Business Review

Our customers are at the heart of our operations. We work hard to ensure that our solutions and services remain highly relevant to their lifestyles, provide a worry-free experience and are of the best value. We continued to focus on enhancing our digital capabilities for the benefit of our customers, while expanding service offerings in enterprise solutions. With unmatched personalised experience remaining as our top priority, our efforts to deliver this promise include a combination of our digitally-driven channels and personalised services. In 2018, we increased our Touchpoint Net Promoter Score (TNPS) to 56, which we are pleased with.

Serving the Increasingly Digitally Savvy Customer

Our digital channels are becoming the preferred choice for customers for everyday transactions, whether it’s for managing accounts such as paying bills and purchasing or sharing data, or for shopping for digital services and redeeming attractive rewards. Our customers now use our self-serve MyMaxis and Hotlink RED apps, which clearly shows the demand for convenience through our digital services. Under our new Hotlink Rewards programme launched in 2018, RED App users can earn points by simply logging into the app and making use of the plethora of services offered.

During the year, we also developed ONEBusiness Hub, which is already being used by thousands of companies, reflecting an adoption rate of 73% by our enterprise customers who now enjoy the empowerment to manage some of their service requests at their convenience.

As part of our dealer management and support, our HERO App enables dealers to simplify the purchase of Hotlink packs or top-ups for our customers. It also helps speed up registration and captures images of ID documentation for verification and security.

For the video interview, scan this QR code or go to www.maxis.my/Customers18
We are pleased to have migrated approximately 80% of our fixed broadband customers to higher speeds and lower prices by the end of 2018.

We have continued to expand our network of outlets, providing customers easy access to our products and services. In 2018, we opened 20 new branded Maxis stores. The self-serve kiosks at our stores have also enabled more convenience for customers to perform basic transactions. At the same time, an increasing number of our stores in key malls are being digitalised to offer customers a more immersive digital experience.

We have been working aggressively to drive service delivery improvements across the region. Efforts to grow our footprint and improve our brand preference have seen us invest to expand our network coverage regionally. In Sabah specifically, we have expanded our distribution. We also added more brand outlets in Kota Kuching, Bintulu, Kota Baru, Ipoh, Pahang, Terengganu and areas in the Klang Valley.

Value Creation through Personalised Services

With service level expectations on the rise, we invest in our people and processes to provide value added support to customers throughout their journey with us. We also continued to provide expert services for our home and business fibre customers through Maxperts, our team of fibre Internet experts who provide end-to-end technical support so that our customers enjoy a worry-free fibre Internet experience.

The launch of our most affordable broadband plans in August received an overwhelming response from our customers – both consumers and businesses. While we were extremely pleased with the unexpected high interest in take up, it also resulted in an unfortunate backlog that impacted our installation process. As part of our mitigation plan, we ramped up our resources which included hiring more Maxperts to serve our customers as quickly as possible. Meanwhile, our own employees rallied behind the strong take up and visited 1,500 homes and businesses nationwide to accelerate the installation process and help customers upgrade their WiFi routers for a better Internet experience.

Ultimately, our goal was to ensure that the biggest beneficiary were our customers. We are pleased to have migrated approximately 80% of our fixed broadband customers to higher speeds and lower prices by the end of 2018.

For our business customers, we continue to advocate new ways of working through our integrated digital solutions, supported by our dedicated team for personalised business services. During the year, we set up Enterprise counters at all our retail stores, providing not just a touchpoint for our business customers, but also an avenue for them to get help with their retail needs through our latest solutions, such as Maxis ONERetail. We have also grown our solution sales teams to provide expert advice on businesses that want to grow and drive cost savings through solutions such as CloudPOS and mDrive.

For SMEs in particular, we have a dedicated eCommerce team to advise on our end-to-end eCommerce solutions including webstore setup, digital marketing, insights and analytics. We also have a dedicated eCommerce Business Manager to partner with customers throughout the development lifecycle.

For more details on Our Products and Enterprise Solutions please refer to pages 58 to 63.

What’s Next.

With customers at the heart of our operations, we will continue to implement new and improved service channels as well as self-serve digital touchpoints for convenience and peace of mind.
Our people are the driving force of Maxis and embody our unique MaxisWay culture. Passionate and committed, they are central to Maxis’ journey towards our ambition of being a leading converged communications and digital services company. We recognise how important our people are to our current and future success, and lend our full support to help them Know, Grow and Engage.

Attracting the Best Talents

We strive to bring in the best talents, leveraging the efficiencies and effectiveness of digital technology. Through HireVue, a cloud-based recruitment tool, we satisfy nearly 95% of our hiring needs, including C-level roles. This has resulted in an almost 60% reduction in time spent on hiring and gives a superior candidate experience through higher efficiency and timeliness. HireVue enables candidates to complete their digital interviews anytime, from anywhere. Once brought on board, we ensure our people are kept motivated and inspired through continuous learning, development and engagement.

Training and Education

We continue to advocate our “I Grow” development agenda, which encourages employees to learn and develop throughout their career in Maxis. In keeping with our digitalisation mindset, the focus is on understanding and applying leading-edge digital technologies as well as retail innovation and app development. At our Centres of Excellence (CoE), we designed and delivered digitally-focused in-house programmes to provide a customised and curated learning experience for employees at all levels.

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For the video interview, scan this QR code or go to www.maxis.my/People18
Other than organised programmes, we encourage our employees to leverage cloud-based digital tools such as Workday HR systems, Lynda video learning from LinkedIn and the SmartUp micro-learning platform to grow via self-learning. As these are mobile-based platforms accessible anytime and anywhere, our employees have the convenience of enhancing their skills in their own time, at their own pace and their own convenience. This has resulted in more employees completing their learning experience online and reducing their classroom hours.

Employees are exposed to other functions within the organisation, enhancing their knowledge and skills through job rotations. They are also given the opportunity to explore their full potential with the help of postgraduate scholarships, educational loans and online courses.

We recognise the need to establish a strong leadership pipeline, and invest in leadership training to unlock our employees’ potential. With the highest standards and requirements needed to be a manager, we introduced a digital leadership programme with a group of high potential senior leaders in critical roles who are tasked with designing, developing and implementing digital solutions. Empowering leaders to co-create change is integral to our strategy for future success.

To ensure our people are future-ready, we have realigned our scholarship and management trainee programmes to focus on young talents with the right skills and attitude. In 2018, we also introduced our first targeted finance management associate programme. This has resulted in us bringing in a number of finance professionals from other industries who would under normal circumstances not be hired by Maxis. In addition, we launched customised internship programmes that focus on advanced technologies including Artificial Intelligence, machine learning and big data within our Technology division.

We continued with our flagship programmes to sustain our presence among young talents:
- Maxis Inspire, which cultivates an entrepreneurial mindset; and
- Maxis Stars of What’s Next, through which we reward Malaysian undergraduates who not only excel in their studies but also engage in activities they are passionate about.

In a bold step forward in our ambition to be a leading eCommerce enabler in the country, we acqui-hired a leading web development company and its workforce into our eCommerce team. This timely integration is strengthening our capabilities in the eCommerce space as we scale towards driving our Enterprise offerings as an end-to-end solutions provider to new market segments.

For more details on Our Enterprise Solutions, please refer to pages 60 to 63.

Diversity and Equal Opportunity

We believe a diverse and inclusive workforce broadens our perspective and skills base in order to better understand and meet our customers’ needs. We value our multi-generational workforce and continue to make conscious efforts to attract and retain these talents.

In the last three years, we have increased the number of hires under 30 by 10%, which has allowed us to shape our workforce to be aligned with a younger and more agile digital company. Meanwhile, we continue to focus on our scholarship and young talent programmes to help us achieve a good gender balance.
Our competitive compensation and benefits package meanwhile continues to be an industry benchmark. One of the key changes made during the year was redefining our MaxisONE Employee plan to be more comprehensive, allowing for an enhanced employee experience by having full access to Maxis products and services.

**Providing a Great #lifeatmaxis**

We believe happy employees lead to happy customers, which is why we focus on building a rich employee experience and developing digital natives across the Company regardless of the employee’s job scope. Some of the skills we have focused on include digital content creation, where employees get to experience first-hand how to develop audio and video content. We also hosted an app development bootcamp, and introduced the principle of Design Thinking in our annual hackathon. Here, employees came up with multiple ideas on how to innovate for an improved customer experience while also identifying new revenues streams for the business.

Our #fitterfaststronger programme encourages employees to engage in physical activities for their personal well-being. We continued to hold fitness classes in the office, such as zumba and yoga, as well as organised World Health Day events and Sports Day. Beyond fitness, we provide personal enrichment programmes, such as language classes (Japanese, Korean, Mandarin and French), cooking and barista classes.

Our employees are also kept informed of corporate news and updates through internal communication via Yammer and our Intranet, Squiggle, while company events and festive celebrations are held to create strong engagement levels and a bond. These efforts have resulted in consistently high levels of employee engagement as measured by our annual Voice of Maxis (VOM) survey. Since 2015, we have maintained high scores in the 80s, which surpass even Global High Performance Companies’ benchmarks for global telcos.

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<td><strong>Sustainable Engagement</strong></td>
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**Health, Safety & Environment (HSE)**

Central to our employee value proposition is ensuring a safe work environment. Towards this end, we have implemented and adhered strictly to a robust Health, Safety and Environment Management System (HSEMS). We believe in continuously improving our safety platform, and were awarded the Occupational Health and Safety Assessment Series (OHSAS) 18001 as well as Malaysian Standard on Occupational Health and Safety Management Systems (MS 1722) certifications in June 2018. These are reflective of our commitment to high standards of occupational health and safety, facilitating the effective management of safety risks. While the HSEMS serves as a point of reference, it is complemented by additional measures and initiatives to cultivate a safety-first culture company-wide.
Our HSE initiatives are focused on our business as a whole, which further extends to our partners/contractors:

a. Training for Maxis employees
   • 4WD Defensive Driving Training (DDT): The programme equips our field operations drivers with the knowledge to safely and effectively handle driving on and off road.
   • Occupational first aid, cardiopulmonary resuscitation (CPR) and automated external defibrillator (AED) training: Employees at all our premises are provided with basic first aid response training in order to manage emergencies until professional medical assistance arrives. There are also 23 AED units at our main offices to treat cardiac arrests.
   • Working-At-Height (WAH) training: This is provided for employees who work at height at network sites, covering many safety techniques, including fall arrest systems that ensure their safety while performing tasks on rooftops, towers, monopoles or other tall structures.

b. Initiatives with Partners/Contractors
   • WorkSafe training programmes
   • Audits
   • Half-yearly communication sessions with main contractors’ safety and health officers

Our Safety Performance

We are pleased to report zero fatalities in 2018. However, there were four staff-related incidents resulting in lost-time injury (LTI), consisting of the following:

- Office/site: One incident on stairs with an LTI of four days and LTIF (lost time injury frequency) rate of 0.15.
- Vehicle/road: Due to enhanced operational requirements and challenges with regards to site conditions and public roads, there were three road accidents resulting in an LTI of 24 days, and LTIF rate of 0.45. These include one day each from two accidents involving Maxis’ 4WD company vehicles, and 22 days from an accident involving usage of an employee’s own motorcycle.

With our health and safety systems, processes and initiatives in place, we have successfully kept staff-related incidents to the lowest level possible. The health and safety indicators reported above helps us to address issues quickly and implement intervention measures in a timely manner.

What’s Next: Our People are the Workforce of the Future

Looking ahead, our focus is to build a workforce that is ready to compete and excel in a vastly different playing field. To enable this, we are shifting towards a “Learner of One” mindset by offering highly customised and curated learning contents to nurture employees within their respective fields.

Within our organisational structure, we are pivoting towards becoming an agile workforce that is able to meet the future demands of an ever-changing digital landscape. This includes adjustments to support our business direction while maintaining a flat structure with lean teams.
Our Consumer Products

The surge in data usage amongst our customers has reached unprecedented levels, with the demand for quality data continuing to grow as customers use their mobile devices to feed their increasingly digital lifestyles. This is why our worry-free propositions have been a mainstay in all our products and solutions, ranging from unique, innovative offerings to the most affordable plans in the market. The future is also about converged offerings, and we take great pride in our capabilities to offer both fixed and mobile solutions to our customers, while offering them even more value than they crave for. Through our personalised plans, we also offer customers just what they need – be it more data or a new device. Here are the game-changing products that we launched in 2018:

**Zerolution360**

Going “phoneless” is no longer an option. Whether it’s for emails, banking, shopping, streaming, social media, hailing rides or getting directions, there is no doubt that our mobile phones have become central to our lives. Zerolution360 is a completely new way of owning a device, offering customers a 360 worry-free experience for all their device needs – from the point of signing up and using to maintaining and upgrading in the future. For an all-inclusive device experience, customers can also choose from a wide range of high-end flagship phones with an affordable monthly fee, zero upfront payment as well as a comprehensive protection plan. The key benefits customers enjoy include immediate one-for-one replacement for lost or damaged devices, total device protection as well as free phone upgrades every two years with an option for annual upgrades.

**Maxis FamilyRoam**

Adding on to our suite of family-focused products, we introduced FamilyRoam which enables all Share Lines on MaxisONE Plan and MaxisONE Prime to enjoy easy and free unlimited roaming in any ASEAN country. At just RM38 a day for the MaxisONE World pass, family members have access to unlimited data, calls and SMS while away from home.

**Fibre Broadband**

We led a new era to mainstream fast fibre broadband and were the first to launch the most affordable and worry-free fibre broadband plans as part of our very successful Fibrenation campaign. Our no restrictions propositions provide a superior Internet experience supported by advanced high-speed fibre networks and even better services than what we have offered before. Under our consumer plan, we offered 100Mbps at RM129 per month and 30Mbps at RM89 per month.
Prepaid

Hotlink RED

This new prepaid plan boasts a worry-free non-stop high-speed Internet experience. The RM10 pack includes RM5 of preloaded airtime, 300MB of mobile data, and 10GB of high-speed data dedicated for Facebook usage. Customers can choose from a wide variety of Internet passes for daily, weekly or monthly usage.

Hotlink Rewards

We’re constantly looking for ways to engage with each and every one of our customers in meaningful and convenient ways that offer them real value, every day. And there’s nothing more rewarding than offering simplicity. Hotlink Rewards is a unique rewards programme that is based solely on customers’ interaction with the Hotlink RED app. Once downloaded, customers only need to log into the app to claim their daily reward points. On top of that, customers also receive a daily Mystery Gift, in which they stand a chance to win free flights to domestic or South East Asia destinations, or earn even more free reward points to redeem merchant deals or Internet passes. Our customers can enjoy exciting deals from some 160 popular brands.

Ookyo Relaunch

Ookyo, our 100% digital Internet plan, was relaunched in 2018 with a new proposition that offers customers 8GB of data and unlimited high-speed Internet – all day every day – for any four applications of their choice! Customers can choose from a list of over 200 apps and request for their favourite app if it is not on the list. They get all these plus unlimited calls and SMS, from just RM30 a month. Ookyo also offers Google Play cashback everytime they spend in the Ookyo store.

Hotlink Postpaid Flex

This first-of-its-kind mobile plan combines the flexibility of postpaid and the convenience of prepaid. Starting from RM30, customers get unlimited calls and SMS to all networks, on top of 1GB high-speed data. The plan provides customers with more choice and flexibility to create and upgrade their own Internet plan based on what they want. This includes a variety of Internet passes and unlimited app add-ons, social, chat or music from as low as RM5 a month for them to choose from. Customers can also enjoy the convenience of managing their plan in one monthly bill. During the year, we introduced Hotlink Postpaid Flex Plus, which comes with 10GB data and unlimited talk & text as well as devices bundled from as low as RM1.

Business Review

For the video interview, scan this QR code or go to www.maxis.my/Products18
Our ambition for our Enterprise and Government customers is to be their partner as they digitally enable their business operations. With proven results, what sets us apart are our flexible and customised digital solutions that are built around an “Always On” proposition, for SMEs and larger enterprises across key segments including retail, logistics, F&B, manufacturing and government. Our goal is to help businesses of all sizes succeed by:

• Simplifying and improving the way they work.
• Taking the complexity out of technology and allowing our clients to simply reap the benefits.
• Enabling them to interact with their customers efficiently and to create their own great customer experiences.

We have continued to engage with our customers in several key projects to deliver solutions and connectivity, aligning with the digital economy and Industry 4.0 initiatives. Our end-to-end business solutions – from mobile and fixed to eCommerce and IoT – are backed by our industry-leading 4G LTE network that ensures an unrestricted and worry-free communication experience that can be enjoyed “as a service”.

For more information on Our Network, please see pages 64 to 66.

For the video interview, scan this QR code or go to www.maxis.my/Enterprise18
These strong commitments to our customers are underlined by the attractive propositions that we introduced in 2018:

**Business Fibre**

Connectivity is the lifeblood of any business particularly for SMEs and micro SMEs that operate in an extremely competitive space. With increasing reliance on web usage and cloud services, we launched the most affordable business fibre plans in the market in August with our 100Mbps plan going for just RM139 per month, and 30Mbps plan for RM99 per month.

The plans offer multiple business grade benefits – Always On connectivity for complete business continuity, end-to-end technical support from Maxperts, our Internet specialists, and a future-proof business grade router which will enable additional speed upgrades as they become available. There is also the flexible option to choose multiple solution add-ons based on specific business needs, such as Managed WiFi, Internet security, and cloud and email storage. As an example, our Internet Security proposition protects our customers from external cyber and malware attacks. This is also the only business fibre solution in the Malaysian marketplace that comes with a fully integrated wireless Internet backup, that ensures our customers are Always On even in the event of a cut to their fibre service.

With consumers today expecting total connectivity solutions, we signed a service agreement with Gamuda Land in October for the provision and deployment of network infrastructure and services to one of its key township developments. It was an agreement that underlined our ongoing commitment to co-investments with property developers in the country in providing high-speed broadband connectivity to homes through our own built fibre network. As the only access seeker currently operating in the market, our goal is to work with all access providers and invest in available fibre networks, while also building our own where possible. Our partnership with Gamuda Land demonstrates we are not only an access seeker, but also a fibre builder.
Maxis ONERetail

Maxis ONERetail removes the hassle of adopting piecemeal solutions from multiple providers, through a single point-of-contact approach. Designed specifically for retailers, it offers a comprehensive range of solutions that complement existing mobile and fixed Internet:

- **eCommerce**: An end-to-end eCommerce solution with Webstore customisation, sales performance insights and analytics dashboards, and digital marketing services to boost online presence (see more details on our eCommerce offering in the next section).

- **Cloud POS 2.0**: It is the only Cloud POS (Point-of-Sale) in the country that can be used with the retailer’s existing hardware. The cloud platform enables businesses to view real-time sales and inventory reports from a single online platform, and develop sales and customer analytics. Businesses can access all this data anytime, anywhere. The free, zero-downtime software upgrades further amplify our worry-free proposition in all our solutions.

- **mPOS 2.0**: Accept card payments on-the-spot, anytime, anywhere. mPOS also allows for viewing of real-time reports, and accepts large payments with low credit card transaction fees.

- **eSMS**: Reach out to the right audience by centralising customer data collection and drive targeted foot traffic.

In 2018, we became the first telco in Malaysia to offer a complete suite of digital solutions for the retail industry.
eCommerce

eCommerce has seen rapid growth in the region, with Malaysia seen as one of the most attractive and mature markets for this segment. Shopping habits are evolving and increasingly online, from the way we research to how we shop. SMEs are recognising the immense number of opportunities out there, as an online presence will enable them to stay relevant to hyper-connected consumers. Our goal therefore is to enable SMEs to realise their eCommerce potential through our solutions.

In 2018, we expanded our Enterprise offerings with an end-to-end eCommerce solution, specially targeted to SMEs in Malaysia to build, amplify and optimise their eCommerce presence, as well as maximise revenue potential from within and outside Malaysia. Our aggressive expansion into eCommerce was amplified by the acqui-hire of multiple award-winning and leading web development company, Optima Innovations (M) Sdn. Bhd. (Optima), during the year. The acquisition and integration of Optima team and business into our eCommerce team was timely, and a bold step forward for Maxis in our ambition to be a leading eCommerce enabler in the country. Since launching our eCommerce solutions, we have seen an eight fold revenue growth in this segment – clear indication of the ongoing shift into digital platforms for businesses.

ONEBusiness Flexi

Taking into account our customers’ purchasing and usage behaviour, we launched ONEBusiness Flexi, the most flexible business mobile plan, with flexible data sharing and flexible device ownership. Businesses can choose a mobile plan for their employees, allocate the right amount of data for each employee, add more lines as the company grows and select devices of their choice within 24 months. It’s as simple and flexible as that.

Zerolution360 for Business

To ease the burden on owning devices, we introduced Zerolution360 for Business, a smart way to finance business devices with zero worries – no upfront payment, 0% interest and the flexibility to choose any type of device and be able to upgrade these devices on a regular basis to keep up with changing needs and functionality of new and future technology.

ONEBusiness Smart

Specifically for micro SMEs, ONEBusiness Smart offers complete Internet and mobile solutions. They can customise a plan that comes with Internet for your office or on the go, add mobile plans with the latest 4G smartphones, and enjoy complimentary digital solutions to help them run and grow your business.

NB-IoT

Narrow band – Internet of Things (NB-IoT) will help bring the digital intelligence of the Internet to our everyday lives. For example, improving the quality and accuracy of the services we encounter on a daily basis, such as the status of traffic lights, street lights, utility meters, public waste bins, as well as helping us keep track of things and people that are important to us, to name but a few. It will enable the deployment of more IoT solutions and bring business benefits to both the public sector and private businesses, as part of their digital transformation strategies.

To accelerate adoption, we set up an IoT Innovation Laboratory in 2018 to act as a bridge between Maxis’ Enterprise customers and device manufacturers as well as solutions providers. Here, a free testing facility helps Enterprise solutions providers to go to market quicker. The lab is also used as an experiential showcase for customers to see demonstrations of fully tested NB-IoT solutions.

Mobile Workforce

With the changing enterprise environment, the need for mobility is now a must for businesses. Employees are shifting from a time-based concept to a task-based concept, increasing the need to be connected in order to communicate and collaborate effectively. We introduced Mobile Workforce to enable businesses to be more mobile and productive, by providing a suite of solutions (ONEBusiness Flexi, Zerolution360 for Business, Managed Mobility and mWorkforce) to allow employees to work anytime, anywhere, providing the connectivity relevant to their needs.
Our Network

There is no doubt that our lives now revolve around digital content and services, and the accelerating demand for high quality data to access such services can never be underestimated. This is why we take pride in the work and investments in our network, which has been at the forefront of the industry in terms of speed and quality.

Our Mobile Network Leadership

Our network leadership has been a mainstay for Maxis, and it’s not just what we say. In MCMC’s 2018 Network Performance Report, Maxis came up top in the wireless broadband segment in terms of speed, response time and overall performance among all networks in Malaysia. We were also ahead in MCMC’s Mandatory Standards for Quality of Service for download speeds, with the ability to receive speeds of at least 1Mbps 99.89% of the time. The report also showed that we had the highest average speed among six LTE-based players in the market, with a gap of 12 Mbps between us and the telco in second spot.

We are currently providing 4G LTE speeds at more than 3Mbps 95% of the time and more than 5Mbps 90% of the time at Key Market Centres. According to YouTube’s Video Checkup, we offer the best high-definition (HD) video streaming experience in Malaysia. In providing an “Always On” experience, we have ensured that accessibility to high-speed Internet is made available to our Home customers as well, at an average speed of 37Mbps.

Delivering the best network experience for customers is important to us, and we continue to invest significantly in this area. Over the past five years, we have invested an average of RM1 billion annually on our network and IT infrastructure. These significant investments ensure that our network consistently performs at the highest levels to cater to customer demands.

Today, our 4G LTE network covers 93% of the population, which is testament to the work that we have put in to create a superior mobile Internet experience for more customers, wherever they are. Having provided coverage in all major cities and towns, we have also seen massive adoption of 4G LTE along with an increase in 4G LTE device ownership, with penetration of blended smartphones at 83% as at December 2018. This adoption is driving an increase in video consumption, which comprises close to half of our total traffic. With over 80% of data traffic on 4G LTE, data usage per user has surged from an average of 6.7GB per month in Q4 2017, to an average of 10.9GB per month in Q4 2018. We expect this trend to keep growing as more HD content and new video services are made available to support a digital lifestyle.
Managing Data Traffic Efficiently

During peak periods or special events where there are big spikes in data usage, our mobile network has been built to handle the strain of the exceptionally high data traffic. One such example is the 2018 World Cup campaign, when Maxis and Hotlink customers had the opportunity to stream all 64 matches on our fastest 4G LTE network.

To support the accelerating growth in data traffic, we have implemented a timely capacity upgrade, and incorporated smart spectrum planning to ensure the potential of our limited spectrum is maximised. Measures to manage the increase in 4G traffic without congestion include migrating part of our 2G spectrum to 4G. We also continue to work with our regulator, MCMC, to secure available spectrum to further enhance our coverage and keep our network capacity at high levels for the future.

Meanwhile, we have deployed new 4.5G technologies such as 4T4R, Bisector, Carrier Aggregation and High Order Modulation (256 QAM), which deliver download speeds of up to 500Mbps. We have also been upgrading our network backend with virtualisation of core data network functions for greater agility. To improve the quality of our indoor coverage, we are adopting a strategic approach on the placement of state-of-the-art high capacity small cells and antennas. In underserved areas, our collaboration with MCMC is critical on initiatives, such as VSAT backhaul and capacity enhancements via microwave, fibre and LTE relay.

For more information on our efforts to connect the underserved, please see Our Community Outreach section on pages 67 to 72.

Beyond Mobile Solutions, Always On Connectivity

With an Always On proposition and customer experience as a priority, we see many opportunities beyond mobile, particularly in managed services for our Enterprise customers. To better serve them, we are modernising our next-gen IP network to connect more services with improved resiliency for uninterrupted service. We provide cloud hosting, cloud connectivity to public clouds such as AWS and Solution-as-a-Service (SaaS) such as mPOS and mDrive to enterprises. Our goal is to help businesses simplify and improve the way they work, taking the complexity out of technology and allowing them to interact with their customers efficiently.

Leading a New Era in Fibre Broadband

2018 was an important year for the industry in Malaysia on the broadband front. When we launched our most affordable and worry-free broadband plans for homes and businesses in August 2018, our goal was to open up a whole new era of Always On, “peace of mind” fibre broadband for Malaysian homes and businesses. To this end, we have been working hard to provide better latency and speed through upgrading of routers and firmware for uninterrupted connectivity of their Internet experience. For enterprises, there are multiple business grade benefits, such as 4G wireless back-up for complete business continuity and peace of mind. This is supported by a robust network build, which to date is ready to support fibre speeds of up to 800Mbps.

An increasing number of our broadband customers are enjoying unlimited fixed and mobile broadband services in their homes. We expect our subscription numbers to accelerate further as we continue to grow our Home Fibre business through expanded accessibility of our services into even more homes across the country.

Equipped to provide the best fixed network solutions, we have upgraded our Core and fibre networks in line with our converged solutions ambitions. This has put us in a solid position as the only national access seeker, partnering with multiple providers to expand our offerings and coverage of fixed solutions throughout Malaysia.
Towards a Future of New Technologies

The next step in our ongoing network evolution is the support for 5G, which will herald a new era of smart solutions. We are already well positioned for 5G adoption through our network transport/backhaul and core, and are currently conducting demo trials in our test lab on gigabit mobile Internet and VR applications, among others. Results to date have been promising, with download speeds of over 3Gbps. We see 2019 as a year of further tests and trials followed by potential commercial deployment when four factors are in alignment: access to network technology; access to spectrum; access to compatible devices; and, importantly, customer digital lifestyle readiness.

Progressing from the success of our machine-to-machine (M2M) journey, we intend to expand our connectivity solutions through IoT technologies. Underpinning the mass deployment of smart things in the future, NB-IoT is a relatively new type of fit-for-purpose mobile network which can support millions of these connected things in a single location, even if they are underground (e.g. parking lot). It is also low-cost, enabling mass rollouts, and operates on low power so if it runs on a battery, this will enable the management of devices or assets in the field to be extended for many years (e.g. in remote areas). NB-IoT trials are in progress, and we see endless possibilities of enhancing lives through smart solutions.

Digitalisation at the Core with an Agile IT System

Our ambition for an Agile IT System is to lead in innovation as we deliver new digital solutions for our network. At the heart of our technology transformation are digital capabilities which are continuously strengthened. In 2018, we invested in more business IT solutions and developed Agile IT foundations through three CoEs to enhance our digital, big data and cloud capabilities. These will enable faster time to market of new innovative products and solutions for our customers, and an unmatched personalised experience through better interaction, personalisation and channel digitalisation.

Setting Up for the Future

Our network is only as strong as the people behind it. To ensure that we are equipped with the right skills, we have established multiple platforms for them to acquire all the required competencies for the future. At our CoE, employees are being trained in AI, Machine Learning and Big Data. We have also initiated a “Technology Got Talent” programme, through which subject matter experts share their knowledge on topics such as Network Function Virtualisation (NFV), eSim Technology, IoT and Robotic Process Automation with colleagues.

For more information on our upskilling programmes, please see Our People section on pages 54 to 57.

With the right talent and technologies, we seek to create a next-generation intelligent multi-service network that will be central to a future of smart solutions for everyone in Malaysia.
Our Community Outreach

EDUCATION & COMMUNITY EMPOWERMENT

Our flagship community programme, eKelas, is an after-school initiative that provides access to digital learning to students in rural communities and helps them improve their academic performance. Classes are conducted by experienced teachers via video conferencing, through a combination of interactive digital content in the eKelas portal and live tutorials in line with the Malaysian school syllabus. The portal is home to exciting quality content that helps students with self-paced studies and to discover how to learn collaboratively.

eKelas is made possible by our partnership with MCMC, as it is run at their Pusat Internet (Internet Centres) which serve as digital hubs for communities in underserved areas. Since its launch three years ago, eKelas has reached 6,400 students in Malaysia through 55 Internet Centres across 10 states.

LOCAL COMMUNITIES

As a digital enabler, we want to reach out and help communities to leverage technology and the Internet to bring a positive, long-lasting impact to their lives. Based on a desire to help the communities in which we operate, we focus on championing Education & Community Empowerment, Humanitarian Relief and Festive Charity.
Our Community Outreach

eKelas Footprint

North
Pokok Jawi, Kangar, Perlis
Padang Besar Selatan, Kuala Perlis, Perlis

Central
Putrajaya Presint 9 Fasa 3
Putrajaya Presint 9 Fasa 10
Putrajaya Presint 18
PPR Kampung Batu Muda, KL
PPR Seri Semarak, Setapak, KL
PPR Kampung Baru Air Panas, Setapak, KL
PPR Intan Baiduri, KL
PPR Pinggiran Bukit Jalil, KL
PPR Taman Beringin, Jinjang, KL
PA DBKL Desa Rejang, KL

East Coast
Kampung Selising, Pasir Puteh, Kelantan
Kampung Chengal, Keteri, Kelantan
Kampung Gong Kulim, Kelantan
Kampung Lawang, Tanah Merah, Kelantan
Kesedar Chalil, Gua Musang, Kelantan
Kampung Karangan, Kuala Krai, Kelantan
Kampung Kajang Sebidang, Tumpat, Kelantan
In 2019, eKelas will be expanding to new target groups – Primary 6, Form 4 and Form 5 – in addition to the current Form 1 to 3 students. This is aimed at reaching out to more students and communities across Malaysia. It also gives an opportunity for students in the critical examination years to leverage eKelas to prepare for UPSR, PT3 and SPM exams with access to a wide range of content on the portal and live tutorials.

**South**
- Semangar Dalam, Kota Tinggi, Johor
- Tanjung Piai, Pontian, Johor
- Paya Jakas, Segamat, Johor
- Felda Sungai Lui, Jempol, Negeri Sembilan
- Kota Pekan, Kota, Negeri Sembilan
- Felcra Sungai Ara, Kota Tinggi, Johor

**East Malaysia**
- PPR Dahlia, Sarawak
- Kampung Luak, Miri, Sarawak
- Kampung Pandan, Lundu, Sarawak
- Machan, Kanowit, Sarawak
- Melugu, Sri Aman, Sarawak
- Kampung Telaga Air, Kuching, Sarawak
- Kampung Lambir, Miri, Sarawak
- Kampung Sibuti, Miri, Sarawak
Our Community Outreach

Anugerah Gemilang

To motivate eKelas students to do well, we introduced the Anugerah Gemilang eKelas given by Maxis as it encourages students like me to work harder.” ~ Nur Aishah Sofia binti Jamila, eKelas student

The following were key events and activities in 2018 that helped students develop their knowledge and be inspired by eKelas:

Anugerah Gemilang

To motivate eKelas students to do well, we introduced the Anugerah Gemilang eKelas (Student Grant) which is awarded to students that have demonstrated the most progress academically on an annual basis. Awarded students would have needed to achieve a minimum of one grade improvement in their Science, Mathematics and/or English subjects in their school’s final semester examination. Since its introduction in 2017, 11 successful students have been awarded with cash grants totaling RM1,200 each for improvement in all three subjects and RM600 each for improvement in two subjects, as savings into their Skim Simpanan Pendidikan Nasional together with school packs.

#MaxisMotivates

In 2018, we introduced #MaxisMotivates, where students are exposed to new knowledge and inspired by stories and real-life experiences of our own employees as well as external speakers. During these motivational sessions, students also took part in group activities to learn about collaboration, resilience and teamwork. During the year, we completed 19 sessions at various Internet Centres.

Holiday Camp

Every two years, our eKelas students look forward to the highly anticipated and exciting Holiday Camp, where the most dedicated eKelas students are selected to take part in fun activities, inspiring workshops, field trips and educational visits.

In 2018, a total of 100 students from 24 Internet Centres were chosen for the Holiday Camp which was held at Universiti Kebangsaan Malaysia (UKM), giving them a taste and feel of true campus life. The Holiday Camp also provided students the opportunity to meet fellow eKelas friends and teachers face-to-face for the first time.

Measuring Impact of eKelas (2018)

<table>
<thead>
<tr>
<th>Measurement</th>
<th>Indicators</th>
<th>2017</th>
<th>2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>Improvement in subjects taught in eKelas</td>
<td>Number of Anugerah Gemilang student grant award recipients</td>
<td>11 award winners – three improved in all three subjects and eight improved in two subjects</td>
<td>24 award winners – three improved in all three subjects and 21 improved in two subjects</td>
</tr>
<tr>
<td>Student participation in English drama competition</td>
<td>Number of video submissions for English drama competition</td>
<td>50</td>
<td>54</td>
</tr>
</tbody>
</table>
eCikgu

In 2018, we introduced eCikgu, a new feature in the eKelas portal that enables students to connect with teachers via a chat forum. The feature aims to encourage greater interaction, participation and engagement with teachers and peers. eCikgu has the benefits of immediate student attention and community interaction.

Improving Digital Literacy and Online Safety

Aligning with Klik Dengan Bijak, MCMC’s well-established initiative advocating positive and responsible Internet usage, we conducted a train-the-trainer session for a pool of more than 150 Internet Centre managers on Internet safety for eKelas students. We collaborated with Google for this session, which was aimed at equipping the Managers with the right digital tools and knowledge, such as creating secure passwords, staying safe from scams and responding to cyber-bullying. More than 400 students were trained by these dedicated Managers in 2018.

We remain committed to playing a prominent role in contributing to the nation through digital learning for even more students in rural communities in Malaysia to leverage the power of technology.

FESTIVE CHARITY

Our community outreach includes various charity programmes during festive seasons. Our goal is to create a sustainable impact on these communities through the power of technology, and our initiatives in 2018 were a reflection of this commitment.

A Helping Hand for Rumah Charis Residents

In preparation for the Chinese New Year celebrations, residents of Rumah Charis, an old folks home in Penang, got a fresh look for their premises when Maxis volunteers painted and cleaned up the interior and exterior of the home, and helped to put up decorations. Residents also had the opportunity to experience a first-of-its-kind augmented reality HuatAR Ang Pao.

Fueling the Passion of Local Entrepreneurs

As part of the Raya celebrations, we had the opportunity to help the local entrepreneurs of FELCRA Sungai Ara in Kota Tinggi, Johor with a digital marketing workshop to optimise their business using social media, content creation, photography and basic accounting.

How a Remote School Got a Makeover They Deserved

In conjunction with Deepavali, SJKT Ladang Escot in Tanjung Malim, Perak got a school makeover by Maxis volunteers, which included creating space for a new classroom and study area, and equipping the school’s ICT room with new PCs, WiFi broadband, a flatscreen TV and a printer. Students and teachers also got to expand their knowledge through an Internet Safety Workshop.

Advocating the Far-Reaching Benefits of Technology

In 2018, the local Bidayuh community of Kampung Quop in Samarahan, Kuching, Sarawak got more than Christmas cheer. Discovering new ideas using the Internet as a powerful tool for business, 30 entrepreneurs were coached by Maxis volunteers on how to optimise their business using social media, content creation and photography. We also conducted digital literacy workshops for 60 students from surrounding communities.
Other Campaigns

Special occasions during the year give us an opportunity to do something impactful for our local communities. In celebrating Mother’s Day, Father’s Day and Parent’s Day, we teamed up with Parents without Partners (PWP), a non-profit organisation, to help PWP reach out to more customers through Maxis’ eCommerce platform. With PWP raising funds through its physical store selling pre-loved donated goods, we saw the potential in digitalising their store to empower the team through technology and the Internet.

In 2018, Maxis became the lead broadcast sponsor for RTM’s coverage of the 2018 FIFA World Cup Russia™. The sponsorship, amounting to RM18 million, underlined our shared national aspirations in making sports accessible to everyone in the country.

Meanwhile during Merdeka, we collaborated with the Department of Wildlife and National Parks (PERHILITAN) to play our part in supporting the conservation of endangered animals. Through our Endangered Malaysians project and working with partners, we immortalised and celebrated these animals through the power of technology and photography. The photos were made available on our website and Facebook page as part of the #KitaRakyatMalaysia pledge to encourage more Malaysians to play a role in protecting these endangered animals.

As a result of thousands of public pledges and Maxis’ own donation, we presented RM25,000 to PERHILITAN to support its conservation efforts. The campaign garnered over six million views of our campaign videos on YouTube and Facebook. We also created awareness of this project among youth by conducting art workshops for more than 200 eKelas students from 15 Internet Centres, followed by a colouring and drawing competition based on the project’s theme. Winners were treated to field trips to wildlife sanctuaries.

HUMANITARIAN RELIEF

Our humanitarian relief priorities include assisting emergency services organisations with their connectivity requirements, restoring services to our customers and premise clean-ups. Where necessary, we provide temporary mobile base stations to boost coverage for the emergency services or relief centres. As post-flood initiatives, we help our dealers restore their businesses and affected communities rebuild their lives.

In 2018, we teamed up with Astro to help raise funds for Tabung Bencana Gempa Bumi & Tsunami Sulawesi. This followed the cataclysmic earthquake and tsunami that hit Central Sulawesi, and in response to the Malaysian Prime Minister’s call for ASEAN countries to help our neighbour. Maxis and Astro made a joint contribution of RM5 million to the Fund, which was to aid the restoration of Sulawesi, particularly in rebuilding schools and communities.

VOLUNTEERISM THROUGH M SQUAD

All our community initiatives are supported by a robust volunteerism programme, M Squad. We are proud to see our people dedicated to both our corporate goals as well as our social contributions, where they get involved and contribute in areas they are passionate about.

Our M Squad continued to volunteer their time through a variety of causes, offering exciting opportunities for our employees to participate and immerse themselves in various community outreach programmes. In 2018, M Squad members clocked in 5,397 volunteer hours, up 122% from 2,435 hours in 2017, reflecting a total value of RM255,595. To date, close to one-third of our employees participate in this programme.

* Total value of volunteer hours is calculated as follows:

Volunteering value = Average Hourly Rate x Total Maxis Volunteering Hours

EMPOWERING DIGITALISATION

We understand the importance of connectivity for all Malaysians. For underserved communities, we continued to work closely with MCMC in the TIME 3 projects, an initiative to build mobile tower and base stations in these areas. A total of 1,700 underserved locations nationwide now have access to 2G and 3G services, made available through Domestic Roaming and Radio Access Network (RAN) sharing with other service providers.

We have also installed and deployed 334 WiFi Komuniti locations nationwide so far, to ensure there is wireless broadband access for the rural population as part of the Universal Service Provision (USP) initiative. Through 118 Internet Centres under Maxis’ care nationwide, we play a key role in facilitating the adoption of ICT and digital lifestyles. Apart from offering Maxis’ own eKelas programme, these centres also offer various ICT workshops for the community.

We will continue to leverage digitalisation and technology to create a meaningful impact on lives in rural communities. Our community investments help to ensure that more and more people have access to the benefits that digital technology can bring to their lives.
We are always looking at how we can mitigate our impact on the environment. Improving our energy efficiency and reducing our greenhouse gas emissions across our network continued to be a priority in 2018. Beyond this, we also help address resource efficiency in terms of office and mobile e-waste management.

**ENERGY & EMISSIONS**

**Energy Use and Efficiency**

We continued to drive energy efficiency initiatives across our network and facilities by adopting innovative technology and energy-efficient equipment. This was primarily carried out at our Technical Operations Centres (TOC) and base stations (BTS).

Key initiatives at TOC include:
- Integrating energy efficiency requirements within our supplier selection processes, enabling us to install energy-saving features directly within our computer servers and to select high-performance power and cooling solutions whenever we need to retrofit or add new capacity;
- Replacing old air conditioning units used to cool our computer rooms with more energy-efficient models;
- Installing Low Voltage Energy Optimise System (EOS) to modernise power systems and leverage new technology; and
- Increasing the temperature set point in our data centre server rooms and in our switching centres to reduce the amount of cooling required.

Key initiatives at BTS include:
- Installing free cooling unit (FCU) technology to reduce 80% (average) of energy usage from cooling demand;
- Deploying hybrid solutions – a combination of diesel generators and batteries that cut diesel usage;
- Powering remote base stations using renewable energy sources i.e. full and hybrid solar power system;
- Increasing the temperature set point to reduce the amount of cooling required;
- Reduce Carrier Power for RAN share sites to lower power consumption at low usage periods during the day; and
- Shutting down 3G carriers in areas with high penetration of 4G devices.

As a result of these initiatives, our average energy consumption per Base Station was reduced by 9.1% in 2018.

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* 2017 figures have been updated from what was disclosed last year to reflect the full-year data.
Our Environment

Our Greenhouse Gas Emissions

Our largest source of greenhouse gas (GHG) emissions is electricity consumption. This accounts for 95% of our total GHG emissions with our network sites being the largest consumers of electricity. In 2018, our total emissions reduced by 3.3% from 2017. Our ongoing programme of energy efficiency initiatives contributed to this reduction.

WASTE

We continuously look for new ways to improve our waste management from two operational perspectives: office waste and mobile e-waste. Apart from minimising our impact on the environment, this helps us to save money.

Office Waste

We are now in our third year of partnership with Pertubuhan Kebajikan Masyarakat Melalui Kitar Semula (CRC) to recycle our office waste. Funds collected from our recycling efforts are donated to charity. We registered a 30% reduction in total waste collected in 2018 vs 2017 with our continuous green awareness.

Note:
* 2017 figures have been updated from what was disclosed last year to reflect the full year data.
Our Environment

Our increasingly digital work environment is showing continuous improvement in paper usage. In 2018, we reduced our usage further by 30.0%.

Mobile e-waste at Maxis Retail Stores

In support of MCMC’s Mobile e-Waste initiative, we have a total of 12 e-waste bins placed at selected Maxis Centres nationwide. We have also extended the programme to 10 selected Internet Centres under our care in Negeri Sembilan, Perlis, Kedah, Kelantan and Sarawak.

Four key initiatives in our mobile e-waste recycling programme were:

- Awareness campaign for Maxis employees to recycle their mobile phones and accessories through the e-waste bins provided.
- Participation in International Recycling Day where Maxis employees recycled their mobile e-waste.
- Interactive sessions with members of the public on the importance of recycling mobile e-waste in a safe manner.
- To encourage customers to drop their mobile e-waste into our collection boxes, we gave a promotional discount of 20% on selected mobile accessories at Maxis Centres.

We remain committed to protecting our planet by minimising our environmental impact through responsible and sustainable practices. We also continue to undertake our green initiatives which are focused on increasing the energy efficiency of our network facilities and buildings as well as reducing and managing our carbon emissions; managing our waste effectively; and promoting green habits amongst our employees.