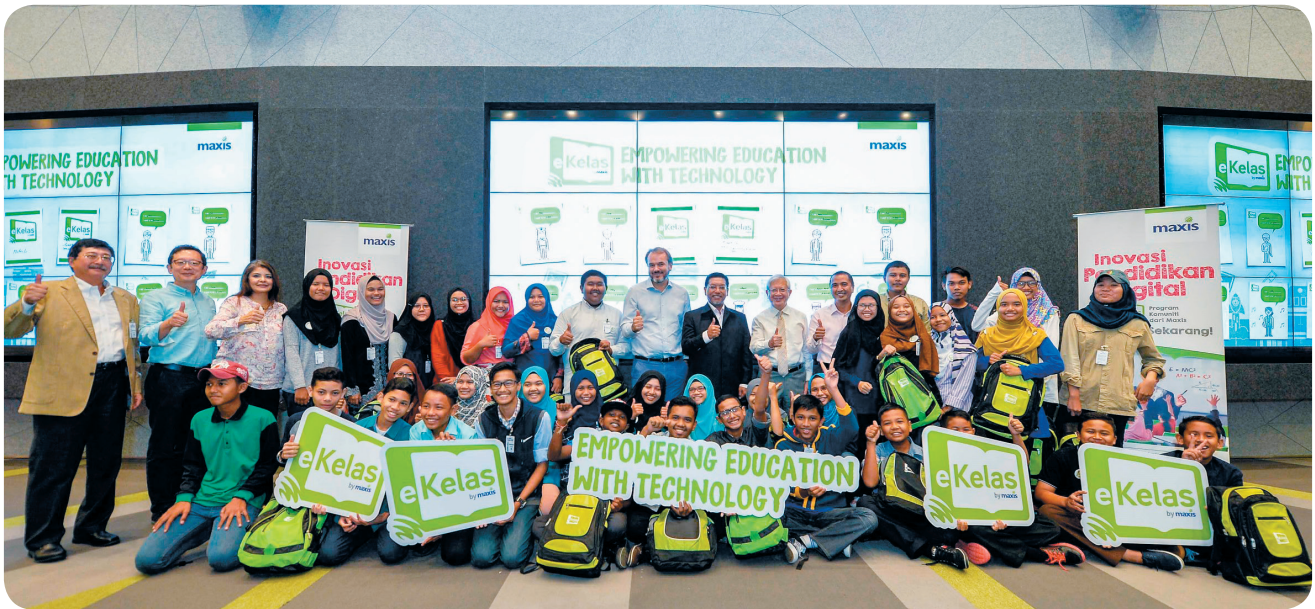


Sustainability Statement



STRATEGY AND APPROACH

We look at sustainability as “What’s Next” for us in everything we do. In the next two years, we have a goal to transform ourselves further to thrive in a digital world. This means moving from products to solutions, from access to digital services, from traditional to digital channels, supported by being fully digitalised ourselves. We completed the first phase of our transformation journey to fix the fundamentals and revitalise the Company in 2015. Now we have moved into the second phase of our transformation, to become a digital enabler for people, homes and businesses.

As spelt out by the CEO in his statement in this report, 2016 was a year of good financial and operational progress. The CEO leads and drives our transformation agenda, with a focus on growth and sustainability of the business well into the future. He reports on progress and key developments to the Board. To ensure direct oversight on key strategic areas, the CEO meets with key divisions and project teams on a weekly and monthly basis. The management team is also

present in these meetings to ensure that the teams execute initiatives well and that targets are met. The Company announces its financial and operational performance results to the public on a quarterly basis.

UNDERSTANDING WHAT MATTERS TO US

We identify what’s important to us as part of our annual operating planning. Sources used for this process include our business strategy, insights gained from market research and industry benchmarking, reviews of key concerns across our customers, regulators and employees, as well as the key trends likely to affect our business. These are what is important to us in the marketplace, workplace, community and the environment:

Digitalisation of our business: The core of our second phase of transformation is about embracing all things digital. One of the key goals is to enhance customers’ digital experience as they engage with us – having greater control of their accounts and being better informed of product features and support options. Initiatives implemented in 2016 include:

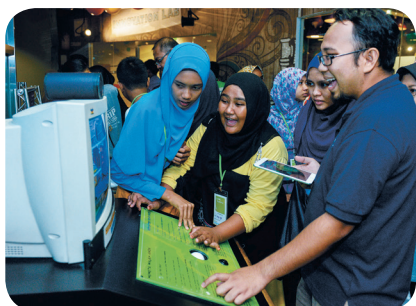
Supporting self-serve for our customers:

- Improving customers’ access to their accounts with MyMaxis and Hotlink RED apps, enabling self-serve for payment or reloads, rewards and gaming.
- Enhancing digitised payment with simplified connectivity for all payment options, from credit card to bank integration with Maxis Pay and operator billing digital payment features.
- Extending digital tools such as Maxis Centre iPad sales and servicing tool at retail stores across all Maxis executive dealers and centres.
- Establishing a Business Solutions Hub within the Maxis KLCC retail centre to give our customers hands-on experience on how business tools can enhance the way they work.





Sustainability Statement



Enabling new ways of working for our employees:

- HR cloud-based application and system 'Workday' enables seamless ways of working for HR operations from expense, leave management and approvals to performance management functions.
- Another HR cloud-based solution 'HireVue' enables digital video interviewing that shortens the interview process by over 50% and allows hiring managers and candidates to interact with each other anytime, anywhere. It saves time and money for both parties.
- 'Yammer', a cloud-based file sharing, collaboration and communication tool, enables new ways of collaborating and working for employees.
- Mobile device management and secured solutions provide new ways of secured access to company-wide private data.
- Intranet 'Squiggle' with branded interactive employee engagement content and communications.
- Modernised tools and solutions that enable approval for purchase orders and invoicing for sourcing and finance functions.
- Mobile Dealer App and Enterprise mobile sales tools to support our channel partners.

Responsible network deployment: All our base station sites are designed and built in compliance with local planning regulations and international safety guidelines. Our site implementation guidelines, along with our standards on Radio Frequency (RF) and health and safety, set consistent standards in five key areas: legal compliance, environmental impact, RF emissions, site planning and selection, and health and safety. The standards and guidelines also apply to our contractors and their sub-contractors, from the planning and acquisition of sites to the construction and maintenance of base stations.

Integrity in our supply chain: In 2016, our emphasis was on performing regular audits, steering continuous improvements in our procurement processes and policies to maintain high ethical business standards in our Supply Chain Management process. Furthermore, we reiterated requirements for all our registered vendors to periodically acknowledge their adherence to the Maxis Code of Business Practice to assure compliancy and commitment to conduct business with Maxis in the most transparent way.

Engagement: We continued to engage our employees on our strategy, people agenda, products and services and changes happening in the Company in various ways, including roadshows, quarterly divisional townhalls, collaboration in our internal social media, events as well as through individual team leaders. We are also into the second year of implementing #FitterFasterStronger, an all-year holistic well-being programme which includes activities to promote physical, personal, social, financial, community and career well-being. Every year, all our employees are invited to participate in Voice of Maxis, an annual survey to measure engagement levels and identify ways to improve how we do things. In 2016, we showed great improvement in all areas with an Employee Engagement Index of 85%,

an improvement four years in a row and the highest ever score for Maxis.

Capabilities: We empower our people to grow in Maxis by tailoring their training and development to build on their individual capabilities and ambition. Employees have access to online learning platforms like 'Harvard Manage Mentor' from Harvard Business School, LinkedIn's 'Lynda' and 'SmartUp' so that they can take on bite-size digital and video learning and easily fit training into their work schedules. Our employees also have the opportunity to move around the company on a permanent or project basis to get more exposure and experience in other areas of the business, and to expand their career. As we move towards becoming a digital Maxis, our people agenda focuses on upskilling and evolving our capabilities towards thriving in a digital age.

Health and safety: As part of our #FitterFasterStronger programme, we have a host of activities to promote healthy lifestyle including yoga, piloxing, zumba as well as health talks and screening. Our key intervention programmes address the health concerns of our people. Overall, we continue to evolve our Safety Management System with the latest updates in the legislation and provide training for all our people and contractors. As a new initiative, we installed 15 new automated external defibrillator (AED) units at our premises this year. AED is a portable device used to treat sudden cardiac arrests. We have conducted five sessions of first aid, cardiopulmonary resuscitation (CPR) and AED Workshops to ensure our employees are trained to provide basic emergency rescue services. We also demonstrate our commitment to maintaining optimum health and safety standards by embedding OHSAS 18001 and MS 1722 into our daily practice. These initiatives highlight our commitment to mitigate occupational health and safety risks and allow us to be admired for having the best practices in the workplace.





Sustainability Statement



EMPOWERING COMMUNITIES

Bringing digital learning to rural and urban poor communities

We took a significant step in mainstreaming digital education for Malaysians with the launch of Maxis eKelas, our brand new Corporate Responsibility programme in November 2016. Leveraging on technology and the Internet, eKelas is a structured after-school e-learning initiative that aims to improve the academic performance of students in rural and urban poor communities in Malaysia. We are the first company to bring digital education to Pusat Internet 1Malaysia (PI1M). Designed to remove distance as a barrier for education, eKelas offers technology-enabled teaching and learning in a fun, vibrant and engaging way using highly interactive digital content, in line with the Malaysian School Syllabus. Students have immediate access to experienced teachers via live video tutorials and have the opportunity to participate in group activities such as holiday camps and competitions.

Last year alone, during the pilot stage, we reached 1,200 students in terms of class population and delivered a total of 450 hours of live tutorials at 10 PI1Ms under Maxis' care. Our ambition for 2017 is to roll out live tutorials in more PI1Ms and develop an eKelas portal to enable self-paced studies for the benefit of more students.

Providing connectivity to underserved communities

We continued to provide connectivity to the underserved communities through 118 PI1Ms under Maxis' care nationwide. These community broadband centres serve as a digital hub for the community to access the Internet and use IT facilities.

We have installed and deployed 1,460 WiFi access points nationwide for provision of wireless broadband access for WiFi Komuniti, Kampung Tanpa Wayar and WiFi 1Malaysia. We also provide 2G and 3G services at 1,551 underserved locations nationwide through TIME 3 – mobile tower and base station infrastructure initiative. Under this project, Maxis' mobile services are made available to surrounding communities from our own sites and through Domestic Roaming and Radio Access Network (RAN) sharing with other service providers.

Volunteering and giving

Besides helping the communities we serve, we believe volunteerism develops character and empathy among our own people. This year, close to 2,300 of our employees contributed a total of 12,700 hours in volunteering for activities within our business as well as giving back to the community. Our giving-back initiatives includes celebrating festive seasons with communities through various activities.



- Chinese New Year (CNY):** We joined hands with local NGOs to deliver food boxes to urban poor families in Klang Valley, Penang and Johor. In conjunction with the CNY festivity, we also teamed up with Malaysia's top online shopping destinations and EPIC Homes, a social enterprise, to crowdsource funds to build homes for two Orang Asli families.



- Hari Raya:** We helped to improve the living conditions at Pusat Jagaan Al-Fikrah, a welfare home for the elderly located in Kajang.



- Deepavali:** We supported MySkills Foundation, an NGO that provides training and transformation programme for at-risk youths through its Light a Life campaign. Maxis participated in their campaign and launched a special microsite to encourage donation and volunteerism from the public. Our employees also conducted team building activities for the youths.



- Christmas:** We brought festive cheer to the children of The Salvation Army, Kuching Children's Home in Sarawak and refurbished the playground area.





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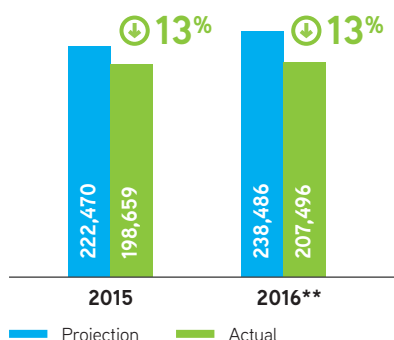
ADVOCATING ENVIRONMENTALLY-FRIENDLY PRACTICES

Energy Use and Efficiency

95% of our energy consumption is associated with our network. As our network and services expand, the demand on these resources continues to increase. Our initiatives therefore focus on improving energy efficiency as this is the most effective way to reduce our carbon emissions and energy costs. We have improved our energy usage over the years by adopting various energy efficiency solutions at our base stations and Technical Operations Centres ("TOC"). These include changing our 2G radio to compact 2G and 3G radio, converting our base station cabins to outdoor cabinets, installing free cooling systems, energy-efficient air conditioners and LED lighting. We also installed high-capacity solar panels and chargers to harvest more energy for equipment and batteries at some of our remote base stations.



Projected Vs Actual Emissions* (CO₂ tonnes)



* Total figures for direct and indirect CO₂ emissions

Waste management

We want Maxis to be a showcase of a modern digital age company. Our redesigned office follows an open space concept and we have gone paperless for maximum efficiency. This year, we also look at how we can manage our office waste better by partnering with Pertubuhan Kebajikan Masyarakat Melalui Kitar Semula, an NGO focusing on recycling for the community and charity. We now have recycling bins placed on each floor to separate waste materials, which is then collected and measured monthly. The funds collected through Maxis' recyclables are donated to charitable organisations.

Green awareness

We want our employees to embrace green habits. In 2016, we kicked off 'Green up', a key campaign to promote green habits among employees. The initiatives include quarterly awareness campaigns for waste and energy, workshops and health talks as well as group chats to encourage a green mindset and behaviour, e-waste recycling programme and carpooling with Grab Hitch.

COMMITMENT TO OPERATE RESPONSIBLY AND ETHICALLY

Maxis Way sets out the way we work, always living the values of being positive, passionate and collaborative. Our Maxis Way values, together with our Code of Business Practice, define the mindset and behaviour that we expect from our employees. We have also extended the Code of Business Practice to our vendors across our extensive supply chain. Apart from looking at improving processes and cost efficiency, we have included environmental performance in supplier selection during the Request for Information (RFI) process as well.



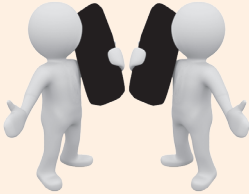





Sustainability Statement



ENGAGING OUR STAKEHOLDERS

Regular engagements with our stakeholders help us identify key issues, risks and opportunities which are important to them and critical to our long-term sustainability.

	Key Engagement Areas	Methods of Engagement
CUSTOMERS 	<ul style="list-style-type: none"> • Network quality and coverage • Innovative offerings • Security protection • Education and awareness 	<ul style="list-style-type: none"> • Maxis Centres and Exclusive Partner Outlets • Customer satisfaction surveys • Focus group discussions • Customer service channels (Maxis Forum, customer helpline, social media) • Maxis website • Mass media
EMPLOYEES 	<ul style="list-style-type: none"> • Training and development • Diversity and inclusion • Health and safety 	<ul style="list-style-type: none"> • Annual employee engagement survey • CEO and Maxis Management Team ("MMT") chats • CEO messages to employees • Squiggle (intranet) and Yammer (internal social media) • Regular employee townhalls and briefings • Team building • Engagement activities • Employee volunteerism • Maxis news on our website
SHAREHOLDERS, INVESTORS AND ANALYSTS 	<ul style="list-style-type: none"> • Profits and dividends • Responsible business • Corporate Governance 	<ul style="list-style-type: none"> • Annual report and quarterly financial announcements • Annual General Meeting/ Extraordinary General Meeting • Dedicated Investor Relations page on our corporate website, www.maxis.com.my • Dedicated Investor Relations email address • Analyst and investor briefings • Maxis news on our website
GOVERNMENT AND REGULATORS 	<ul style="list-style-type: none"> • Connectivity and access to technology in underserved areas • Development of the telco industry and market • Spectrum management • Access issues and policies • Quality of service and consumer issues • Collaborative programmes related to the national agenda 	<ul style="list-style-type: none"> • Regular reports and progress updates • Formal and informal meetings • Participation in government programmes and initiatives • Maxis news on our website

The Board is pleased to present the above statement which was approved on 7 March 2017.

The scope of this Sustainability Statement covers our operations in Malaysia for the 12 months ended 31 December 2016. Our 2015-2016 Sustainability Report is available at <http://www.maxis.com.my/en/about-maxis/corporate-responsibility/sustainability-reports.html>.



