate of a given pollutant relative to the intensity of a specific activity or data. (Source: Wikipedia). Our carbon intensity is measured by tonnes of CO2 (tCO2e) per terabyte of data and by customer base in millions. We believe these are good indicators to measure against, considering the increasing data consumption trends of our customer base.*

SUSTAINABLE WORKPLACE

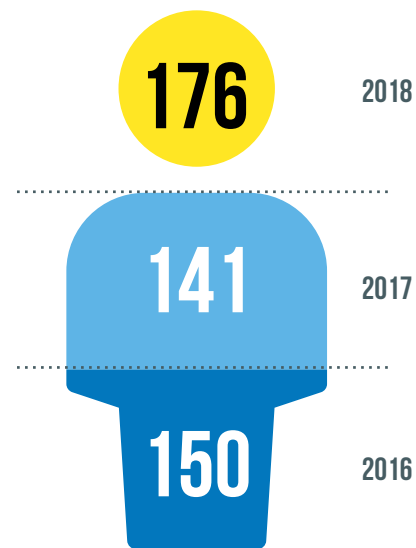
Our buildings incorporate design, construction and operational practices that significantly reduce or eliminate negative impacts on the environment. These practices contribute to lower costs, provide new business models while optimising our employees' health and wellness. We have undertaken several measures to further reduce energy consumption in our office buildings. Among others, we implemented the enhanced Building Automation System (BAS) and decentralized air-conditioning, resulting in improved cooling controls and reduction of electricity consumption. A mobile app linked to the BAS permits robust and timely controls to the multiple facilities in the building – chiller, lighting, water, fire safety, ventilation and air handling unit systems among others. Data points collected from these systems enable a more efficient energy improvement measures to be undertaken periodically.

For 2018, we registered over 950,000 kilowatt hour (kWh) savings or a 12.5% reduction in energy consumption at our headquarters in Shah Alam

GENERAL WASTE



WASTE GENERATED PER EMPLOYEE (KG)



E-WASTE

E-waste directly produced from our operations is managed under the Environmental Quality (Scheduled Wastes) Regulation 2005 and our E-Waste Guidelines.

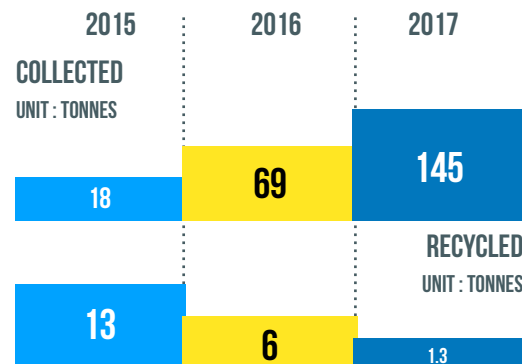
NETWORK EQUIPMENT

Decommissioned network equipment constitutes the largest amount of e-waste generated by tonnes. We reuse equipment, and send those that are obsolete to recycle and be disposed of safely by a licensed vendor. Our target is to achieve 100% recycling rate of decommissioned electrical and electronic equipments.

MOBILE PHONES

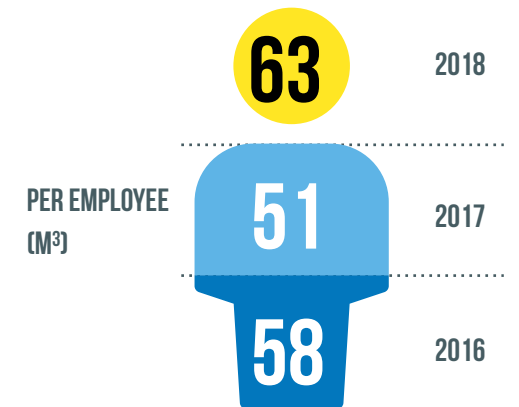
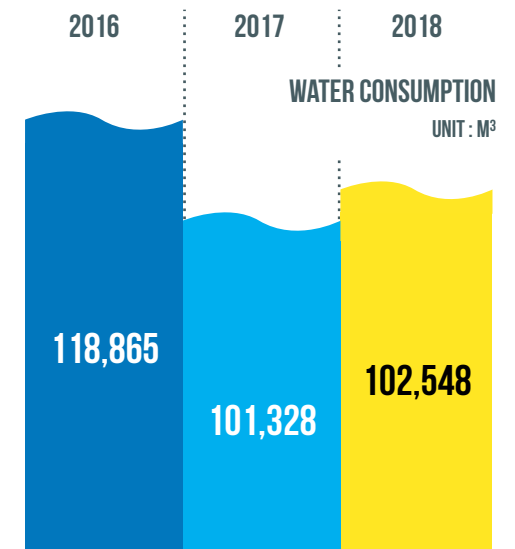
We continue with our collection of old mobile phones for responsible disposal through our e-recycling boxes in all Digi stores. This is in collaboration with the Mobile e-Waste: Old Phone New Life initiative which is a joint recycling and awareness initiative by the Malaysian Communications and Multimedia Commission, Malaysian Technical and Standards Forum Berhad, and the industry.

OBsolete ELECTRICAL AND ELECTRONIC EQUIPMENT



WATER CONSUMPTION

In 2018, we recorded a marginal 1.2% increase in our water consumption across all our operations nationwide at 102,548 m³.



NEXT-GEN INFRASTRUCTURE AND SMARTER NETWORKS

In 2018, we were more intentional in implementing sharing models (up to 70% tower sharing), rolling out more efficient small cells and rooftop sites in place of larger base station towers which has a more significant environmental footprint. We were also more aggressive in converting fuel based generators to grid energy. However, our solar renewable energy sites were reduced to 41 sites as 16 sites were vandalised.

We undertook a change in operating model as we engaged Ericsson in a Common Delivery Centre (CDC) agreement to maintain our network operations for optimal efficiencies. This synergy provides us access to Ericsson's latest technologies, tools and software to manage day-to-day operations and network expansion, and contributes towards greater energy efficiencies.

SAFE USE

We are committed to providing mobile connectivity safely to our customers. We support proactive engagement with stakeholders concerned on the misunderstanding of the low risk associated with electromagnetic frequency (EMF) matters and are open in how we ensure our emissions are within the prescribed levels.

In many Malaysian states, state backed companies are responsible for identifying sites and erecting towers, working with local authorities to obtain the required permits and engage local communities. Our transmission equipment adheres to stringent guidelines of the International Commission on Non Ionising Radiation Protection (ICNIRP) standards, endorsed by the World Health Organisation. We also take guidance from the ITU EMF Guide developed by MCMC in collaboration with International Telecommunication Union (ITU) and represent the basis for all our planning, installation work and safety measures at antenna sites. An internal EMF Response Team investigates and addresses any complaints.

Telenor Group continues to be supportive of serious research efforts to establish whether there may be any negative health effects of exposure to EMF from mobile phones and infrastructure. With 5G emerging, there has been an increase in public requests on health risks related to EMF and 5G. As referenced from Telenor Group's research on this area, it should be noted that 5G is not fundamentally different than previous generations of mobile networks; the emitted radio signals will use same or similar frequencies as 4G (700-3,700 MHz) or existing micro wave radio connections (26,000 MHz). Hence, existing research and safety limits are fully valid also for 5G. Supplementary 4G/5G services like Internet of Things (IoT) are expected to be abundant. Such connected devices are typically transmitting very limited data volume, and with batteries expected to work for more than 10 years without charging it is a prerequisite that IoT signal emissions will be extremely low. Further information of Telenor Group's development in this area can be viewed here - <https://www.telenor.com/sustainability/responsible-business/safe-services/mobile-phones-and-health/>

FUTURE PLANS AND SOLUTIONS

Moving forward, our plans are focused on these key areas:



1

Review and align climate reporting processes with the TCFD recommendations.



2

Reduce energy demand of our network and buildings by investing in more efficient cooling technologies. This is in continuation of cooling initiatives implemented in our headquarters in 2018 where we realised carbon savings.



3

Reduce vehicle fuel consumption through driver monitoring software and synergised fleet management under our new operating model.



4

More aggressive conversion of sites from generator to grid energy to reduce dependency on fuel.



5

Work towards zero office waste to landfill through better recycling efforts and removing single-use plastic waste.



6

Instil good environmental management principles across our operations via the ISO 14001:2015 certified Environmental Management System.

EMPOWER SOCIETIES

We believe that the internet is a great equaliser. As more services become available online, connectivity becomes a necessity to enrich lives and empower societies.

Commitment to Sustainable Development Goals

Digi is committed to prioritise and deliver on the United Nations Sustainable Development Goal (SDG) #10 – Reduced Inequalities, where we aspire to provide access to meaningful internet services for all Malaysians and drive greater socio-economic development for communities. Now more than ever, we need to equip as many Malaysians with the ability to use technology and develop innovative solutions to solve problems that can otherwise leave them marginalised. We work to ensure that access to opportunities is equal for all. This is our purpose to empower societies and reduce inequalities.

Partnering For Reducing Inequalities

In 2018, we worked with like-minded partners such as Telenor Group, Ministry of Communications & Multimedia, Malaysian Communications and Multimedia Commission (MCMC), Ministry of Education, UNICEF, Petrosains, Childline, The Star R.AGE, and many others to drive our ambition to develop digital competencies and resilience of Malaysians. These collaborative partnerships have enabled us leverage on inter-organisational strengths and deliver on our programmes with maximised scale and impact. At end November last year, we engaged multiple stakeholders, and showcased the impact of our projects and these partnerships at our annual Partnering For Reduced Inequalities (PFRI) event held at our headquarters.



COMMITMENT TO SUSTAINABLE DEVELOPMENT GOALS



PARTNERING FOR REDUCING INEQUALITIES



Digi was awarded the Best Social Innovation award in the Malaysian Dutch Business Council Innovation and Sustainability Awards (MISA) which showcases best industry practices. The MISA 2018 Social Innovation category focused on organisations with innovations that positively affect society, address current Malaysian social issues and contribute to the development of the industry.

YELLOW HEART

A total of 87.4% of Malaysia's population are connected to the internet. Moreover, the Internet Users Survey 2018 (IUS 2018) released by MCMC states that nine out of ten children aged 5 – 17 years are internet users, making them vulnerable to various online risks (Source: MCMC Press Release January 2019). In a world where our children are "growing up digital", it is pertinent that alongside access, our children are raised to be safe and citizens. This is the core purpose of Yellow Heart. Play the video here - [Watch Video Here](#)

Yellow Heart was launched in June 2018 as our commitment to create a more sustainable digital future for all; delivered via our two nationwide initiatives:

Enabling Digital Inclusion and Building Digital Resilience.



ENABLING DIGITAL INCLUSION

We strive to provide equal opportunities for all members of society to benefit from the power of the internet. We believe it is imperative to adopt future skills learning for a digitised Malaysia, where future jobs will change, demanding a highly skilled interoperable workforce.

DIGI INTERNET CENTRES

We continue to collaborate with MCMC to operate and maintain 132 internet centres located in rural communities and urban low income housing projects. These community internet centres provide access and basic digital literacy programmes for the community.

DIGI ACADEMY AND DIGI ROBOTICS PROGRAMME

In co-operation with MCMC, our programmes advocate digital literacy, primarily for youth residing around our internet centres. These programmes, anchored on STEM and future skills modules provide an early foundation and build interest and enthusiasm in their pursuit of tertiary learning opportunities. During the year, Digi Academy (DA) trained 600 youth from three states, Selangor, Negeri Sembilan and Melaka. DA is a platform to provide opportunities for future skills learning, including coding and programming to underprivileged secondary school students located in selected internet centres managed by Digi. Classes are conducted either weekly or in accordance to a set schedule determined by the respective Internet Centre managers themselves. The modules used are designed by Digi in partnership with Arus Academy, a social enterprise that provides after-school classes where students learn how to actively solve problems by building and creating their own physical and digital solutions. To ensure the sustainability of the programme, Digi employed a train-the-trainer approach whereby the managers of those internet centres undergo workshops to familiarise themselves with the future skills modules. They are also exposed to the necessary skills to conduct their own classes, customising lesson plans and pedagogy skills that would enable them to even pursue an educator career should they decide to do so. Progress is monitored closely and assessed by the programme committee to ensure proper coordination and delivery modules. More information on Digi Academy can be found here.



The Digi Petrosains Robotics programme, in collaboration with Petrosains, enters its 2nd year and through a more targeted approach, reached 40 children from marginalised communities in Selangor and Johor. The programme aims to provide secondary school students basic designing, coding and proximity sensor training in robotic development. We plan to expand these programmes to the East Coast and East Malaysia in 2019.

FUTURE SKILLS CAMP: DIGITAL PHOTOGRAPHY



We conducted a pilot initiative together with UNICEF and Childline Malaysia to inspire and empower children to be creative digital storytellers. Leveraging on smartphones and photography apps, we empowered 40 children from urban low income, refugees, and indigenous communities with tools and guidance from field experts, to tell life stories through digital photography. The children showcased their work at our PFRI event and on online platforms.

JOMSTUDI DIGITAL LEARNING HUB



We collaborated with Astro and Media Prima on JomStudi, a digital learning hub that aggregates quality educational content as a learning aid for all students, especially those in the underserved areas. Developed by Digi, the platform was launched in March 2019, and aims to be a go-to platform for students to access quality education content that follows the national syllabus format. To motivate students, JomStudi incorporates gamification elements to make the learning experience fun. This includes reward badges for completing an assignment as well as a personalised dashboard on which they can track their own progress and development. Digi customer enjoys free access to the platform during the JomBelajar time zone from 2pm-8pm daily. The initiative is supported by the Malaysia Digital Economy Corporation (MDEC).

BUILDING DIGITAL RESILIENCE

We continued to drive thought leadership and solid momentum in keeping children safe through responsible and resilient digital citizenship. We initiated 226,357* meaningful engagements with young people across the country in 2018 via various nationwide campaigns. We estimate another 75,000 were engaged in the #StandTogether programme. (* assured by KPMG)

[Play the video here](#)

#STANDTOGETHER NATIONAL KINDNESS WEEK

baikhati

#STAND
TOGETHER

Partnering with UNICEF, Ministry of Education, The Star R.AGE and S P Setia Berhad in the inaugural #StandTogether National Kindness Week, we engaged with students from over 700 schools nationwide. We spearheaded an online campaign (#5DaysBaikHatiChallenge) to spark a culture of kindness on the internet with support from celebrity influencers and via an online competition. The #5DaysBaikHatiChallenge involved schools uploading social media photos or videos about acts of kindness during the inaugural National Kindness Week from April 2 to 6. The photos or videos submitted must be based on a different "kindness theme" for each day of the week, with the themes being announced on the campaign website www.baikhati.my. The top three schools - SMK Rantau Panjang, Sri KDU Secondary School and SMS Sultan Haji Ahmad Shah emerged as the winners of the campaign. We are planning a second season in 2019 to reach an even larger audience nationwide.

#ENDVIOLENCE YOUTH TALK

We organised a YouthTALK forum with UNICEF, where 300 youth shared their concerns and opinions on internet safety to key stakeholders. The platform saw the participation of several Malaysian Members of Parliaments as well as local and international celebrities joining hands to amplify the voices of these children, standing against online violence. Engaging in the dialogue session were YB Nurul Izzah Anwar, MP for Permatang Pau; and YB P. Prabakaran, MP for Batu; as well as Lisa Surihani, UNICEF National Ambassador to Malaysia and Siwon Choi, UNICEF Special Representative from South Korea. Dr. Goh Chee Leong, Professor of Psychology, HELP University; and Marianne Clark- Hattingh, UNICEF Representative to Malaysia. The online content and live video gathered over one million views on social media channels both locally and abroad.



YELLOWHEART#DARETOSHOUT

Taking a more targeted approach by joining forces with the reigning Miss Universe Malaysia 2018, Jane Teoh in her #DareToShout campaign, we visited selected schools in Klang Valley and Penang to share her personal cyberbullying stories and educate students on digital resilience strategies.

Jane is a strong advocate for cyberbullying awareness, and is extending her reach to a wider audience through this partnership with Digi.



ADVOCACY AND YOUNG AMBASSADORS

Partnering with the Ministry of Education, CyberSecurity Malaysia and Google, the Yellow Heart CyberSAFE in Schools campaign focused on instilling positive digital citizenship behaviours. The campaign garnered 90,968 entries from over 173 schools nationwide. To reach the masses, we implemented our safety education modules in MDEC's Mobile Learning Bus initiative to educate children in rural areas. We refreshed our interactive digital exhibit at Petrosains, The Discovery Centre that attracted over 500,000 visitors in 2018. We also partnered with Childline Malaysia and Talisman Project to host capacity building youth camps at our headquarters.

SURVEYS AND WORKSHOPS

The Digi Yellow Heart Cyberbullying and Youth Disposition Survey 2018 is our third nationwide online safety study to understand the co-relation between youth disposition and cyberbullying. The survey ran for 10 months and gathered responses from close to 2,000 youth, aged 13-21 years old, predominantly from rural schools. These youth were required to answer a list of questions relating to their personal disposition, experiences with

cyberbullying and how they responded when encountering these risks.

According to the survey which ran for 10 months, it revealed that 20% of youth attest to being cyberbullied for more than a year. One out of five youths attested to being cyberbullied for more than a year, while youths with less positive dispositions were more likely to be bullied online.

Download the report [here](#).

Concurrently, we also partnered with Sunway University and Free University of Berlin (FUB) on an appropriate mitigation strategies survey and a cyberbullying prevention programme with 11 secondary schools in the Klang Valley.

RESOURCES AND MODULES

We have consistently produced various educational awareness resources on digital citizenship and internet safety to complement our programmes. Some new resources introduced in the year included a parental guide with CyberSecurity Malaysia and an interactive online module – Digiworld developed for children and parents, in partnership with Telenor Group and Parentzone UK. With the help of a delightful character, Lil' Blue, Digiworld will help young people and their parents develop knowledge, skills and digital resilience needed to navigate the Internet in a safer and more enjoyable way; such as having the ability to understand when they are at risk online, knowing how to seek help and being able to bounce back on their feet if things go wrong online.

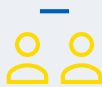
We also developed a five-episode animated video series, called the Yellow Heart Cyber Series, produced by popular youtuber Cartoon Hooligans in partnership with Google. The series developed as part of our annual CyberSAFE in Schools Competition, a collaboration between the Ministry of Education Malaysia and Cybersecurity Malaysia aims to engage children effectively on digital resiliency and citizenship skills, leveraging off popular media and platforms where children thrive, which in this case are the YouTube superhero cartoons. The series have hit over a million views on social media.

Each one-minute episode covers pressing issues such as:



WHEN A HERO ACTS LIKE A VILLAIN

The first episode reminds students to put more thought into what they post on the internet – some things that they find amusing may be hurtful to others.



BETRAYED BY A FRIEND?

Highlighting the prevalence of online scams, this episode exhibits the perils of falling for such material and to think before they click.



KEEPING SECRETS SECRET

As a follow up to the awareness of internet traps, this episode walks students through creating a more secure password and serves as a reminder to change it regularly to avoid untoward incidents.



FRIENDS MAKE THE WORLD BETTER

Cyberbullying can come in many forms, and this episode displays the effects that negative comments have on a person versus positive reinforcements, and why everyone should choose the latter.



COURAGE IN THE FACE OF HIDDEN DANGER

The final episode tackles two important issues – exclusion, which is a form of cyber bullying, as well as cybergrooming. Students are taught to be more mindful of others, and at the same time to speak to an adult or authoritative figure should they be asked to reveal more than they should.

FUTURE PLANS AND SOLUTIONS

As evolving technologies continue to change the nature of internet usage among young people, we also observe the emergence of new online risks and the importance of keeping abreast with these changes and needs. We have planned for at least 15 state-wide capacity building sessions in 2019 and will continue to implement ongoing nationwide surveys and research to gather ground up insights to curate more meaningful engagements and impactful solutions.

ABOUT OUR DISCLOSURE

Transparent and accountable reporting of our sustainability performance.

This is the home to Sustainability at Digi. It is a repository of information for our stakeholders to understand our approach to sustainability. It details the overarching principles that guide us, and the management approach of how these principles are operationalised in our day to day engagement with stakeholders.

Digi believes that reporting will contribute to open discussions and to building knowledge on challenging issues.

We disclose our current sustainability initiatives, and offer a glimpse of our future directions. We are transparent in our success as well as our challenges when we have not met expectations or targets.



SCOPE

Our sustainability disclosure covers only our wholly owned subsidiary Digi Telecommunications Sdn Bhd, which is the core of our business operations.

CORPORATE STRUCTURE

100%

digi.com Berhad

Digi Telecommunications Sdn Bhd

Digi Services Sdn Bhd

Y3llownaYon Sdn Bhd

(formerly known as Pay By Mobile Sdn Bhd)

Y3llowlabs Sdn Bhd

(formerly known as DJuice Com Sdn Bhd)

REPORTING PRINCIPLES

In keeping true to Digi’s commitment, we were one of the first business in Malaysia to stop producing hardcopy sustainability reports, since 2016, and we’ve tried to keep an innovative digital approach to reporting ever since. We’ve also made available downloadable PDF for any stakeholders who would like to review our data on one page. This report has been prepared in accordance with the GRI Standards: Core option. These include principles like stakeholder inclusiveness, timeliness and clarity. The procedure of compiling sustainability disclosure is in accordance with the Telenor Group Non-Financial Reporting Procedures, and Digi’s Standard Operating Policy and Procedures on Sustainability Reporting. These policies and procedures provide guidance on the scope and boundaries of reporting, roles and responsibilities, internal control processes, and definitions for all reported parameters. We also adhere to meet established reporting standards such as the Greenhouse Gas Emissions Protocol and the Carbon Disclosure Project (CDP).

VERIFYING AND ASSURING OUR DATA

We’ve also been reporting our environmental impacts and the actions taken to reduce them to CDP since 2009. In the past few years, Digi’s environmental data has been included as part of the Telenor Group level submission to CDP for which we achieved a leadership index status in 2017. We employ a non-financial reporting (NFR) system which follows a strictly controlled process for data collection and all of our quantitative data is verified by Telenor Group. In 2018, we commissioned KPMG PLT, an external accounting firm, to perform limited assurance at a limited level as defined by ISAE3000 on the following GRI indicators.

REPORTING PERIOD

Unless otherwise stated, all data covers the calendar year 1 January to 31 December, unless we’ve stated otherwise.

We have included two years of historically tracked data for key indicators. We also use the Greenhouse Gas Protocol operational control approach to establish the organisational boundaries for our environmental data.

Digi’s Performance Data	Corresponding GRI Indicators
Suppliers signing the Agreement of Business Conduct (ABC)	Total number of and percentage of suppliers that the organisation’s anti-corruption policies and procedures have been communicated to through signing the Agreement of Business Conduct
Results of survey measuring customer satisfaction	Results of customer satisfaction surveys conducted in the reporting period
Energy consumption within the organisation	Total fuel consumption from non-renewable sources Total fuel consumption from renewable fuel sources Total electricity consumption
Scope 1 CO2 emissions Scope 2 CO2 emissions Scope 3 CO2 emissions	Direct (Scope 1) GHG emissions Indirect (Scope 2) GHG emissions Indirect (Scope 3) GHG emissions
Lost time injury Frequency	Lost time injury frequency
Training hours recorded by HR	Average hours of training that the organization’s employees have undertaken during the reporting period, by: Gender, Employee category

The full details on KPMG’s limited assurance opinion is available in our Annual Report 2018

COMPLETENESS: ASPECTS AND BOUNDARIES

We have identified several aspects to be disclosed in this report. These aspects were identified as issues linked to the materiality matrix. Issues relating to these aspects are addressed through our various engagement with our stakeholders

Material Issue	Material Aspect	Boundary	Key Stakeholders
Service reliability and quality	<ul style="list-style-type: none"> Product and service labeling Compliance 	<ul style="list-style-type: none"> Internal External 	<ul style="list-style-type: none"> Employees Customers Communications & Multimedia Consumer Forum of Malaysia (CFM) Malaysia Communications & Multimedia Commission (MCMC)
Ethics and anti-corruption	<ul style="list-style-type: none"> Anti-corruption 	<ul style="list-style-type: none"> Internal and with our external suppliers and parties 	<ul style="list-style-type: none"> Employees Suppliers Partners
Supply chain	<ul style="list-style-type: none"> Supplier assessment (Environment, labour practices, society, human rights) 	<ul style="list-style-type: none"> External 	<ul style="list-style-type: none"> Contractors Suppliers Vendors
Employees	<ul style="list-style-type: none"> Occupational health and safety Training and education Diversity and equal opportunity Non-discrimination Freedom of association and collective bargaining 	<ul style="list-style-type: none"> Internal 	<ul style="list-style-type: none"> Employees
Energy efficiency	<ul style="list-style-type: none"> Energy Emissions 	<ul style="list-style-type: none"> Internal External 	<ul style="list-style-type: none"> Telenor Group Project Environmental NGOs
Data security and privacy	<ul style="list-style-type: none"> Customer privacy Human rights Compliance 	<ul style="list-style-type: none"> Internal External 	<ul style="list-style-type: none"> Employees Customers Privacy Commission
Digital responsibility	<ul style="list-style-type: none"> Customer health and safety 	<ul style="list-style-type: none"> External 	<ul style="list-style-type: none"> Safe Use Digi CyberSAFETM Digital Resilience
Enabling services	<ul style="list-style-type: none"> Local communities 	<ul style="list-style-type: none"> Internal External 	<ul style="list-style-type: none"> Digital Inclusion Jom Studi Telenor Youth Forum CXO Apprentice Strategic partners Relevant government ministries

GRI DATA

RESPONSIBLE BUSINESS

	Unit	2016	2017	2018
Anti-Corruption				
Material cases of corruption	Number	0	1	0
Supply Chain Sustainability				
Signed Agreement of Business Conduct*	Number	119	165	162
Self Assessment Risk Indicator	Number	55	50	45
Inspections conducted	Number	984	898	464
Incidents of major non-compliance ¹	Number	10	1	8
Incidents of minor non-compliance ²	Number	92	3	35
Contractors suspended <6 months	Number	3	2	2
Contractors terminated	Number	8	5	6
Fatalities ³	Number	0	0	0
Supplier training	Hours	2,050	2,690	2060
% of contracts <USD250,000 meeting sustainability criteria	%	100	100	100

CLIMATE CHANGE & ENVIRONMENT

	Unit	2016	2017	2018
Energy Consumption				
Total direct energy used*	GWh	116.75	109.71	120.00
Network	GWh	101.22	96.32	108.49
Fleet	GWh	15.49	13.33	12.00
Buildings	GWh	0.04	0.06	0.03
Total indirect energy used*	GWh	167.08	193.94	230.00
Network	GWh	159.58	187.12	223.14
Buildings	GWh	7.50	6.82	6.79
Total energy consumption*	GWh	283.83	303.64	304
Energy intensity*	KWh/RM revenue	0.046	0.051	0.059
Energy use per end use customer	KWh/customer	23.1	26.0	29.7
Solar power generated (Network)*	GWh	0.52	0.50	0.41
Carbon Emissions				
Total Scope 1 emissions*	Tonnes CO ₂ e	26,351.00	24,261.59	26,960.00
Network	Tonnes CO ₂ e	25,430.15	23,478.29	26,445.44
Fleet vehicles	Tonnes CO ₂ e	918.70	770.38	499.95
Building	Tonnes CO ₂ e	2.15	12.92	14.61
Total Scope 2 emissions*	Tonnes CO ₂ e	114,572.97	131,926.08	153,769.00
Network	Tonnes CO ₂ e	109,475.06	127,274.84	149,226.49
Buildings	Tonnes CO ₂ e	5,097.91	4,651.24	4,542.51
Total Scope 3 emissions*	Tonnes CO ₂ e	1,911.55	1,782.19	1728

¹ Major non-compliance includes climbing base station without a Work At Height Permit, safety harness, and safety shoes on site

² Minor non-compliance includes illegal labour, no first aid kits, no fire extinguisher.

³ Fatalities of any worker of contractors or sub contractor

CLIMATE CHANGE & ENVIRONMENT

	Unit	2016	2017	2018
Carbon Emissions				
Air travel	Tonnes CO ₂ e	1,344.11	948.77	878.74
Leased vehicles	Tonnes CO ₂ e	567.44	833.43	849.16
Total carbon emissions*	Tonnes CO ₂ e	142,835.52	157,970	182,457
Carbon emission per customer	Tonnes CO ₂ e/customer	0.0116	0.0135	0.0156
Carbon intensity per data usage	Tonnes CO ₂ e/terabyte	-	0.29	0.20
Other environment indicators				
E-waste collected	Tonnes	18	69	145
Municipal waste	Tonnes	308.17	284	284
Water consumption	m ³	118,865.67	101,328	102,548

WINNING TEAM

	Unit	2016	2017	2018
Gender				
Male	Numbers	1,140	1,117	808
Female	Numbers	902	891	804
Total	Numbers	2,042	2008	1612
Race				
Bumi	%	3	3	2
Malay	%	33	33	28
Chinese	%	46	45	51
Indian	%	15	16	16
Others	%	3	3	3
Age				
20-29	%	22	44	17.6
30-39	%	73	53	44.9
40-49	%	5	2	31.3
50-59	%	-	-	6
> 60	%	-	-	0.2
Other indicators				
% of women in leadership ⁴ *	%	40	45	46
Employee Engagement Index (EEI) Score	%	76	74	78
Lost Time Injury Frequency ⁵ *	No/Million hrs	0.23	0	0.27
% of employees under bargaining agreement	%	33	32.3	x
Average total training hours ⁶ *	Hours	14.2	27.29	64
Employees that completed the "TDP Dialogue" and follow up	% of Employees	50	40	Not applicable*
Turnover (Male) ⁷ *	Numbers	192	160	166
Turnover (Female) ⁷ *	Numbers	147	108	96

⁴ Based on CXO minus 2 level managers only. Does not include specialist.

⁵ LTIF is based on 9 working hours x actual working days in a year (minus leave and public holidays) x number of employees

⁶ Based on total training hours / no. of employees. Physical training hours is based on 8 hours / day (does not include lunch). Training hours for DAcademy and Lynda are extracted from a system. Udacity and Coursera is based on the number of graduates against hours of videos for the course.

⁷ This number includes Digi employees, voluntary and involuntary resignation.

⁸ In previous year, all employees had to complete their review and dialogue by 31 Dec.

GRI TABLE

GRI 101 FOUNDATION	GRI 101 does not include any disclosures	
GRI 102 General Disclosures	Standard disclosure	Digi response
Organisational Profile		
102-1	Name of the organization	Digi.Com Berhad
102-2	Activities, brands, products, and services	http://www.digi.com.my/aboutus/corporate_overview/information.html
102-3	Location of headquarters	Lot 10, Jalan Delima 1/1, Subang Hi-Tech Industrial Park, 40000 Subang Jaya, Selangor, Malaysia
102-4	Location of operations	Digi only operates in Malaysia.
102-5	Ownership and legal form	Digi.Com Berhad Memorandum and Articles of Association
102-6	Markets served	Digi Annual Report 2018 – Management Discussion and Analysis - p. 12
102-7	Scale of the organization	Digi Annual Report 2018 – Management Discussion and Analysis - p. 12 Digi Sustainability Report 2018 – Winning Team
102-8	Information on employees and other workers	Digi Sustainability Report 2018 – Winning Team
102-9	Supply chain	Digi Sustainability Report 2018 – Supply Chain Digi Suppliers Code of Conduct
102-10	Significant changes to the organization and its supply chain	Digi Sustainability Report 2018 – Next-Gen Infrastructure and Smarter Networks
102-11	Precautionary Principle or approach	Digi Sustainability Report 2018 – Climate Change & Environment Digi Code of Conduct Digi Annual Report 2018 – Statement on Risk Management and Internal Control - p.60
102-12	External initiatives	As part of Telenor Group, Digi subscribes or endorses the following initiatives : UN Global Goals for Sustainable Development GRI CDP (formerly known as Carbon Disclosure Project) Principles of the World Economic Forum Business for Social ResponsibilityTM
102-13	Membership of associations	Business Integrity Alliance (BIA) Business Council for Sustainable Development (BCSD) Federation of Malaysian Manufacturers Signatory to the UN Global Compact and a member of the Malaysia Compact As part of Telenor Group, Digi is a member of : GSMA The Telecommunications Industry Dialogue, which has observer status in the GNI, and the Global e-Sustainability Initiative

GRI 102 General Disclosures	Standard disclosure	Digi response
Strategy		
102-14	Statement from senior decision-maker	Digi Annual Report 2018 – Chair of the Board’s Statement - p.6 Digi Annual Report 2018 – CEO’s Statement - p.8 Digi Sustainability Report 2018 – CEO’s Message
102-15	Key impacts, risks, and opportunities	Digi Annual Report 2018 – Management Discussion and Analysis - p.12
Ethics & Integrity		
102-16	Values, principles, standards, and norms of behavior	Digi upholds the highest standards of corporate ethics for long-term value creation that contributes directly to improved business performance. Digi’s strategy emphasises the need to maintain a culture that safeguards the responsible and sustainable business practices, built on a solid foundation of strong moral values and a deep sense of integrity. This is maintained by establishing a business environment with partners who share our commitment to high standards of ethics and integrity, and ensuring the right principles of anti-corruption, customer privacy, consumer responsibility, supply chain sustainability, and safe use of equipment are upheld across our business. http://www.digi.com.my/aboutus/corporate_overview/governance.html
102-17	Mechanisms for advice and concerns about ethics	Digi Sustainability Report 2018 – Ethics & Compliance
Governance		
102-18	Governance structure	Digi Annual Report 2018 – Corporate Governance Overview Statement - p.52 Digi Sustainability Report 2018 – Sustainability Governance
102-19	Delegating authority	Digi Corporate Governance – Terms of Reference – Board Charter and CEO Charter
102-20	Executive-level responsibility for economic, environmental, and social topics	Digi Sustainability Report 2018 – About Our Disclosure Digi Sustainability Report 2018 – Sustainability Governance
102-21	Consulting stakeholders on economic, environmental, and social topics	Digi Sustainability Report 2018 – Building trust of stakeholders
102-22	Composition of the highest governance body and its committees	Digi Annual Report 2018 – Directors’ Profile - p.44 Digi Annual Report 2018 – Corporate Governance Overview Statement - p.52
102-23	Chair of the highest governance body	Digi Annual Report 2018 – Directors’ Profile - p.44
102-24	Nominating and selecting the highest governance body	Digi Annual Report 2018 – Corporate Governance Overview Statement - p.52
102-25	Conflicts of interest	Nil
102-26	Role of highest governance body in setting purpose, values, and strategy	Digi Senior Management Team undertake the responsibilities with regards to driving the purpose, values and strategy, and is directly involved in the day-to-day running and operational matters of the organisation. Digi Annual Report 2018 – Management - p.48 Digi Sustainability Report 2018 – Winning Team

GRI 102 General Disclosures	Standard disclosure	Digi response
102-27	Collective knowledge of highest governance body	Digi Annual Report 2018 – Nomination Committee Report - p.70
102-28	Evaluating the highest governance body's performance	Digi Annual Report 2018 – Nomination Committee Report - p.70
102-29	Identifying and managing economic, environmental, and social impacts	Nil
102-30	Effectiveness of risk management processes	Digi Annual Report 2018 – Statement on Risk Management and Internal Control - p.60
102-31	Review of economic, environmental, and social topics	Nil
102-32	Highest governance body's role in sustainability reporting	Digi Sustainability Report is reviewed and approved by Digi Management Team and Digi Board.
102-33	Communicating critical concerns	Digi Annual Report 2018 – Statement on Risk Management and Internal Control - p.60
102-34	Nature and total number of critical concerns	Nil
102-35	Remuneration policies	Nil
102-36	Process for determining remuneration	Nil
102-37	Stakeholders' involvement in remuneration	Nil
102-38	Annual total compensation ratio	Nil
102-39	Percentage increase in annual total compensation ratio	Nil
Stakeholder Engagement		
102-40	List of stakeholder groups	Digi Sustainability Report 2018 – Stakeholders
102-41	Collective bargaining agreements	XX% of employees are covered by collective bargaining agreement as at 31 Dec 2018.
102-42	Identifying and selecting stakeholders	Digi Sustainability Report 2018 – Stakeholders
102-43	Approach to stakeholder engagement	Digi Sustainability Report 2018 – Stakeholders
102-44	Key topics and concerns raised	Digi Sustainability Report 2018 – Stakeholders
102-45	Entities included in the consolidated financial statements	Digi Annual Report 2018 – Financials Section - p.77 – p.144
102-46	Defining report content and topic Boundaries	Digi Sustainability Report 2018 – Materiality Digi Sustainability Report 2018 – Completeness: Aspects and Boundaries
102-47	List of material topics	Digi Sustainability Report 2018 – Materiality
102-48	Restatements of information	Energy consumption from transportation reported in 2017 has been categorised to Scope 1 and Scope 3 Digi Sustainability Report 2018 – Climate Change & Environment
102-49	Changes in reporting	Migration from G4 to using selected GRI Standards Digi Sustainability Report 2018 – Materiality
102-50	Reporting period	Calendar year 2018

GRI 102 General Disclosures	Standard disclosure	Digi response
Stakeholder Engagement		
102-51	Date of most recent report	Previous report published in 2018, covering calendar year 2017
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Philip Ling Oon Hun E-mail: sustainability@digi.com.my
102-54	Claims of reporting in accordance with the GRI Standards	GRI-referenced claims
102-55	GRI content index	Digi Sustainability Report 2018 – GRI Table
102-56	External assurance	Digi Sustainability Report 2018 – Verifying and assuring our data - p.XX An independent assurance of the content of this report has been done by KPMG PLT.
GRI 103 General Disclosures		
	Standard disclosure	Digi response
103-1	Explanation of the material topic and its Boundary	Digi's annual sustainability reporting is prepared in accordance to reporting guidance by Bursa Malaysia, UN Global Compact – Communication on Progress (COP) as well as Global Network Initiative (GNI) Guiding Principle and assessment. Sustainability performances are also disclosed in line with reporting frameworks such Global Reporting Initiative (GRI), Carbon Disclosure Project (CDP) and UNGP Reporting Framework. All material topics selected are relevant throughout our value chain. We have taken into account the following factors during Digi's materiality assessment process : Reasonable economic, environmental, and/or social impacts identified through sound investigation with external expert bodies such as GSMA, GeSI, CDP, GNI, BSRTM and BCSD Malaysia. The interests and expectations of stakeholders specifically invested in Digi such as employees and shareholders. Broader economic, social, and/or environmental interests and topics raised by stakeholders such as regulators, suppliers, local communities, vulnerable groups, and civil society. Special attention has been given to United Nations Sustainable Development Goals. Main topics and future challenges for the mobile and internet industry sectors, as identified directly by peers and representative organisations such as GSMA and GeSI Local laws and regulations, international agreements, or voluntary agreements of strategic significance to Digi and its stakeholders. Digi's values, policies, strategies, operational management systems, goals, and targets. Consequences for Digi which are related to its impacts on the economy, the environment, and/or society such as risks to Digi's business model or reputation. We have also incorporated the Digi Board of Directors' suggestions on stepping up reporting on Privacy and Climate/Environment in our Sustainability Report.
103-2	The management approach and its components	For Digi, the purpose of the management approach is to control major risks and opportunities for all material topics, regardless of whether they are financial or non-financial. Material topics are in principle governed in the same way as described in our approach to Corporate and Sustainability Governance in general. For further information, please see table below (column "How we manage it") and also Digi's website on Corporate Governance. For commitments targets and actions on our material aspects, please see the relevant sections in the Digi Sustainability Report 2018.
103-3	Evaluation of the management approach	Each material topic has a corresponding chapter in the Sustainability Report. We have provided an evaluation of the management approach with page references and any exemptions from the GRI standards as indicated in the table below.

ADDITIONAL INFORMATION ON GRI 103-2 AND GRI 103-3 CAN BE FOUND IN THE TABLE BELOW.

Material aspect (As referenced in GRI 102-47)	How we manage it	How it is monitored	2018 Targets & Results
Ethics and Anti-Corruption - including anti-corruption and bribery, anti-competitive behaviour	Ensuring the right corporate governance platform for ethics, anti-corruption and transparency, undertaking social and environmental responsibility, and respecting human rights and labour rights, is managed through our Code of Conduct and other guiding documents	Alignment with our approach is carefully monitored by Digi's Ethics and Compliance department and the Internal Audit and Investigations department.	Digi Sustainability Report 2018 - Ethics and Anti-Corruption
Privacy and Data Security - avoiding information being overused for commercial or other purposes - information security management	Digi has a clear privacy position: Transparent about how personal data is collected and used, committed to using personal data to provide better and more relevant services, and thorough in keeping personal data safe. Digi constantly reviews its routines and processes for privacy, authority requests and information management.	Alignment with our approach and governing principles is carefully monitored by our privacy and security functions. Digi's Legal and Governance department and Information Security department oversees this aspect.	Digi Sustainability Report 2018 - Data Security and Privacy
Talent & Culture, Labour Rights and Standards; -including diversity, attraction and retention of the best people, training and development opportunities, career prospects – as well as occupational health and safety.	Digi believes in employee involvement, through dialogue with employees or their recognized employee representatives. We have established a framework for employee involvement promoting partnership based on good and trusting dialogue, e.g. in relation to acknowledged labour union or through the Best on People Council as an internal arena for dialogue with elected employee representatives. We believe that this will contribute to further build a sustainable culture on respect for labour rights.	Responsibility of tracking policy requirements, goals and targets lies with the line management. Digi's Human Resource division and Compliance and Labour Law department oversees the process.	Digi Sustainability Report 2018 - Labour and Employee Representation
Human Rights - ensuring that operations or business relationships do not infringe on human rights, - respecting the human right of freedom of expression	Digi's Code of Conduct, Policies, Supplier Conduct Principles and Vision & Values, provide Digi with a common approach as to how we treat each other, how we serve our customers, how we run our business and our obligations to society. In Digi, a due diligence assessment is carried out annually across the value chain to address human rights impacts. Externally, we engaged with the Human Rights Commission of Malaysia and UNICEF Malaysia to gain macro perspective of the industry and the country.	Human Rights spans across different functions within Digi, including Sustainability, Supply Chain Sustainability, Privacy (Authority Requests), Compliance and Labour Law, and Human Resource. Digi, as part of Telenor Group is committed to respecting human rights as set out in the UN Guiding Principles on Business and Human Rights.	Digi Sustainability Report 2018 - Ethics and Compliance
Transparency & stakeholder engagement - includes provision of timely, accessible and accurate disclosure of performance, goals and policies related to sustainability activities.	These topics are managed through a combination of following public reporting requirements as well as being an active participant in several regional and international initiatives (Global Compact, GNI, GRI, GeSI, BSR, BCSD)	In addition to internal overview and control, our actions, results and reporting is monitored both through independent third-party assurance as well as various interactions with local stakeholders.	Digi Sustainability Report 2018 - Stakeholders

Material aspect (As referenced in GRI 102-47)	How we manage it	How it is monitored	2018 Targets & Results
Service Reliability - avoiding network failures, ensuring reliability of high standards of the service in all operating areas, especially during times of disasters	Expansion of nationwide 4G plus network footprint and growing the fibre network. Ensuring network service recovery readiness. Innovative customer support channels.	The Network and Technology team spearheads the necessary backup and mitigation activities to ensure service reliability under challenging circumstances. A dedicated Customer Management team constantly scans the ground to understand the customer sentiments and concerns.	Digi Sustainability Report 2018 - Service Reliability and Quality - Customer Concerns
Child Online Safety - including online and mobile safety, entailing education and tools for children, parents and carers to develop resilience against online risks and harm.	Advocacy programmes, industry engagement and thought leadership, experiential exhibits and content, collaborative partnerships to drive Digi's ambition to empower children, parents and carers to be digitally resilient.	Qualitative impacts and number of engagements are measured, transformative actions and outreach plans are established through insights gathered from periodic surveys.	Digi Sustainability Report 2018 - Building Digital Resilience
Digital Access and Outreach - For Malaysia, being a developing market, the focus is on bridging the digital divide by increasing accessibility and service reliability. - Driving digital adoption in rural and remote areas	This is part of Digi's business strategy and is managed accordingly throughout the entire organisation.	We carefully track and report development of network capacity and coverage. This is reported to top management at regular intervals.	Digi Sustainability Report 2018 - Service Reliability and Quality
Environment and climate change - Balancing the demand for growth and increased usage of digital services with efficient energy consumption	Digi has actively commenced environmentally-led initiatives - - Creation of Manual for Environment Management and Environmental Management System - Development of Green data centre, renewable energy sites, and Green building initiatives - Conversion of diesel powered sites to electric - Recycling initiatives	Environmental Sustainability is embedded into our business operations and seen in the overall context of the business. Each Division, led by the respective Heads of Divisions shoulder the responsibility of ensuring proper practices, aligned to climate and environment business decisions as stated in our Sustainability Policy and our Climate and Environment Manual.	Digi Sustainability Report 2018 - Climate Change and Environment
Supply Chain Sustainability - including human rights, occupational health, safety and personnel security, environment, conflict minerals, hazardous materials, etc.	Digi's approach to supply chain sustainability is to legally oblige the supplier to uphold responsible business practice according to our policies and Supply Chain Principles (SCP)	Digi carries out inspections to monitor compliance with the requirements on responsible business conduct.	Digi Sustainability Report 2018 - Supply Chain Sustainability

GRI 200 Economic Performance	Topic-Specific disclosure	Digi response
201-1	Direct economic value generated and distributed	Digi Annual Report 2018 – Financials Section - p.77 – p.144
205-1	Anti Corruption – Operations assessed for risks related to corruption	Digi's Anti-Corruption programme is initiated by providing capacity-building and regular training of employees. Our anti-corruption training ranges from e-learning programs, dilemma-training and other awareness activities. Digi's commitment towards integrity and transparency is clearly stated in Digi's Code of Conduct. The Code of Conduct is owned and approved by the Board, and all employees are required to sign it.
205-2	Anti Corruption - Communication and training about anti-corruption policies and procedures	Digi Sustainability Report 2018 – Stakeholders
GRI 300 Environmental Performance	Topic-Specific disclosure	Digi response
302-1	Energy consumption within the organization	For the indicators 302-1, 302-3 and 302-4; Digi's total energy consumptions for 2018 have been independently verified through a limited assurance by KPMG PLT*.
302-3	Energy - Energy intensity	Digi Sustainability Report 2018 – Energy and Carbon Reporting
302-4	Energy - Reduction of energy consumption	
305-1	Emissions	
305-2	Emissions	For the indicators 305-1, 305-2, 305-3, 305-4 and 305-5; Digi's total GHG emissions for 2018 have been independently verified through a limited assurance by KPMG PLT*.
305-3	Emissions	Digi Sustainability Report 2018 – Energy and Carbon Reporting
305-4	Emissions	
305-5	Emissions	
308-1	Supplier Environmental Assessment	We have included environmental sustainability as part of sourcing and screening of suppliers.
GRI 400 Social Performance	Topic-Specific disclosure	Digi response
403-1	Occupational Health and Safety – Occupational health and safety management system	Digi pioneered the adoption of ISO 45001:2018 Occupation Health and Safety Management System certification
403-5	Occupational Health and Safety – Worker training on occupational health and safety	Digi Sustainability Report 2018 – Digi Medical Response Team
403-6	Occupational Health and Safety – Promotion of worker health	Digi Sustainability Report 2018 – Promoting well-being through Health and Wellness
403-9	Occupational Health and Safety – Work-related injuries	For the indicator 403-9; Digi's Long Term Injury Frequency calculation for 2018 has been independently verified through a limited assurance by KPMG PLT*. There were no work-related employee or in-house contractor fatalities reported in Digi for 2018. Digi Sustainability Report 2018 – Employee Health and Safety
404-1	Training and Education – Average hours of training per year per employee	For the indicator 404-1; Digi's Employees' Training Hours for 2018 have been independently verified through a limited assurance by KPMG PLT*. Digi Sustainability Report 2018 – Self-Learning Platforms
404-2	Training and Education – Programs for upgrading employee skills and transition assistance programs	Digi Sustainability Report 2018 – Onboarding Employees on Strategy – Digital frontrunners – Talent and Culture

GRI 400 Social Performance	Topic-Specific disclosure	Digi response
404-3	Training and Education – Percentage of employees receiving regular performance and career development reviews	All employees shall receive regular performance and career development reviews regardless of category and gender. This is a set requirement.
405-1	Diversity and Equal Opportunity - Diversity of governance bodies and employees	Digi Sustainability Report 2018 – Diversity and Inclusion
408-1	Child Labor - Operations and suppliers at significant risk for incidents of child labor	We conduct a human rights due diligence, including risk mapping in these areas and practise a zero-tolerance stand should there be any violations. To ensure compliance among suppliers, this aspect is a key risk assessment criteria prior to pre contract, and an annual Self-Assessment Questionnaire (SAQ) are mandatory to be completed by all registered suppliers.
409-1	Forced or Compulsory Labor - Operations and suppliers at significant risk for incidents of forced or compulsory labor	Through Telenor Group and in collaboration with BSRTM, we revisited our understanding of country risks, as well as exploring international trends and good practices for mitigation.
412-1	Human Rights Assessment - Operations that have been subject to human rights reviews or impact assessments	Digi Sustainability Report 2018 – Respect for Human Rights
412-2	Human Rights Assessment - Employee training on human rights policies or procedures	Through Telenor Group and in collaboration with BSRTM, we revisited our understanding of country risks, as well as exploring international trends and good practices for mitigation. Digi Sustainability Report 2018 – Respect for Human Rights
413-1	Local Communities - Operations with local community engagement, impact assessments, and development programs	For the indicator 413-1; The number of engagements for Digi's Yellow Heart Digital Resilience initiative for 2018 has been independently verified through a limited assurance by KPMG PLT*. Digi's community outreach programmes are geared towards reducing inequalities through digital resilience and citizenship, and enabling digital inclusion. Digi Sustainability Report 2018 – Yellow Heart
414-1	Supplier Social Assessment - New suppliers that were screened using social criteria	For the indicator 414-1; The number of new suppliers signing Digi's Agreement of Responsible Business Conduct (ABC) for 2018 has been independently verified through a limited assurance by KPMG PLT*. Digi evaluates the Supply Chain Principles (SCP) Risk for any existing or potential Supplier and/or its Sub Suppliers. 100% of new suppliers, numbering 162 were screened using labour practices criteria. Digi Sustainability Report 2018 – Supply Chain Sustainability
414-2	Supplier Social Assessment - Negative social impacts in the supply chain and actions taken	In 2018, 6 subcontractors were terminated while 2 others were suspended for 6 months for failing to meet our safety standards. – Supply Chain Sustainability
417-2	Marketing and Labeling - Incidents of non-compliance concerning product and service information and labeling	Digi is not aware of any incidents or non-compliances concerning product and service information and labelling in 2018.
417-3	Marketing and Labeling - Incidents of non-compliance concerning marketing communications	Digi is not aware of any incidents or non-compliances concerning marketing communications in 2018.
418-1	Customer Privacy - Substantiated complaints concerning breaches of customer privacy and losses of customer data	Digi is not aware of any substantiated complaints regarding breaches of customer privacy and losses of customer data in 2018.

*Assurance in accordance with International Standard on Assurance Engagements (ISAE) 3000, Assurance Engagements other than Audits or Reviews of Historical Financial Information and International Standard on Assurance Engagements (ISAE) 3410, Assurance Engagements on Greenhouse Gas Statements, issued by the International Auditing and Assurance Standards Board.

YOU HAVE REACHED THE END OF OUR REPORT

Information of our sustainability performance can also be found in the sustainability section of the annual report. Our sustainability disclosure has been written in response to engagement and queries of investors and analyst, regulators, current and potential employees.

FEEDBACK

Please direct your enquiries or feedback to:



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