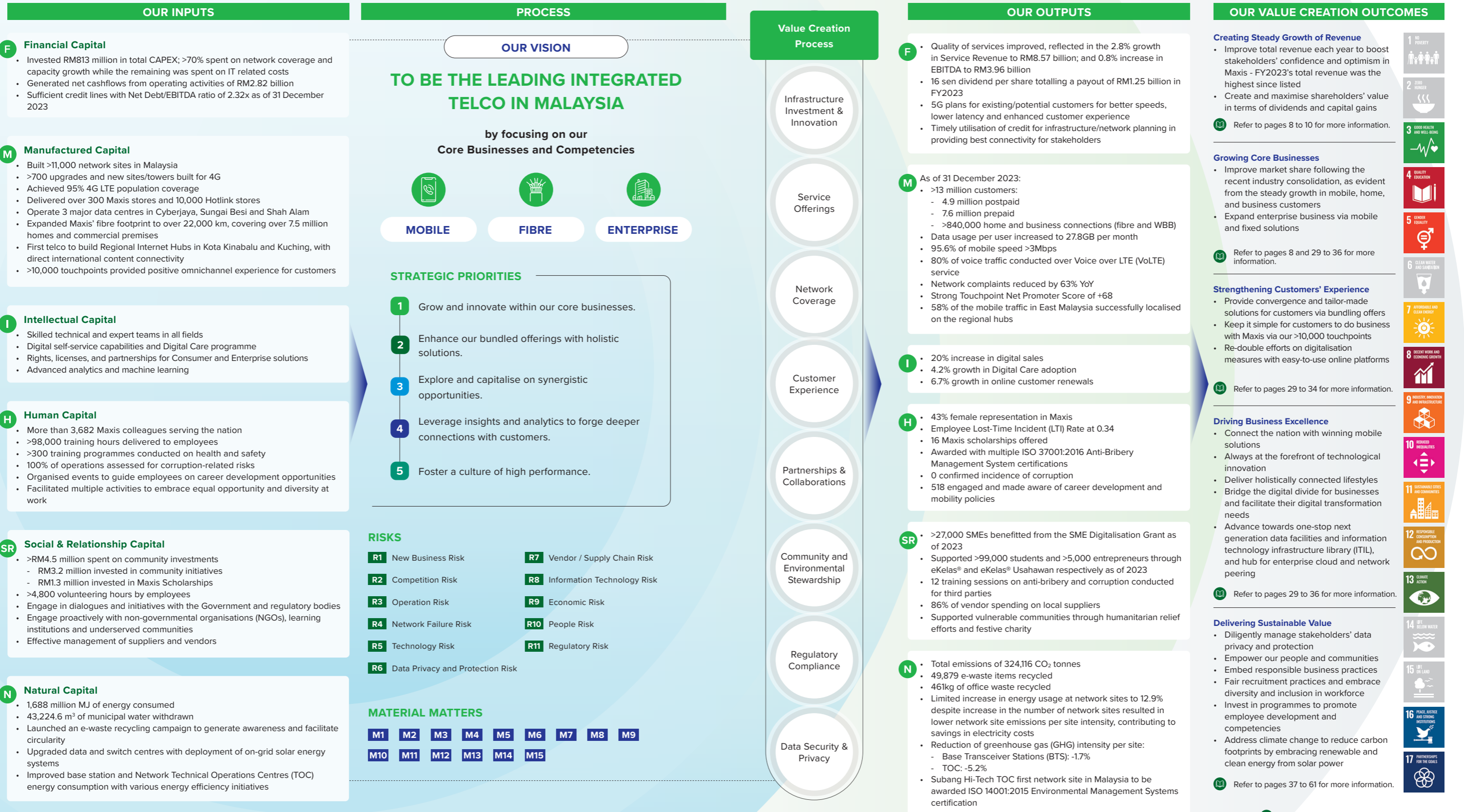


OUR VALUE CREATION MODEL

The diagram below illustrates how we utilise our business capitals to create value for our business and stakeholders. Further details of the inputs and outputs of our six business capitals are explained in the following pages.

UTILISING OUR BUSINESS CAPITALS CREATING SUSTAINABLE VALUE FOR OUR BUSINESS AND STAKEHOLDERS



1 TO PEOPLE

2 TO PEOPLE

3 GOOD HEALTH AND WELL-BEING

4 QUALITY EDUCATION

5 GENDER EQUALITY

6 CLEAN WATER AND SANITATION

7 AFFORDABLE AND CLEAN ENERGY

8 DECENT WORK AND ECONOMIC GROWTH

9 INDUSTRY, INNOVATION AND INFRASTRUCTURE

10 REDUCED INEQUALITIES

11 SUSTAINABLE CITIES AND COMMUNITIES

12 RESPONSIBLE CONSUMPTION AND PRODUCTION

13 CLIMATE ACTION

14 LIFE BELOW WATER

15 LIFE ON LAND

16 PEACE, JUSTICE AND STRONG INSTITUTIONS

17 PARTNERSHIPS FOR THE GOALS

Refer to next page for Trade-Offs discussion.



OUR VALUE CREATION MODEL



TRADE-OFFS

F Financial Capital

We aim to achieve a balance between short-term financial interests, rewarding our shareholders and longer-term growth objectives. In preparing ourselves for the uncertainty related to the potential second 5G network, there is a need to ensure that we are prudent with our CAPEX spending and focus on selected investments so that customers' experience will not be affected. Cashflow position for FY2023 was impacted by higher overall tax payments, prepayment to Digital Nasional Berhad (DNB) for 5G access and staff optimisation costs. Excluding these one-off costs, we could have potentially rewarded our stakeholders where applicable.

We have embarked on our three-year cost optimisation journey to optimise and reduce our cost base. The first stage focused on staff rightsizing, followed by improvements in processes and systems to be more cost-efficient. There is also a need to have sufficient credit lines to manage unforeseen requirements in our operations and the environment. These initiatives are expected to generate shareholders value in the long run.

M Manufactured Capital

Our annual CAPEX and maintenance spend impact our near-term Financial Capital but enables us to expand our capacity and capabilities that will help to replenish our Financial Capital and generate significant long-term value.

Additionally, allocating Financial Capital towards Manufactured Capital will also help strengthen our customer relationships and improve our position in the market especially since we provide improved plans, better products and services, as well as enhanced connectivity.

I Intellectual Capital

Investments of Financial Capital into Intellectual Capital initiatives such as improving our digital infrastructure and operations are weighed against our financial and risk management priorities. We believe that these investments are crucial for delivering exceptional customer service whilst maintaining competitiveness in a demanding market.

H Human Capital

We prioritise our employees by investing in their development to ensure they are prepared for the future. While these investments may impact our near-term Financial Capital, they ultimately lead to more productive and higher performing employees, strengthening our Human Capital and creating long-term value for Maxis Group.

We are also aware of the current headwinds in the operating environment and the need to optimise cost for the benefit of the Group's future growth. Our decision to undertake a staff optimisation exercise is anticipated to support our Financial Capital in the long run, with the expectation of higher savings so that the excess can be allocated to other high-priority areas.

SR Social & Relationship Capital

We enhanced our community engagement efforts by investing both Financial and Human Capitals in local community projects and social initiatives, which may not yield immediate financial returns. This strategic choice might divert resources from other areas with direct financial benefits. However, by strengthening community relations and building trust, we are enhancing brand reputation, customer loyalty, and our social license to operate, thereby creating long-term value for both Maxis Group and our stakeholders.

N Natural Capital

We are committed to driving sustainable value and initiatives for the sustainability of the business and organisation in the long run. This is important for our future generation, in line with Malaysia's undertaking to achieve Carbon Neutrality by 2050. While implementing these require additional Financial Capital, we are confident that it will ultimately minimise future carbon costs and contribute to our long-term sustainability and Natural Capital effect.