XLSMART

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TIME BEST COMPANIES ASIA-PACIFIC statista 2026

Connecting Indonesia:
One Purpose – One Planet

Sustainability Report
2025

PT XLSMART Telecom Sejahtera Tbk

Sustainability Report
2025

PT XLSMART Telecom Sejahtera Tbk

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2025 | Sustainability Report | PT XLSMART Telecom Sejahtera Tbk



PT XLSMART Telecom Sejahtera Tbk and/or in this report referred to as "XLSMART" or "the Company", engages in the telecommunication services, discloses its achievements in economic, social, environmental, governance performance as well as sustainability management and strategies in this 2025 Sustainability Report. The Sustainability Report is part of the Annual Report which is published in a separate document. This report contains material data and information for stakeholders, including forward-looking statements containing future projections and conditons, except for the historical matters. The Company understands that risks and uncertainties from various factors can affect operational performance and future business conditions. The Company therefore cannot ensure that the data and information regarding future projections stated in this Report are correct, accurate, and can be entirely fulfilled.

Connecting Indonesia:
One Purpose – One Planet

The merger between XL Axiata and Smartfren is more than a strategic move. It combines complementary strengths, unites infrastructure, and aligns a shared vision to create a stronger, more inclusive connectivity landscape. This is a transformation that connects millions of Indonesians to opportunities while advancing a future built on sustainability.

We manifest this shared aspiration through impactful initiatives that strengthen our presence across the nation. Through integrated distribution and stronger infrastructure, we keep our trusted brands alive while accelerating innovation to expand access for all.

Our initiatives emphasize the transition to renewable energy, the implementation of eco-friendly operations, and the empowerment of communities through programs that advance digital literacy, foster entrepreneurship, and build local capacity. These efforts are anchored in strong governance that ensures every initiative is carried out with integrity and accountability. Together, these endeavours enable technology to create tangible impact where it matters most.

We believe connectivity is a bridge to opportunity and a foundation for a better future. It enables people to grow, communities to prosper, and the planet to be protected for generations to come. With this purpose guiding us, XLSMART is shaping a digital future where every connection contributes to a more inclusive and sustainable Indonesia, one where people and the planet thrive together.

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Sustainability Performance Highlights



Go Beyond Together

At XLSMART, value creation is measured not only by performance, but by the legacy we build for the future. As a digitally driven company committed to accelerating sustainable innovation and carbon neutrality, we believe that responsible growth creates enduring value for people, communities, and the planet.

In 2025, XLSMART moves forward as a unified force with a strengthened vision and renewed purpose. Through it all, sustainability defines how we lead. It shapes how we invest, how we innovate, and how we perform. From strengthening governance to accelerating digital inclusion and advancing environmental responsibility, every step we take reflects our commitment to long-term value creation.

We believe growth must go beyond numbers. It must expand opportunities, protect the environment, and earn trust through responsible leadership. This is how our ambition manifests in measurable progress throughout 2025.



Sustainable Fitch has assigned XLSMART

Entity Rating
2

Entity Score
67

Designated XLSMART as a

"Social Pure Player"

in recognition of its overall social contribution.

This rating reflects a good sustainability profile, driven by the environmentally and socially positive nature of fibre and 4G network provision.

Sustainable Fitch noted that XLSMART's business activities as environmentally and socially positive due to energy-efficient networks and wide connectivity that supports digital inclusion, including under-served regions.

As published on Sustainable Fitch Website https://www.sustainablefitch.com/corporate-finance/sustainable-fitch-assigns-xlsmart-entity-rating-of-2-03-03-2026

Sustainability Performance

All 2025 figures presented in this Sustainability Performance Highlights represent the performance of XLSMART following the merger. Data from Smartfren are primarily consolidated from April to December 2025 after the completion of the merger process, with limited data availability for the period prior to the merger.

Meanwhile, figures for 2024 and 2023 represent the performance of XL Axiata Legacy prior to the merger. Given the change in reporting scope and consolidation period, certain figures may not be directly comparable with those of previous years.

Economic Performance [B.1]

Production

BTS Tower
(Unit)

225,649

2024 165,864 2023 160,124

Data Traffic (Data Production)
(Petabyte)

14,566

2024 10,547 2023 9,638

Sales

Total Revenue
(Rp Billion)

42,485

2024 34,392 2023 32,323

Net Profit/Loss
(Rp Billion)

(4,415)

2024 1,847,631 2023 1,284,448

Number of Customers
(Million)

73.00

2024 58.80 2023 57.52



Connecting Indonesia:
One Purpose - One Planet

Eco-Friendly Products

Solar Panel (Total)

259

2024 252 2023 250

Number of Local Workers (Person)

3,214

2024 1,648 2023 1,480

Number of Local Suppliers (Entity)

602

2024 484 2023 431

Local Suppliers Contract Value (Rp Billion)

36,730.4

2024 15,068.4 2023 13,554.4

Environmental Performance [B.2]

Total Water Consumption

PDAM
(m^3)

27,198.99

2024 7,497.46 2023 7,382.32

Non Renewable Energy Consumption

Fuel (Pertalite)
(Liter)

312,322.00

2024 275,593.70 2023 228,001.34

Fuel (Pertalite)
(Gigajoule)

10,376.00

2024 9,156.60 2023 7,797.65

Diesel
(Liter)

1,030,365.97

2024 1,189,149.24 2023 1,393,829.51

Diesel
(Gigajoule)

37,216.82

2024 42,952.07 2023 47,668.97

Renewable Energy
(kWh)

3,334,087.00

2024 1,000,000.00 2023 -

Renewable Energy
(Gigajoule)

12,002.71

2024 3,600.00 2023 -

Electricity from PLN
(kWh)

1,282,346,871.00

2024 956,319,188.00 2023 902,853,187.65

Electricity from PLN
(Gigajoule)

4,616,448.74

2024 3,442,749.08 2023 3,250,271.48

Total Energy Consumption
(Gigajoule)

4,664,042.47

2024 3,498,457.75 2023 3,305,738. 74

Energy Intensity
(Gigajoule/Petabyte)

3,642.92

2024 332 2023 290

Energy Intensity
(Gigajoule/Revenue Rp Billion)

0.10

2024 0.10 2023 0.10

Emissions

Scope 1
($TonCO_2eq$)

3,476.89

2024 4,082.53
2023 4,255.54

Scope 2
($TonCO_2eq$)

988,304.73

2024 744,398.86
2023 695,828.95

Scope 3
($TonCO_2eq$)

477.17

2024 4,252.47
2023 5,743.82

Scope 1
($TonCO_2eq$/ Rp Billion)

0.86

2024 118.71
2023 131.66

Scope 2
($TonCO_2eq$/ Rp Billion)

23.28

2024 21,644.54
2023 21,527.36

Scope 3
($TonCO_2eq$/ Rp Billion)

0.01

2024 123.65
2023 177.70

Total Emissions ($TonCO_2e$)

992,258.79

2024 752,733.86 2023 705,828.32

Emission Intensity $TonCO_2eq$/Petabyte

4,217.68

2024 71.37 2023 61.90

Environmental Cost (Rp Million)

560.36

2024 86.20 2023 20

Emission Intensity ($TonCO_2eq$/Rp Billion)

0.09

2024 0.00 2023 0.00

Waste

Disposable (Ton)

24.48

2024 20.01 2023 -

Recycled/Reused (Ton)

73.29

2024 86.20 2023 -

Digital Innovation for Sustainable Environment

PowerSense (Smart Energy)
IoT-enabled air conditioning control system for BTS shelter towers to improve energy efficiency.

Xinergis (Smart Building and Energy Monitoring)
IoT-enabled monitoring system for electricity, generator, and water consumption.

HydroponiX (Smart Agriculture)
IoT-enabled hydroponic systems that support sustainable urban farming.

X-Maggot (Smart Waste Management)
IoT-enabled organic waste processing using Black Soldier Fly larvae.

Social Performance [B.3]

Number of Employees
(Person)

3,239

2024 1,663 2023 1,495

Number of Male Employees
(Person)

2,307

2024 1,168 2023 1,047

Number of Female Employees
(Person)

932

2024 495 2023 448

Number of Female as President Director and Director
(Person)

1

2024 2 2023 2

Number of Local People Occupying Senior Manager Positions
(Person)

13

2024 8 2023 6

Number of Training Hours
(Hours)

145,893

2024 53,587 2023 59,156

Number of Employees Receiving Training
(Person)

3,222

2024 1,655 2023 1,502

Average Number of Training Hours
(Hours/Person)

45

2024 36.63 2023 39.38

Training Fees
(Rp Million)

16,195,525.11

2024 7,449 2023 8,314

Employee Turnover Rate (%)

0.65

2024 6.0 2023 11.1

Number of Work Accidents (Times)

5

2024 0 2023 3

Occupational death (Times)

0

2024 0 2023 0

Total CSR Funds (Rp Billion)

28.10

2024 35.62 2023 20.73

Number of Women Empowered (Person)

1,231,134

2024 1,059,479 2023 949,261

Number of Beneficiaries from Gerakan Donasi Kuota (Person)

111,875

2024 66,397 2023 41,900

Router/Modem Donation Amount (Unit)

216

2024 214 2023 71

Quota Donation Amount (Terabyte)

180,576

2024 251,520 2023 689,397

Governance Performance [B.3]

1. Committed to the implementation of OJK's Sustainable Finance framework in accordance with POJK No. 51/POJK.03/2017 and SEOJK No. 16/SEOJK.04/2021, ensuring structured sustainability reporting and alignment with Indonesia's sustainable finance roadmap.
2. Conducting Anti-Bribery and Anti-Corruption (ABAC) training programmes to strengthen employee awareness, reinforce ethical standards, and mitigate corruption risks across the organisation.
3. Requiring employees to sign ABAC and Gift Donation Sponsorship (GDS) Declarations as a formal commitment to integrity, transparency, and responsible business conduct.
4. Encouraging employees to participate in sustainability capacity-building programmes through the United Nations Global Compact Academy to strengthen understanding of global responsible business principles, including anti-corruption, human rights, labour standards, climate action, and sustainability governance.
5. Supporting the Sustainable Development Goals (SDGs) through the integration of sustainability principles into governance practices and operational decision-making processes.
6. Assigning a Sustainability Team under the Corporate Communications and Sustainability Department.
7. Reinforcing strong governance practices, with no fraud incidents recorded and no complaints submitted through the Whistleblowing System (WBS) throughout the year.

Employees Joined in Anti-Bribery and Anti-Corruption Training

3,239

2024 1,655

Employees Signed ABAC and GDS Declaration

100%

2024 100%

2025 Awards and Certifications

AWARDS

Throughout 2025, the Company and its legacy entities received several national recognitions, reflecting the strength of its public relations strategy, ESG commitment, and community empowerment programmes, with selected awards highlighted as follows:



Bina UMKM Award 2025
14 May 2025
CFCD Foundation
Gold Award in the MSME Mentor Category through a community-based CSR programme, under one of the Company's CSR pillars in the education sector, Teman Pintar Indonesia.

Silver Award in the Fostered MSME Category, awarded to Ducrija, led by Ms. Anik Purwanti from the Teman MSME Sragen community



Electricity and Telecommunications Infrastructure Sector
July 2025
IDX Channel
Anugerah ESG 2025



Anugerah Ekonomi Hijau 2025
Category: Emissions Reduction through Digitalization
August 2025
Eka Tjipta Foundation
Detikcom



Tjipta UMKM Awards 2025
3 October 2025
Eka Tjipta Foundation
PT XLSMART Telecom Sejahtera
Fostered MSME
Food Category for MSME Cavatoz

Fostered MSME
MSME Digitalisation Category for MSME Dapur Kriyakriyuk



Sustainable Solution Award
October 2025
Sinar Mas Digital Day



Women In Tech Award
October 2025
Change Maker
Sinar Mas Digital Day



Top Leader Warrior
October 2025
Sustainability Warrior
MIX Marcomm



The Most Caring & Creative Company in Telco & Utility Industry
October 2025
MIX Marcomm

CERTIFICATIONS

Certificates	Validity	Issuers
ISO 9001:2015 Quality Management System (Recertification)	5 January 2027	British Standards Institute
ISO 20000-1:2018 IT Service Management System (Recertification)	14 January 2027	British Standards Institute
Sustainalytics (Medium Risk score at 27.8)	1 Year (April 2024-April 2025)	Morningstar Sustainalytics
ISO 14001:2015 Environmental Management System (Surveillance)	1 September 2025	British Standards Institute
ISO 45001:2018 Occupational Health and Safety Management System (Surveillance)	1 September 2025	British Standards Institute
ISO 27001:2013 Information Security Management System (Recertification)	25 November 2026	British Standards Institute
Occupational Health and Safety Management System	December 2026	Ministry of Manpower
Contractor Safety Management System High Risk Project	September 2025	Eni Muara Bakau
Business Continuity Management Professional	30 August 2025	National Professional Certification Agency
Certified Risk Management Practices	30 August 2025	National Professional Certification Agency
Sustainalytics (Medium Risk score at 28.3)	1 Year (April 2024-April 2025)	Morningstar Sustainalytics
ISO 27001:2022 Information Security Management System	31 December 2025	TUV Rheinland

2025 Sustainability Event Highlights

Environment



August & October 2025
Sustainability Week

XLSMART organised the EcoFusion Sustainability Week to promote sustainable lifestyle practices among employees. The programme featured various activities including upcycling workshops, sustainability talks, eco-friendly product bazaars, and digital engagement challenges focused on sustainable fashion and responsible textile waste management.

Through the initiative, more than 400 pieces of clothing weighing approximately 120 kg were diverted from potential textile waste through upcycling and reuse activities. Around 300 employees participated in the programme, helping raise awareness of sustainable lifestyle practices and environmental responsibility within the organisation.



11 October 2025
Zero Waste to Landfill-Axis Nation Cup 2025

XLSMART implemented a Zero Waste to Landfill approach during the AXIS Nation Cup 2025 event. During the event, approximately 4,200 kilograms of waste were collected and managed through sustainable waste processing schemes. Around 34.8% of the waste was recycled, 7.32% was composted, and 57.87% was converted into Refuse-Derived Fuel (RDF) as an alternative energy source. Through this initiative, the programme successfully prevented approximately 3,839 kg CO_2e emissions while also promoting environmental awareness among participants and spectators of the event.



Monthly
Waste Management Race

The Waste Management Race program is a competition that encourages active participation in the proper and responsible sorting of organic, inorganic, and plastic waste. This initiative aims to raise awareness and foster good habits among employees in managing waste at the source, while creating a positive impact on the environment through measurable and sustainable collective action.

Social

XLSMART PESANTREN DIGITAL
Throughout 2025, XLSMART has strengthened its commitment to promoting digital literacy through the Digital Pesantren CSR program. This program aims to enhance the ability of students and teachers to utilize technology and expand access to digital learning within the pesantren environment. Through training and mentoring, this program has reached 1,340 beneficiaries in Lombok, Aceh, Padang, Pasuruan, Demak, and Denpasar (Bali). This initiative has had a significant impact on improving digital skills, creating more adaptive learning environments, and opening up opportunities for personal development in the digital age. Through Digital Pesantren, XLSMART continues to contribute to building a generation that is better prepared and empowered for the future.



12 November 2025
Pesantren Digital
Lombok

3 December 2025
Pesantren Digital
Pasuruan City

18 November 2025
Pesantren Digital
Aceh City

10 December 2025
Pesantren Digital
Demak

26 November 2025
Pesantren Digital
Padang City

18 December 2025
Pesantren Digital
Denpasar

Sisternet

Throughout 2025, Sisternet continues to strengthen its commitment to empowering Indonesian women through various strategic initiatives, including SheInspire, the Sisternet Festival, the W20 Summit, Smart Webinars, the Smart Capital Competition, and the national #1JutaSisterDigital campaign. Through the Sisternet app and a series of offline and online educational classes, these programs have reached more than 1.3 million beneficiaries in 21 cities across Indonesia, with support from 41 strategic partners, including the Indonesian Ministry of Women's Empowerment and Child Protection (PPPA) and the Ministry of Communication and Digital (Komdigi). This cross-sector collaboration is key to expanding access to digital literacy, skills development, and economic opportunities for women, while fostering a more inclusive and sustainable ecosystem.



25 July 2025
Sisternet SheInspire, Class III Women's Prison Mataram, Lombok

17-18 October 2025
Sisternet Festival 2025 XLSMART Tower, Jakarta

25 October 2025
Webinar Pintar Sisternet Online, Via Zoom

13 November 2025
Webinar Pintar Sisternet #1 Online, Via Zoom

27 November 2025
Webinar Pintar Sisternet #2 Online, Via Zoom

11 December 2025
Webinar Pintar Sisternet Online, Via Zoom

14 December 2025
Sisternet's Padel Day 2025 Centercourt Club Permata Hijau, Jakarta

18-19 December 2025
Sisternet SheInspire Bapas Kelas I Denpasar, Bali

XLSMART PEDULI DISABILITAS

In 2025, XLSMART launched the "Peduli Disabilitas Berdaya" CSR program to promote independence and skill development among people with disabilities, enabling them to actively participate in social and economic life. This program is conducted both offline and online and has reached 443 beneficiaries in Batam, Semarang, Bengkulu, and Kediri. Through training and mentoring, participants are equipped with practical skills to develop their potential. This initiative has had a positive impact on boosting self-confidence, creating economic opportunities, and fostering a more inclusive environment.



10 September 2025
XLSMART Peduli Disabilitas Online, Nationwide

18 September 2025
XLSMART Peduli Disabilitas Online, Nationwide

26 September 2025
XLSMART Peduli Disabilitas Semarang

7 October 2025
XLSMART Peduli Disabilitas Bengkulu

22 October 2025
XLSMART Peduli Disabilitas Kediri

29 October 2025
XLSMART Peduli Disabilitas Online, Nationwide

XLSMART PEDULI BENCANA

Throughout 2025, the XLSMART Disaster Relief Program has provided assistance to a total of 4,436 beneficiaries across various flood-affected regions in Indonesia, including Bali, West Lampung, Sukabumi, Tapanuli, West Sumatra, Aceh, and surrounding areas. This initiative reflects the company's commitment to responding to emergencies quickly and effectively, while supporting community recovery through coordinated assistance across various affected locations.



January 2025
XLSMART Peduli Bencana Banjir Lampung

January 2025
XLSMART Peduli Bencana Erupsi Mount Halmahera

January 2025
XLSMART Peduli Bencana Longsor Pekalongan

March 2025
XLSMART Peduli Bencana Banjir Bekasi

September 2025
XLSMART Peduli Bencana Banjir Denpasar

September 2025
XLSMART Peduli Bencana Banjir Lampung

September 2025
XLSMART Peduli Bencana Banjir South Tapanuli

October 2025
XLSMART Peduli Bencana Banjir Cisolok Sukabumi

December 2025
XLSMART Peduli Bencana Banjir Mandailing Natal

December 2025
XLSMART Peduli Bencana Banjir Padang Pariaman



KELAS CERDAS DIGITAL

Total Beneficiaries: 6,645

This program focuses on improving the digital literacy and skills of the community, particularly students, as part of an effort to support inclusive and sustainable digital transformation across various regions.

23 September 2025
Kelas Cerdas Digital
Jakarta, SMK Strada 1 Jakarta

25 September 2025
Kelas Cerdas Digital Ungaran
SMK Kanisius Ungaran

30 September 2025
Kelas Cerdas Digital Bekasi
SMA Ananda Bekasi

28 October 2025
Kelas Cerdas Digital Indramayu
SMK Endang Ayu Darmaayu, Indramayu

12 December 2025
Kelas Cerdas Digital Blitar
SMK PGRI 2 Blitar

BUNDA PINTAR

Total Beneficiaries: 2,035

Throughout 2025, the Bunda Pintar Program has benefited a total of 2,035 participants, focusing on empowering women by improving their literacy, skills, and capacity to support family well-being. This initiative is part of a commitment to promoting women's active roles in the community and creating sustainable social impact.



28 January 2025
Bunda Pintar
Miss Desi's House, Tegal

25 April 2025
Bunda Pintar, KB Mi'rojul Muta'alimin Tegalwangi, Tegal

26 April 2025
Bunda Pintar
RM Limas Kembar, Boyolali

27 April 2025
Bunda Pintar
Berjaya Café, Pontianak

27 April 2025
Bunda Pintar
Balai Kelurahan Pajagalan, Sumenep

28 April 2025
Bunda Pintar
Betewe Café, Denpasar

28 April 2025
Bunda Pintar, Taman Widawati Gondang, Tulungagung

30 April 2025
Bunda Pintar, Aula Kantor Kelurahan Sukamulya, Bandung

TEMAN PINTAR

Total Beneficiaries: 16,013

Throughout 2025, the Bunda Pintar Program has benefited a total of 16,013beneficiaries, with a focus on empowering women through the enhancement of literacy, skills, and capacity to support family welfare. During the year, the program also conducted a total of 95 activities/events across various regions. This initiative forms part of the commitment to promoting the active role of women in communities and creating sustainable social impact.



15 January 2025
Teman Pintar
Budi Luhur University

25 January 2025
Teman Pintar
Batik Laweyan Village

26 January 2025
Teman Pintar
Gallery Smartfren Jember

TEMAN UMKM

Total Beneficiaries: 6,645

Throughout 2025, the Teman Pintar Program has benefited a total of 16,013 beneficiaries. As a large-scale digital literacy outreach programme implemented across schools, universities, and community spaces, the initiative promotes responsible internet use, strengthens digital awareness, and encourages students and young communities to develop productive digital competencies.



7 March 2025
Teman UMKM
PLUT KUMKM

TEMAN KREASI
Total Beneficiaries: 10,297

The Content Creator Academy program is designed to develop the digital skills of the younger generation in the field of creative content creation. With a total of 10,297 beneficiaries, the program provides training and mentoring to enhance participants' storytelling, content production, and digital platform utilization skills, enabling them to adapt and remain competitive in the creative economy era.



15 March 2025
Teman Kreasi
Celebes Kearifan Madani

18 March 2025
Teman Kreasi
Ponpes Al-Mu'awanah

19 March 2025
Teman Kreasi
Ponpes Al Hikmah Cilacap

21 March 2025
Teman Kreasi
Kampus STAI Muhammadiah

SPECIAL EVENTS
Special Events consist of strategic engagements and flagship activities that complement the Company's community initiatives. These events include participation in global forums and collaborative programmes that broaden outreach, strengthen partnerships, and support wider social and sustainability dialogues.



17 November 2025
W20 Summit, Johannesburg, South Africa

6 December 2025
BersalingSilang, NuArt Space, Bandung

Governance

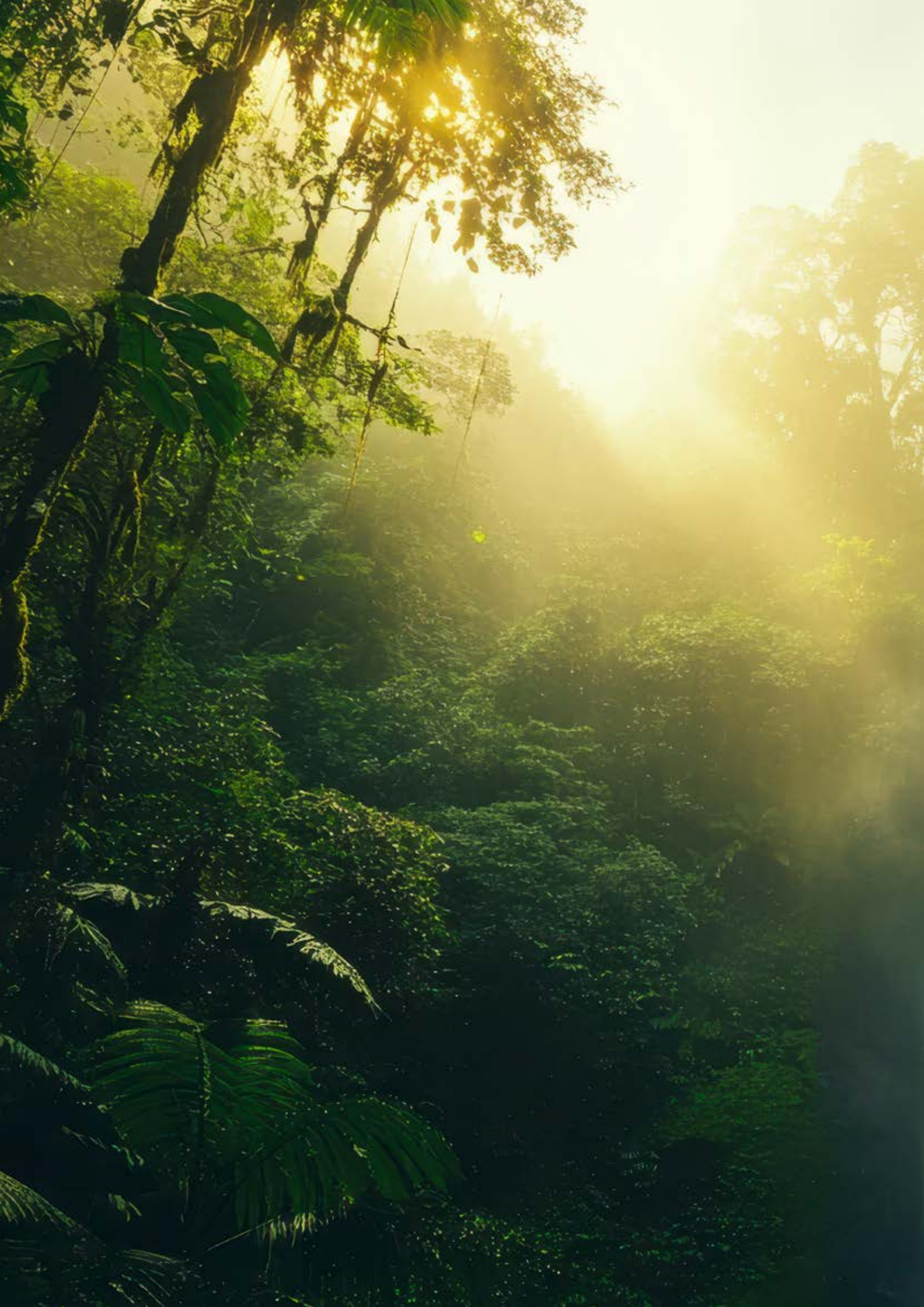


25 July 2025

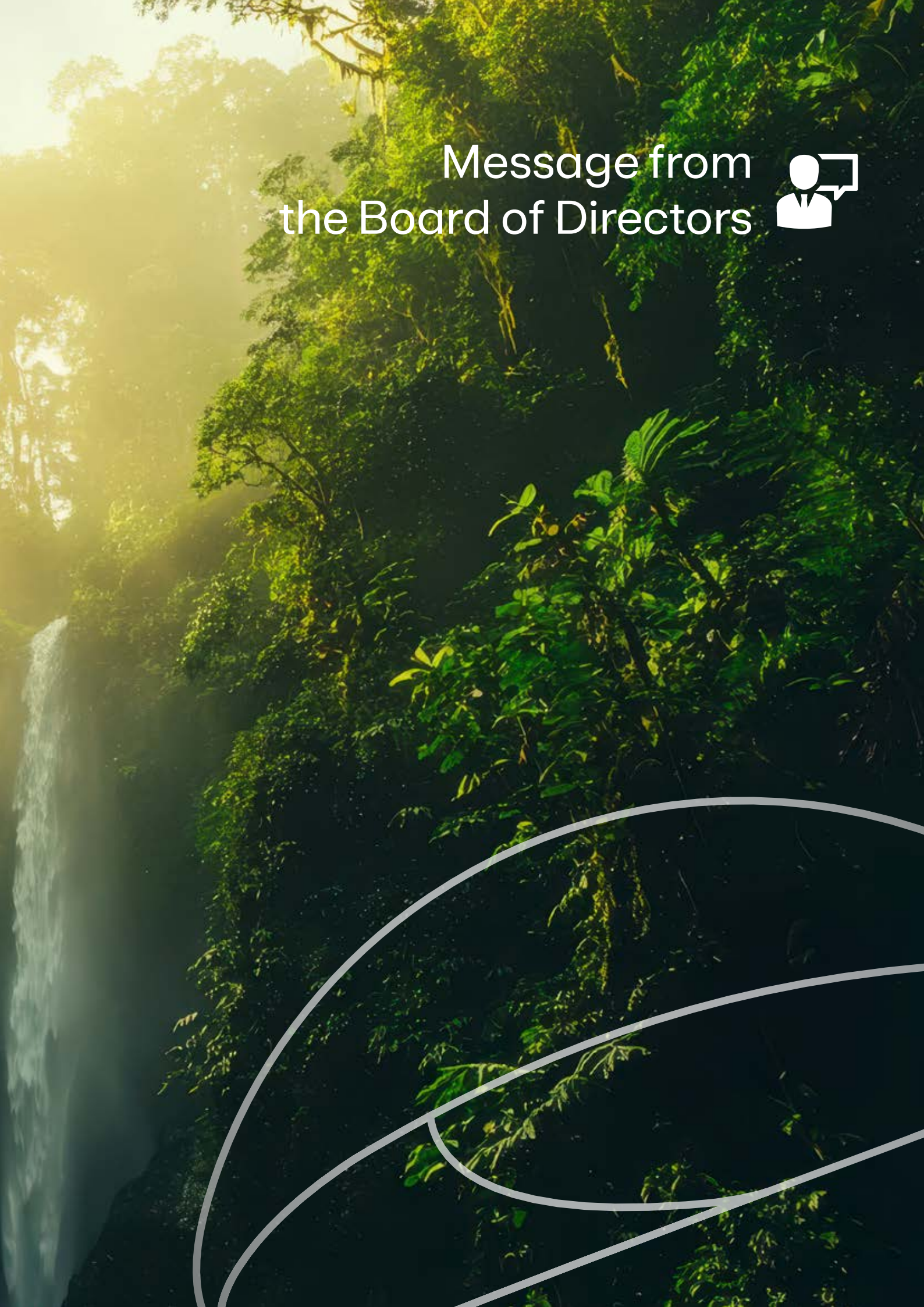
Training Data Privacy for Customer Relationship Representative (CRR) of XL Center and Smartfren Gallery.

25 October 2025

XLSMART successfully maintained its ISO 27701 Privacy Information Management System (PIMS) certification from the British Standards Institution (BSI), demonstrating the Company's continued commitment to strengthening data privacy governance and protecting customer information.



Message from the Board of Directors



"The Company kept its focus firmly on improving the offer to our customers: delivering a more personalized, competitively priced, and better value offer while driving cost efficiency and enhanced network performance."



RAJEEV SETHI
President Director

Message from the Board of Directors

Dear esteemed stakeholders,

The 2025 reporting year represents a pivotal chapter in the journey of XLSMART, marked by transformation, purpose-led direction, and a strengthened commitment to sustainable value creation. As global environmental and social challenges continue to intensify, sustainability is no longer viewed as a supplementary initiative; it has become central to how the Company defines strategic success, manages risk, and delivers meaningful outcomes for society. XLSMART embraces this imperative not as an obligation, but as an integral part of its identity and approach to long-term value creation for all stakeholders.

This transformation was anchored by a significant milestone. On 17 April 2025, XLSMART officially commenced operations, bringing together the networks, resources, brands, and organisational cultures of XL Axiata, PT Smartfren Telecom Tbk, and PT Smart Telecom into a single, unified organization. The merger combined complementary strengths in scale, spectrum, talent, and technological capability, establishing a stronger and future-ready platform to support Indonesia's digital and sustainable development.

XLSMART's approach to sustainability is grounded in the consistent application of Environmental, Social, and Governance (ESG) principles across strategy, operations, and corporate culture. Sustainability considerations inform how the Company allocates capital, deploys technology, governs risk, and engages with stakeholders. This integration reflects the Company's conviction that long-term value creation is inseparable from responsible governance, social inclusion, and sound environmental stewardship.

STRATEGIES TO ADDRESS SUSTAINABILITY CHALLENGES [D.1.A]

Through the strategic formation of XLSMART, the telecommunications industry shifted from 4 (four) main operators to 3 (three), a change that is expected to drive the industry towards a healthier market. In recent years, the mobile industry has been facing a decline due to price wars and aggressive customer acquisition strategies, which have diluted value and dampened growth.

The integration of two very different entities introduced a complex set of sustainability-related challenges. Timely integration of networks, cultures, brands, systems, and processes is critical to managing customer experience disruption and subscriber churn. These extended beyond operational integration to include the harmonisation of governance standards, alignment of environmental and social commitments, responsible management of cultural transition, and the maintenance of business continuity amid heightened stakeholder expectations.

In addition to establishing very close monitoring and evaluation with dedicated war rooms to manage key tracks of the integration processes, regular reviews were held with key business partners pivotal to XLSMART's National Roaming (NR) and Multi-Operator Core Network (MOCN) Implementation plans. This has delivered synergy realizations ahead of plan. The Company recognises that the manner in which these challenges are addressed will materially influence XLSMART's long-term resilience and credibility.

Following the merger, XLSMART undertook a reassessment of its sustainability priorities by integrating the Double Materiality Assessment outcomes of the legacy entities with emerging risks and opportunities arising from the expanded business model. This process enabled the Company to sharpen its focus on sustainability topics most relevant to long-term value creation, including Community Development, Best Place to Work, Customer Engagement, GHG Emissions, as well as Data Privacy and Security.

These priority areas guide how XLSMART identifies sustainability-related risks, captures strategic opportunities, and allocates resources within an environment shaped by rapid technological advancement, climate transition pressures, and evolving regulatory and societal expectations. Sustainability considerations are embedded into strategic planning and decision-making processes, ensuring that near-term business objectives remain aligned with long-term resilience.

To translate these priorities into action, XLSMART organises its sustainability initiatives around strategic pillars that guide value creation, human capital development, operational excellence, as well as environmental and social responsibility. This framework supports responsible growth by aligning business performance with national development objectives and global sustainability aspirations, while remaining responsive to stakeholder expectations. It also enables the Company to balance short-term performance with long-term resilience in a disciplined and forward-looking manner.

To strengthen the Company's response to increasingly complex sustainability challenges, in 2025 the Company encouraged employees across key functions to participate in structured learning through the United Nations Global Compact Academy. The Academy offers comprehensive courses covering among others anti-corruption, business integrity, human rights, climate and environmental stewardship, SDG integration and financing, sustainability regulations, and transformational governance. Through this initiative, we are enhancing internal capability to anticipate regulatory developments, manage sustainability risks, and embed responsible business practices into strategic and operational decision-making. The number of employees who joined and completed courses under this programme in 2025 were 51 employees.

The Company also regularly collaborates with regulators, authorities, and key stakeholders, including industry peers, to shape policies and regulations aimed at protecting consumer rights while ensuring a fair and sustainable industry. Such collaboration is essential for enabling industry players to deliver the best possible services to customers.

KEY SUSTAINABILITY ACHIEVEMENTS [D.1.B]

Throughout the reporting period, XLSMART continued to integrate sustainability considerations into its strategic and operational activities amid a dynamic macroeconomic and industry environment. Despite the complexity of the integration process, the Company remained focused on maintaining service quality, strengthening financial discipline, and preserving customer trust, while laying a solid foundation for sustainable growth.

During the first year following the merger, XLSMART prioritised operational stabilisation while embedding sustainability considerations into business execution. This period was characterised by disciplined integration, prudent financial management, and targeted investments aimed at strengthening long-term resilience amid macroeconomic volatility and an increasingly competitive telecommunications landscape.

Financial Resilience and Economic Sustainability

Despite the complexity of the integration, XLSMART has passed most of its Year-1 merger milestones. Cost optimization and asset utilization are on track, the customer base stabilized faster than expected, and we are now beginning to see revenue synergies as a result of the market reparation and enhanced customer experience yielded by improvements in network quality and coverage.

Post XLSMART merger, ARPU recovery was the primary growth driver. Q4 2025 sees ARPU hikes along with traffic growth which has been driving Industry Revenue uplift. This signal early indicator of price repair taking hold, which should support margin recovery and improved monetization of rising data volumes for the remainder of the year.

Our merger strategy has been validated convincingly by our results. By the end of 2025, we had achieved our synergy target of US$250 million, achieving early savings from site rationalisation optimising capex, and maintaining a healthy balance sheet. All of which were supported by robust governance. We are now on track to deliver total synergies of US$250-300 million upon completion of the integration.

Throughout 2025, the Company delivered solid operational performance as a unified post-merger entity. Revenue reached Rp42,485 billion, reflecting expanded scale, stronger data monetisation, and improved service portfolio integration. Normalized EBITDA amounted to Rp20.1 trillion, demonstrating resilient operating fundamentals and disciplined cost management during the integration phase.

The strengthened financial foundation translated into broader economic contribution. Total direct economic value generated reached Rp41,432,011 million. This value was channelled back into the economy through strategic reinvestment in infrastructure expansion, workforce remuneration, operational ecosystem support, financial obligations, and shareholder returns.

Economic value distribution totalled Rp42,924,235 million during the year. Capital was prioritised toward network modernisation and nationwide expansion to enhance long-term competitiveness and service reliability. The Company also ensured sustained investment in human capital through salaries and employee benefits, while maintaining operational excellence through interconnection and core operating expenditures. Financial discipline was reflected in responsible capital servicing and fulfilment of tax obligations to the Government.

As part of its commitment to delivering shareholder value, the Company distributed cash dividends amounting to Rp4.01 trillion during 2025. This distribution underscores management's confidence in the Company's long-term fundamentals and capital allocation discipline during the post-merger integration period.

Network Transformation and Infrastructure Efficiency

Network integration and optimisation remained central to sustainability performance. During the year, the Company consolidated more than 50,000 sites, enabling significant improvements in network efficiency and coverage. The combination of spectrum assets from the legacy entities increased overall network capacity by approximately three times, strengthening nationwide service reliability across mobile, home, and enterprise segments. With this, we are well-positioned to deliver leadership in network through larger coverage and better customer experience for our customers.

The merger also positions XLSMART as the only operator running three distinct brands; XL, AXIS, and Smartfren. Each brand targets a specific segment with its own strengths and value proposition, strengthening our ability to reach and penetrate a broader customer base. Particularly in Smartfren, expanded coverage has enabled customers to be more connected across Indonesia.

Network rationalisation was executed with structured environmental controls. Site dismantling activities were accompanied by responsible decommissioning practices and strengthened waste handling procedures to minimise environmental impact and ensure regulatory compliance. These measures supported both operational efficiency and environmental stewardship.

The launch of XL Ultra 5G+ in Bali in December represented an early milestone in the Company's next-generation connectivity roadmap. Beyond enhancing consumer experience, 5G capability is expected to support advanced use cases across entertainment, enterprise solutions, Internet of Things, and digital innovation, contributing to long-term economic and social value.

Digital Transformation, IT Integration, and Governance

Post-merger, XLSMART advanced a unified IT transformation agenda anchored in an AI-ready architecture. The rationalisation of legacy systems and optimisation of cloud usage reduced duplication and lowered maintenance intensity, contributing to improved cost efficiency and strengthened governance. These initiatives enhanced data integration across finance, sales, marketing, and analytics functions, supporting faster and more informed decision-making.

As digital engagement expanded, governance frameworks were reinforced to address cybersecurity, data protection, and responsible technology deployment. The Company achieved ISO 27701:2019 Privacy Information Management System certification, reflecting strengthened data privacy governance, alongside continued implementation of enterprise risk management and business continuity controls.

Customer Experience and Market Sustainability

Customer sustainability outcomes were reflected in improvements across service quality, engagement, and trust. The mobile subscriber base grew 36% YoY across XL, Axis, and Smartfren brand, or reached 73 million, supported by an improved Average Revenue Per User of approximately Rp45,000, representing a 26% year-on-year increase. In parallel, sustained focus on customer experience contributed to a notable improvement in Net Promoter Score (NPS), which was recorded at an increase of 21% in 2025.

The Company's digital acceleration strategy also delivered measurable results. Increased engagement with digital platforms, including MyXL, AXISNet, and mySmartfren, drove strong user growth. By the end of the year, MyXL recorded over 41.4 million active users, representing a 28.6% year-on-year increased compared to 32.2 million users reported last year. Higher digital engagement provides deeper insights into customer preferences and behaviour, enabling enhanced monetisation opportunities through cross-selling and upselling.

Environmental Stewardship and Climate Action

XLSMART is committed to accelerating carbon neutrality through environmentally responsible, sustainable digital innovation, and integrates environmental stewardship, social progress, and strong governance into every step of its journey. The Company has implemented emissions reduction initiatives through the digitalization of network infrastructure, including the replacement of conventional shelters with outdoor cabinets that eliminate the need for air conditioning. This initiative has resulted in total carbon emissions of 992,258.79 TonCO_2e across Scope 1, Scope 2, and Scope 3. During the year, the Company established a consolidated carbon emissions baseline, including relevant Scope 3 categories, providing a foundation for consistent post-merger measurement and decision-making.

XLSMART has also adopted drone technology for aerial surveys and safety inspections, reducing reliance on conventional operational vehicles that generate fuel-related emissions. In parallel, the Company is progressively digitalizing services and integrating cloud-based systems to minimize printing requirements and the physical distribution of documents, further reducing its environmental footprint. Also, the Company has advanced its energy transition through the purchase of 3,000 Renewable Energy Certificates (RECs) from PLN as part of its commitment to supporting the use of clean energy, in line with its long-term target of achieving net-zero emissions by 2050.

Waste management initiatives were reinforced through structured programs aimed at reducing landfill dependency, supported by internal engagement campaigns to promote responsible behaviour across operations. In 2025, a significant contributor to waste volumes was the large-scale dismantling of redundant BTS sites following network integration. To mitigate associated risks, the Company implemented controlled dismantling protocol supported by internationally certified vendors specialising in telecommunications equipment decommissioning and e-waste recovery. These vendors operate under ISO 14001 and ISO 45001 standards and provide full traceability for both hazardous and non-hazardous waste streams, from site removal through transport and final processing. High-value components that remain reusable are extracted for refurbishment, while non-recoverable materials are channelled to licensed recycling facilities to prevent improper disposal and environmental leakage.

Overall, the consolidated environmental expenditure for 2025 increased significantly to Rp560,362,896 compared with Rp86,203,200 in 2024. While expenditure data from legacy entities provide useful historical reference, XLSMART will establish a consolidated baseline for environmental expenditure commencing in 2025 to more accurately reflect the scale, integration status, and operational characteristics of the merged entity going forward.

Social Impact and Human Capital Development

Social sustainability remained a core element of XLSMART's commitment to inclusive growth and shared value creation. Throughout the reporting year, the Company continued to expand access to digital opportunities and economic empowerment through a range of community-based initiatives, reaching approximately 1.4 million beneficiaries across various regions of Indonesia.

In 2025, XLSMART introduced a flagship corporate social responsibility initiative, XLSMART CSR Tri Karsa, designed as an integrated framework encompassing three strategic priorities: Philanthropy, Women Empowerment, and Education. This framework reflects the Company's long-term approach to social impact, focusing on addressing immediate community needs while strengthening capabilities that support economic participation and social resilience. Total CSR funds disbursed during the year amounted to Rp28.10 billion. As a result, the calculated Social Return on Investment (SROI) ratio reached 1 : 2.54, indicating that each Rupiah invested generated Rp2.54 Rupiah in social value.

In parallel, culture and collaboration were central to the Company's efforts to unify people, behaviors, and mindsets under a single purpose following the merger. To support this transition, XLSMART defined its North Star as becoming Indonesia's most engaged and high-performing telecom workforce, one in which every individual drives impact, learns continuously, and thrives within a culture of ownership, feedback, and continuous improvement.

XLSMART is also fostering a new culture, i-CARE, embedding Integrity and Customer-centricity as the core to achieving the Company's vision. This culture fosters a collaborative, growth-minded environment and has supported the seamless blending of the 2 (two) legacy organizations, accelerating employee productivity post-merger period.

Engagement and ownership were key enablers in advancing this objective. The Company gathered input from employees across both legacy entities on the cultures and practices they valued most and integrated these insights into a collective vision of becoming Indonesia's best place to work by 2027. This vision empowers employees to act with an ownership mindset and full accountability for outcomes, while enabling the embedding of an agile, performance-driven culture, supported by harmonised performance management system with clear KPIs across all levels. Complementing these efforts, the Gear Up Program represents a significant investment in reskilling and upskilling across a range of 5G, artificial intelligence, data analytics, cyber security, and other digital competencies, strengthening the Company's competitiveness, agility, and leadership within the digital ecosystem.

Clear communication and transparency were critical components of the integration process. From the outset, the Company adopted a "preserve and grow" approach to its people across both legacy organisations, fostering collaboration and cross-learning as the new operating model evolved. Building trust and supporting employees well-being remained a priority, supported through structured two-way communication platforms such as the iCARE Employee Helpdesk, the FriYay program, Leader Forums, and iCARE4U, alongside regular direct dialogue between management and employees across directorate and regions.

Governance and External Recognition

The Company prioritized transparency and regulatory compliance throughout the integration process, supported by continuous engagement with internal and external auditors and, where necessary, the regulator. Key post-merger focus areas included strengthening governance around the adoption, implementation and testing of our Company's AI architecture, as well as enhancing cybersecurity and data governance frameworks to safeguard customer information amid increasing digital engagement.

In line with the integration of our Double Materiality Assessment results into our strategic priorities, ESG is firmly embedded within the Company's integration strategy. During the first year following the merger, XLSMART focused on ESG data integration, policy harmonisation, and reinforcing ESG accountability across procurement, technology, and operational functions. These efforts support compliance with applicable global standards and contribute to the Company's ambition to establish itself as a benchmark for digital sustainability in Indonesia.

In terms of external recognition, XL Axiata achieved a CDP Climate Change score of "B", placing the company above many regional peers. In 2024 and 2025, the newly merged XLSMART focused on harmonizing methodologies and preparing a robust, unified dataset and internal ESG disclosures aligned with GRI and POJK 51.

During this integration period, we continued our participation in global rating assessments, beginning with the S&P Global Corporate Sustainability Assessment. In 2025, we achieved an improved S&P Global CSA score of 43, an increase of 6 points from 37, previously recorded under XL Axiata Legacy. This improvement reflects strengthened ESG performance, enhanced policy alignment, and more integrated governance and reporting practices under the new XLSMART structure.

We also maintained participation in Sustainable Fitch Ratings, while temporarily limiting submissions to selected agencies to safeguard data accuracy and consistency throughout the transition. In 2025, XLSMART obtained a rating of 2 from Sustainable Fitch Ratings, where 1 represents the highest rating and 5 the lowest. This result underscores the robustness of our sustainability governance framework and the progress made in embedding ESG management across the merged entity.

Starting next year, we plan to re-enter CDP with complete XLSMART data and gradually expand participation in broader sustainability ratings to benchmark performance at a global level. Collectively, these milestones demonstrate progress that extends beyond metrics. They reflect the successful integration of governance structures, systems, and a strengthened data foundation required to support a scalable and long-term Decarbonisation pathway under the new entity.

STRATEGIES TO ACHIEVE THE TARGETS [D.1.C]

Looking ahead, XLSMART remains committed to pursuing growth that is both profitable and sustainable as the foundation for long-term value creation. The Company's strategic direction is guided by the imperative to translate post-merger scale into enhanced efficiency, operational resilience, and responsible expansion. In this context, the Company has defined three strategic initiatives: completing the integration and unlocking efficiency, accelerating revenue through digital and enterprise-led opportunities, and reinforcing financial resilience.

To support these priorities, XLSMART is recalibrating its investment portfolio toward areas with strong growth potential and clear sustainability relevance. Key focus areas include the expansion of fixed broadband, the development of enterprise digital solutions, and readiness for next-generation connectivity. The advancement of 5G capabilities is viewed as a critical enabler, supporting not only future revenue growth but also productivity gains, innovation, and broader digital inclusion. With more than 26,000 active 5G sites, complemented by strategic partnerships and new product initiatives, the Company is well positioned to deliver a differentiated 5G experience for both consumer and enterprise customers.

Across all business segments, XLSMART will continue to leverage data and AI-driven analytics to deepen customer engagement, enhance service relevance, and improve operational efficiency. At the same time, the Company recognises that the increased adoption of advanced technologies requires heightened responsibility. Accordingly, robust governance frameworks for data protection, cybersecurity, and the responsible deployment of artificial intelligence are embedded as integral elements of the Company's growth strategy.

Over the next three years, XLSMART will transition from integration to acceleration, with a clear focus on initiatives that strengthen compliance, reduce environmental impact, and deepen our contribution to Indonesia's digital inclusion agenda. In support of this direction, the Company has defined three key targets.

- First, our Net Zero Roadmap baseline will be developed starting 2026 and aligned with international best practices such as SBTi. This roadmap will define Decarbonisation pathways for our network, data centers, supply chain (Scope 3), and operations. It will include near-term science-based targets, energy-efficiency commitments, renewable energy strategies, and supplier engagement programs.

- Second, we will scale our Circular Economy and e-Waste Management program across the merged network footprint. In connection with the rollout of approximately 30% of tower infrastructure over the coming years, XLSMART is formalizing a unified policy for e-waste disposal that fulfils Indonesia's environmental and HSE regulations (including B3 waste requirements). This includes vendor compliance (ISO 14001/45001), due-diligence checks, and transparent end-to-end tracking of waste, from collection to final recycling.

- Third, we are strengthening our community impact programs, including digital literacy for women and youth, and initiatives under Sisternet and other flagship CSR platforms. These programs support national priorities for digital inclusion and responsible technology usage, while fostering employee involvement in sustainability and community activities.

Finally, our priorities also include ESG data integration, policy alignment across the merged entity, advancing Double Materiality Assessment results into Board-approved priorities, and embedding ESG accountability across procurement, technology, and operations. This ensures that XLSMART not only complies with POJK 51 and emerging global standards but also positions itself as a leading digital sustainability benchmark in Indonesia.

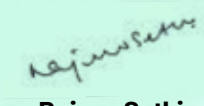
CLOSING REMARKS

On behalf of the Board of Directors, we extend our sincere appreciation to all stakeholders for the trust and partnership shown to XLSMART throughout this transformative year. The establishment of XLSMART has been made possible through the collective efforts of our customers, employees, partners, regulators, and the communities we serve, providing a strong foundation for the Company to move forward with clarity, resilience, and purpose.

Looking ahead, the Board remains confident in XLSMART's ability to navigate change with discipline and integrity. Guided by sound governance and a continued focus on responsible growth, the Company will further strengthen its foundations, enhance customer experience, and contribute meaningfully to a more inclusive and resilient digital ecosystem in Indonesia.

Sustainable value creation is built patiently through trust, enduring partnerships, open dialogue, and a shared commitment to outcomes that extend beyond short-term results. XLSMART welcomes continued engagement with all stakeholders as we work together to create value that is meaningful, responsible, and enduring for society today and for future generations.

With sincere regards,



Rajeev Sethi
President Director

Statement of Accountability

Statement of Accountability of 2025 Sustainability Report by the Board of Commissioners and Board of Directors

We, the signatories, hereby stated that all information contained in the 2025 Sustainability Report of PT XLSMART Telecom Sejahtera Tbk has been comprehensively presented and that we are fully accountable for the accuracy of the content of PT XLSMART Telecom Sejahtera Tbk Sustainability Report.

This statement is made thruthfully.

Jakarta, 14 April 2026

Board of Commissioners

M. Arsjad Rasjid P. M.
President Commissioner

Vivek Sood
Commissioner

Nik Rizal Kamil
Commissioner

L. Krisnan Cahya
Commissioner

David R. Dean
Commissioner

Sean Quek
Commissioner

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Retno Lestari P. Marsudi
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Robert Pakpahan
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Board of Directors



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President Director



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Director



Andrijanto Muljono
Director



Feiruz Ikhwan
Director



Merza Fachys
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Shurish Subbramaniam
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David Arcelus Oses
Director

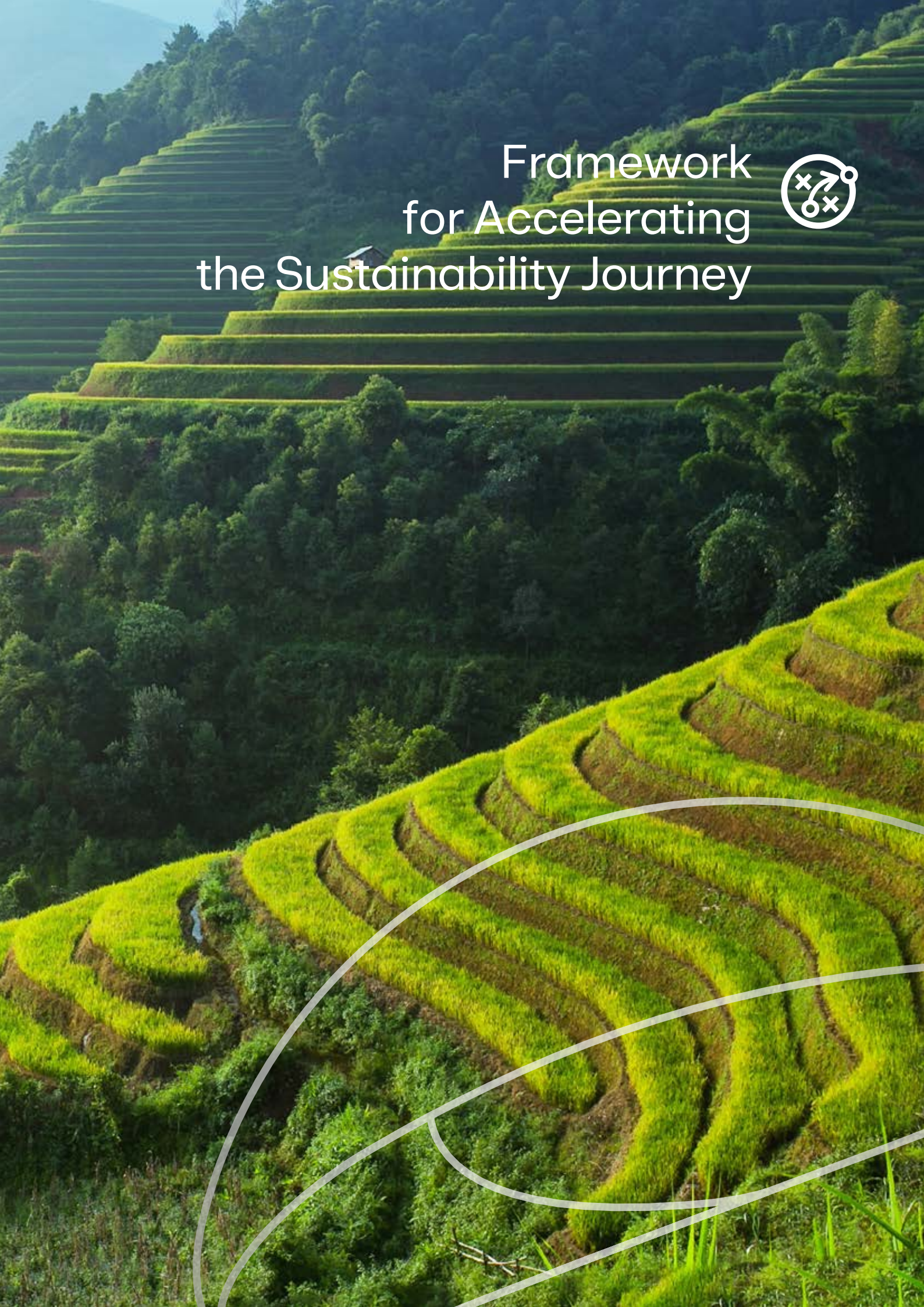


Jeremiah Ratadhi
Director



Sanjay Vaghasia
Director





Framework for Accelerating the Sustainability Journey

At XLSMART, sustainability is a core business discipline. It underpins how we build trust, manage risk, and deliver reliable connectivity at scale. Our purpose – *to connect every Indonesian for a better life* - sets the strategic direction, while our strategy ensures this purpose is translated into clear directions, robust systems, and measurable performance.

Following the merger, our sustainability journey is designed to achieve three objectives. First, to protect business continuity in a sector where network resilience, cybersecurity, and regulatory compliance are fundamental. Second, to accelerate inclusive digital growth by improving access, affordability, and digital literacy. Third, to establish credible climate and resource pathways that respond to investor expectations and evolving reporting standards.

Sustainability is not treated as a standalone agenda. It is embedded into how we prioritise network investments, manage digital and operational risks, develop talent, and engage communities. Through this approach, sustainability becomes a driver of long-term value creation for customers, employees, and the broader ecosystem.

Our Sustainability Strategy

[OJK A.1] [GRI 2-22] [GRI 2-23]

Our purpose goes beyond connectivity. By prioritising sustainable environments through green innovation and ESG leadership, XLSMART empowers customers to enjoy a better, more responsible quality of life.

Our sustainability strategy is anchored in the principle of double materiality, reflecting two complementary perspectives. The first considers how sustainability-related topics may give rise to the financial risks and opportunities for XLSMART. The second assesses how our operations and value chain may generate impacts on people and the environment.

This strategy has been developed to support a post-merger organisation. It integrates the legacy strengths of XL Axiata and Smartfren, while establishing a unified sustainability direction for XLSMART. It also enhances the Company's preparedness for evolving sustainability disclosure expectations, including ISSB IFRS S1 and S2, and IAI PSPK 1 and 2, which increasingly emphasise decision-useful, financially relevant sustainability information.

In practice, the strategy focuses on the sustainability topics that are most material to the business and stakeholders. These priorities are translated into governance structures, targets, programmes, and performance tracking. This ensures sustainability is managed with the same discipline as other strategic priorities.

Materiality Assessment [GRI 3-1]

In 2025, XLSMART refreshed its Double Materiality Assessment to reflect the post-merger structure and evolving stakeholder expectations. The assessment was designed to ensure that sustainability priorities remain aligned with the Company's expanded operational footprint, regulatory developments, and investor expectations.

The review considered both impact materiality and financial materiality perspectives. It evaluated how XLSMART's activities affect society and the environment, as well as how sustainability-related risks and opportunities may influence the Company's financial performance, long-term resilience, and enterprise value.

The process incorporated stakeholder engagement, peer benchmarking within the telecommunications sector, and regulatory horizon scanning to ensure alignment with emerging disclosure standards, including ISSB IFRS S1 and S2 and relevant Indonesian sustainability frameworks. An independent external party supported the review to enhance objectivity and methodological robustness.

Engagement involved representatives from investors, employees, customers, suppliers, business partners, and relevant institutions. Internal validation was conducted with senior management and the Board of Directors to ensure alignment with strategic priorities and governance oversight. The final material topics were reviewed and approved by the Board of Directors in accordance with established governance procedures [GRI 2-14].

List of Material Topics [GRI 3-2]

The assessment confirmed that stakeholders place the highest priority on operational reliability and digital trust. Network quality, availability, and reliability ranked as the most critical material topic. Cybersecurity, customer engagement, and data security and privacy were also identified as high-priority areas.

People-related topics remain central in a post-merger organisation. Employment practices, employee wellbeing, and talent development are critical to effective integration and sustained performance. Supply chain conduct also emerged as a material priority, reflecting the operational complexity of the telecommunication sector. Environmental topics are increasingly important from both impact and financial perspectives. Stakeholders highlighted greenhouse gas (GHG) emissions, energy, as well as waste management and end-of-life management treatment as key areas of focus.

The following list summarises the material topics identified through the stakeholder survey and internal assessment process. The sequence of topics presented below does not represent a ranking of priority. Instead, it reflects the consolidated list of material issues considered relevant to XLSMART's business activities and sustainability impacts.

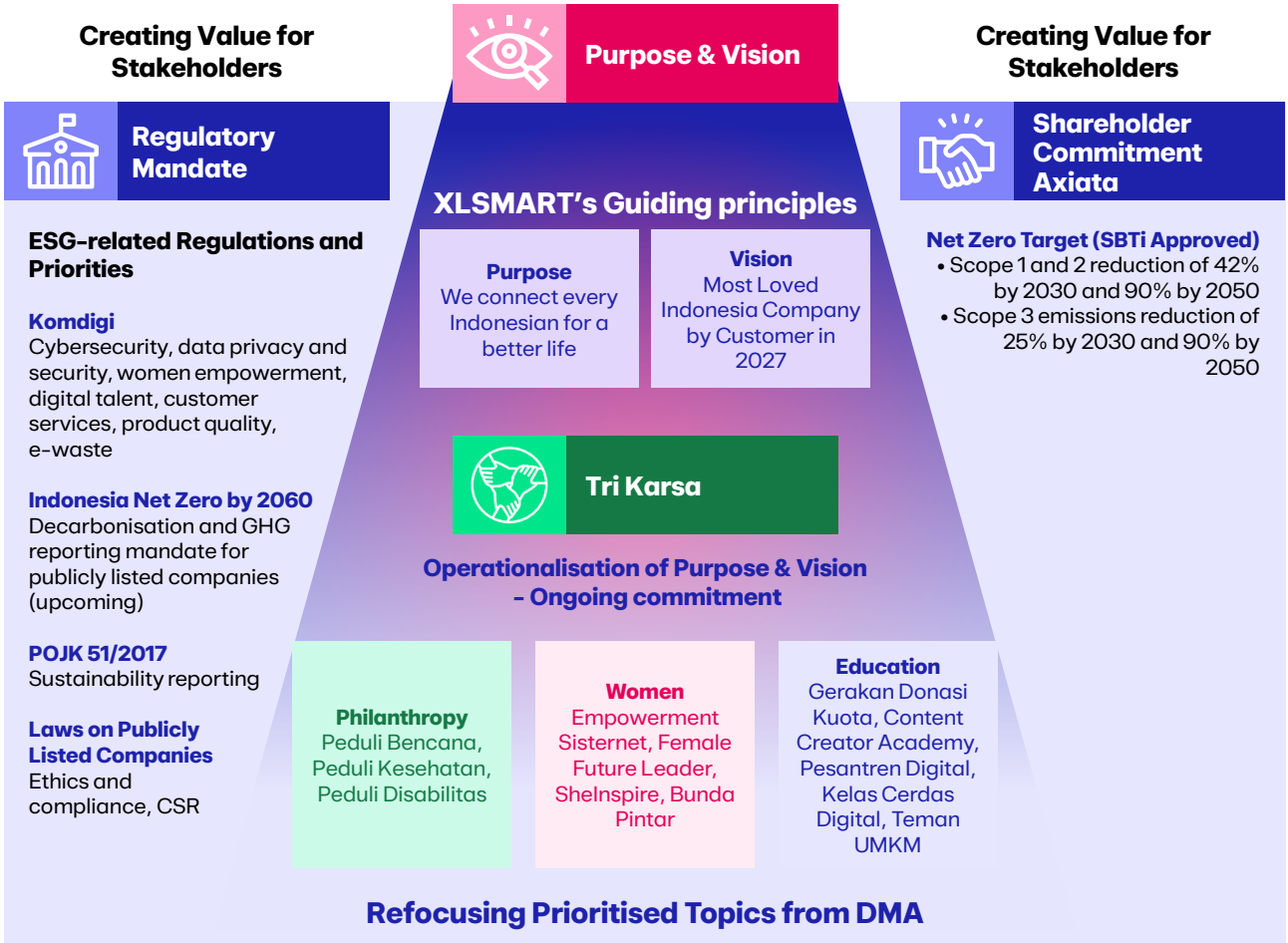
Prioritised Topics from Survey	
Network quality, availability and reliability	Supplier conduct and engagement
Cybersecurity	Greenhouse gas (GHG) emissions, energy, decarbonisation
Customer engagement	Products and services that benefit society and the environment, innovation
Data security and privacy	Competitive behavior and an open internet
Employment practices, compensation and benefits	Climate impacts and adaptation
Regulatory compliance	Responsible product design, labeling, and marketing
Digital inclusion, product accessibility and affordability	Community development
Health, safety and wellbeing	Diversity, inclusion, and equal opportunity
Talent development	Resource use and efficiency
Waste, product and end-of-life management, circular economy	Water usage

MATERIAL TOPICS REFINEMENT AND BUSINESS-AS-USUAL (BAU) IDENTIFICATION

To enhance clarity, strengthen accountability, and avoid fragmented management, certain material topics were refined and consolidated. Cybersecurity is managed as an embedded component of data security and privacy, reflecting its role as a key control mechanism within the broader data protection framework. Community development is addressed with diversity, inclusion, and equal opportunity embedded as core outcomes of the Company's social impact approach. Industry business-as-usual (BAU) topics remain disclosed as part of ongoing reporting, ensuring continued transparency while enabling management focus on priority material issues.

No.	Original Sub-topics	Rationale for CombiningSub-topics	Updated Topics
1	Cybersecurity Data security & privacy	• XLSMART has implemented digital data management system for customer and corporate information. • Cybersecurity programs directly support and enable data security and privacy outcomes. • Data security and privacy governance covers digital and non-digital data, information protection, data retention, behavioral controls, and regulatory compliance (including social media governance).	• Data security & privacy • Cybersecurity embedded as a sub-topic
2	Community development Diversity, inclusion, and equal opportunity	Community development initiatives promote diversity, inclusion, and equal opportunity through: • Programs targeting diverse and underserved communities, including local communities, women, persons with disabilities, and other minority groups. • Access-based initiatives supporting education, healthcare, and digital inclusion. • Inclusive program design involving stakeholders through community needs assessment. • Employment access initiatives promoting diversity, inclusion, and equal opportunity in workforce practices	• Diversity, inclusion and equal opportunity embedded as outcomes • Community development
3	Business-as-usual ESG topics	Business-as-usual ESG topics for the telecommunications industry are identified, monitored, and disclosed as part of ongoing reporting to ensure continuity and regulatory compliance.	• Business-as-usual (BAU) • Disclosed as ongoing topics

Aligning Prioritised Topics with XLSMART's Value Creation Framework



STRATEGIC FOCUS AREAS

As a result of the assessment process, XLSMART consolidated its priorities into 5 (five) strategic focus areas. These focus areas translate material topics into clear management intent and execution priorities. The focus areas presented below are interconnected and carry equal strategic importance in guiding the Company's sustainability approach.

Focus Area	Strategic Intent
Community Development	Strengthen local ecosystems through digital inclusion and access to education.
Best Place to Work	Build a unified culture, enhance skills, and improve employee experience.
Customer Engagement	Elevate accessibility, affordability, and digital literacy to strengthen trust.
GHG Emissions	Establish decarbonisation and energy-efficiency pathways.
Data Privacy & Security	Strengthen cybersecurity maturity and regulatory compliance readiness.

Sustainability Commitment of XLSMART

[GRI 2-22] [GRI 2-24]

Sustainability at XLSMART is embedded into how we create value, manage risk, and sustain long-term competitive advantage, while advancing our purpose to connect every Indonesian for a better life. Our approach integrates environmental stewardship, social empowerment, and strong governance as interconnected pillars that reinforce operational resilience and enable inclusive growth. This integrated framework reflects our commitment to accelerating the transition toward carbon neutrality in parallel with responsible digital innovation.

In the environmental dimension, we recognise the scale and reach of our telecommunications operations and the climate challenges associated with energy-intensive infrastructure. XLSMART is committed to progressing toward net-zero emissions by embedding environmentally responsible innovation into our business model. We strengthen operational efficiency across network and facility assets, implement targeted energy-saving initiatives, and pursue scalable renewable energy solutions where feasible. Carbon emissions and energy consumption are monitored systematically to inform investment decisions, operational priorities, and performance management. This disciplined approach aligns environmental management with our broader net-zero ambitions, supporting continuous improvement, enhanced accountability, and responsible value chain engagement.

Climate action is further reinforced through practical initiatives that integrate sustainability into day-to-day operations. For example, the implementation of Zero Waste to Landfill practices at selected large-scale events demonstrates that sustainable operations must be measurable, operationally feasible, and extend beyond office environments into broader ecosystem engagement.

In the social dimension, XLSMART translates digital connectivity into meaningful inclusion and empowerment. We invest in digital literacy and capability-building programs designed to expand access and opportunity across diverse communities. Through initiatives such as digital literacy workshops and partnerships that support students, micro, small, and medium enterprises (MSMEs), and underserved populations, we promoted more equitable participation in Indonesia's digital economy.

Our inclusion efforts extend to targeted programs that empower women, support people with disabilities, and expand affordable digital access in frontier and rural areas. These initiatives contribute to narrowing the digital divide and fostering broader societal participation in economic and social development, reinforcing our commitment to an inclusive and future-ready digital ecosystem.

In the governance dimension, XLSMART upholds high standards of integrity, transparency, and ethical conduct across all operations and business relationships. We apply a zero-tolerance approach to bribery and corruption, ensure compliance with applicable laws and regulations, and set clear expectations for third parties and suppliers regarding ethical conduct, labour standards, and responsible

business practices. These expectations encompass respect for human and labour rights, including non-discriminatory practices and the prohibition of child and forced labour throughout our supply chain. Governance effectiveness is reinforced through structured oversight, continuous communication, capability development, and accountability mechanisms to ensure sustainability principles are consistently understood, implemented, and monitored across the organisation.

Collectively, these commitments support our strategic priorities and respond to stakeholder expectations, while reinforcing how sustainability contributes to XLSMART's long-term value creation. By integrating environmental responsibility, social inclusion, and strong governance into everyday decision-making, we enhance operational resilience, enable inclusive growth, and contribute meaningfully to national development objectives through credible and measurable sustainability performance.

XLSMART'S ESG Roadmap

As a post-merger organisation, XLSMART is integrating the ESG foundations of both legacy entities into a single, unified direction. The roadmap is being refined to ensure that sustainability governance, programmes, and performance management remain consistent during the transition, while strengthening alignment with the Company's updated Double Materiality Assessment (DMA) and evolving disclosure expectations.

The five DMA focus areas provide a structured lens for prioritisation and management oversight. In 2025, the Company focused on integrating ESG data, policies, and reporting practices from both legacy organisations to establish a consolidated foundation. As this is the first year of post-merger consolidation, emphasis is placed on integration and comparability rather than performance variance.

In 2026, XLSMART will undertake a baseline and re-baseline process for key ESG metrics, including climate-related indicators. While XL Axiata previously established a baseline in 2022, the merger requires the development of a refreshed, consolidated baseline that reflects the full operational footprint of XLSMART. This re-baseline will serve as the reference point for future target setting.

In 2027, the Company plans to finalise its roadmap towards Net Zero Carbon by 2050, alongside the development of ESG KPIs and performance targets aligned with the consolidated baseline and DMA outcomes. This phased approach ensures that long-term ambitions are supported by credible data, structured governance, and measurable performance indicators.

During this transition phase, sustainability execution is guided by three integration enablers that ensure consistency across the merged organisation:

Environmental Care

Digital innovation to support XLSMART's net-zero carbon mission

Social Responsibility

Commitment to responsible digitalisation that creates positive social impact

Good Corporate Governance

Commitment to strong and effective corporate governance

These enablers support consistent execution and governance while the consolidated ESG roadmap and KPI architecture are being formalised.

WHAT WE HAVE DONE FOR OUR HOMELAND

Sustainable Fitch ESG Rating	Received a Sustainable Fitch ESG Entity Rating of "2" with an ESG score of 67 for the 2025 performance. The rating reflects a good sustainability profile, supported by the environmentally and socially positive impact of fibre and 4G network services.
Sustainability Week Program	Successfully diverted 120 kg of employee fashion waste into upcycled products in 2025, transforming unused materials into meaningful solutions.
Waste Management Program	A total of 31,219 tonnes of waste were diverted from landfill across XLSMART offices in Kuningan, Sabang, and BSD, supporting more responsible daily operations
Zero Waste to Landfill Event	Achieved 3,839 kg CO_2e emission avoidance during the AXIS Nation Cup 2025, engaging 11,000 spectators in a collective zero-waste initiative.

Net Zero Carbon by 2050

XLSMART has set a long-term ambition to achieve Net Zero Carbon by 2050, in line with global climate objectives and the decarbonisation pathway of the telecommunications sector. This commitment reflects our recognition that climate change presents both physical and transition risks for a capital-intensive and energy-dependent business such as ours, while also creating opportunities to improve operational efficiency, strengthen resilience, and align with evolving investor and regulatory expectations.

The progress we have made toward achieving this ambition is supported by a structured approach to carbon management, transparency, and external validation. In 2025, XLSMART received a "B" score from the Carbon Disclosure Project (CDP) for the third consecutive year, demonstrating consistent performance in disclosure and climate management practices.

As a merged entity, XLSMART will conduct a baseline and re-baseline process in 2026, taking into account the legacy baseline established in 2022 and the expanded operational footprint following the merger. This consolidated baseline will provide the foundation for finalising the roadmap towards Net Zero Carbon by 2050 and defining supporting ESG targets and KPIs, which are planned to be completed in 2027.

Our Journey Towards Net Zero

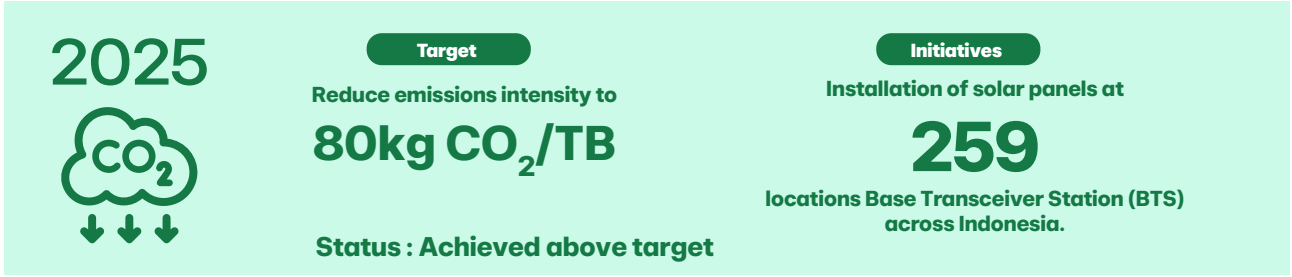
Our decarbonisation journey has evolved progressively, marked by continuous emissions measurement, governance, and strategic alignment with national and global climate initiatives.

2019	Initiated the calculation of greenhouse gas emissions, covering direct operational activities and electricity consumption, as the first step toward establishing a comprehensive emissions baseline.
2021	Adopted ESG principles with reference to GSMA climate commitments, aligning the Company's long-term direction with the sector's ambition to achieve net zero emissions by 2050.
2022	Received recognition at the 2022 Corporate Emission Reduction and Calculation Transparency event, securing awards in both the Gold and Green categories.
2023	Advanced our climate management framework through several key milestones: · Joined the Kadin Net Zero Hub, as a platform for knowledge exchange, collaboration, and resource sharing to support the development of a low-emissions ecosystem in Indonesia and the national Net Zero 2050 ambition. · Strengthened the Green Smart City ecosystem by deploying solutions based on Artificial Intelligence (AI), Internet of Things (IoT), and Connectivity. · Calculated Scope 3 carbon emissions for the first time, as an initial step toward defining emissions reduction pathways beyond direct operations. · Submitted climate disclosures to CDP for the first time and achieved a "B" score, signalling a solid foundation in climate governance and transparency. · Undertook external assurance of Scope 1 and Scope 2 greenhouse gas emissions and total energy consumption for the 2023 and 2024 reporting years.
2024	Maintained a "B" score in CDP, demonstrating consistency in climate disclosure quality and management practices, supported by continued external assurance of Scope 1, Scope 2, and total energy consumption data.
2025	Received a Sustainable Fitch ESG Entity Rating of "2" with an entity score of 67 for the 2025 performance. The assessment also acknowledged the Company's climate-related disclosures, including greenhouse gas emissions and energy management practices, supporting continued progress in strengthening climate governance.

Initiatives For Sustainable Future

XLSMART's decarbonisation commitment is translated into concrete actions, with a primary focus on reducing emissions from electricity consumption, which represents the largest share of the Company's carbon footprint. Our transition strategy is anchored in three levers: improving energy efficiency across network and facility assets, increasing the use of renewable energy, and engaging the value chain to support the development of a lower-carbon ecosystem.

In the short to medium term, priority is given to Scope 2 emissions reduction through operational efficiency and clean energy deployment. One of the key initiatives is the installation of solar photovoltaic systems at selected Base Transceiver Station (BTS) sites, which directly reduces reliance on grid electricity and lowers operational emissions intensity. By 2025, solar panels had been installed at 259 BTS locations across Indonesia, contributing to the achievement of an emission intensity reduction target of 80 kg CO_2 per terabyte of data traffic.



Beyond operational measures, XLSMART recognises that long-term decarbonisation cannot be achieved without value-chain engagement. Towards 2030, the Company is strengthening collaboration with strategic suppliers and partners, particularly high-spend vendors, to align emission reduction efforts, improve data transparency, and encourage the adoption of low-carbon practices across the supply chain. This approach supports the gradual extension of climate action from direct operations to upstream and downstream activities, in line with the Company's preparation for Scope 3 target setting.

2030



Target

Reduce emissions intensity to

45%

Status : Ongoing

Initiatives

Engage 100% of top spenders

including suppliers and partners to support the net zero emission ambition

These initiatives form part of a broader transition pathway that aligns with global climate goals and Indonesia's Net Zero 2060 agenda, while also responding to increasing investor and regulatory expectations for credible, measurable, and verifiable climate action.

Strengthening the Culture of Sustainability [OJK F.1] [GRI 2-24]

Sustainability transformation is shaped by organisational culture, leadership commitment, and active employee participation. Embedding sustainability into daily behaviour is essential to ensure that policies, targets, and operational standards are consistently translated into measurable practices across the Company.

To enable this, XLSMART integrates sustainability principles into day-to-day business activities and builds awareness among employees through multiple channels, including:

1. Leveraging internal and external digital communication channels to disseminate sustainability-related content, covering ESG topics, climate action, and social impact, supported by regular sustainability newsletters and thematic campaigns.
2. Organising Sustainability Talks through in-person and hybrid forums featuring internal leaders and external experts to discuss key sustainability issues, best practices, and emerging trends relevant to the telecommunications industry.
3. Implementing behavioural activation initiatives in the workplace, such as recycling drop boxes on office floors, sustainability education content on internal platforms, periodic audio announcements on energy efficiency and emissions reduction, and visual ESG messaging through digital backgrounds and office communication media.
4. Launching internal sustainability campaigns that promote responsible resource use and low-impact work practices, including digitalisation to reduce paper consumption, water-saving initiatives, and other environmental awareness programs.
5. Accelerating the digitalisation of business processes to reduce resource intensity, improve operational efficiency, and support more sustainable ways of working.
6. Providing structured sustainability-related training and learning programs to strengthen employees' understanding of ESG principles, climate responsibility, ethical conduct, and their roles in supporting the Company's sustainability commitments.

XLSMART SUSTAINABILITY ACTIVITIES

XLSMART's sustainability activities demonstrate the Company's commitment to embedding environmental and social responsibility into daily operations and organisational culture. Throughout 2025, these activities served as practical platforms to build awareness, encourage behavioral change, and reinforce employee ownership of the ESG agenda. Key initiatives during the year included:

1. Waste Management Race, a monthly program conducted across office to encourage improved waste segregation and responsible disposal practices.
2. Upcycling Workshop, creative sessions where employees transform unused materials into functional products while learning about waste reduction and sustainable consumption.
3. Employee Sustainability Engagement programs, collaborative activities that involve employees directly in sustainability initiatives and reinforce shared ownership of the company's ESG agenda.

4. Sustainability Week Talk show, an interactive series featuring internal and external speakers discussing sustainability challenges, green innovation, and the role of employees in driving positive change.
5. Sustainability Week Exhibition, showcasing environmental initiatives, eco-friendly innovations, and the Company's commitment to building more sustainable operations.
6. Zero Waste to Landfill Implementation, applied at selected large-scale events to strengthen responsible waste management practices and minimise landfill impact.
7. Post-Merger E-Waste Management Programme, initiated to ensure responsible handling, segregation, and environmentally sound disposal of electronic equipment and network-related assets across the consolidated organisation.

These activities form a coherent pathway for embedding sustainability into the way employees work and make decisions. They begin with awareness-building, progress toward behavioral change, and are ultimately reflected in operational practices and event executions.

At the employee level, initiatives such as Sustainability Week, the Waste Management Race, and upcycling workshops function as learning and activation platforms. In 2025, Sustainability Week engaged hundreds of employees through talk shows, exhibitions, and interactive sessions that combined knowledge-sharing with practical action. Programs like the Waste Management Race and creative workshops encourage everyday practices such as waste segregation, resource efficiency, and responsible consumption, helping to transform sustainability from policy into habit.

As these behaviours become embedded, sustainability principles are increasingly integrated into workplace systems and operational processes. This is reflected in ongoing efforts to optimise energy use in data centres and network facilities, strengthen electronic and operational waste management, and promote environmentally responsible practices across offices and business units.

The same standards are applied beyond internal operations. The implementation of a Zero Waste to Landfill approach at the AXIS Nation Cup 2025, in collaboration with Waste4Change, demonstrates how internal sustainability discipline extends to large-scale public events. Through systematic waste segregation, recycling, composting, and conversion into Refuse-Derived Fuel, around 4,200 kilograms of waste were diverted from landfill, resulting in an estimated 3,839 kg CO_2e in avoided emissions. This underscores that sustainability is treated as an operational requirement, not merely an internal campaign.

In addition, 2025 marked the initiation of a post-merger electronic waste (e-waste) management programme, designed to ensure responsible handling, segregation, and disposal of electronic equipment and network-related assets across the consolidated organisation. This programme strengthens lifecycle management practices and supports compliance with environmental standards in line with the Company's expanded operational footprint.

Creative platforms such as EcoFusion Sustainability Week further strengthen this connection by linking environmental issues to everyday contexts, including fashion, lifestyle, and consumption. The diversion of approximately 120 kilograms of textile waste through upcycling activities and the strong level of participation reflect a shift from awareness to consistent practice.

Through this progression, from awareness to culture, XLSMART reinforces a shared understanding that sustainability is integral to how employees take responsibility in their respective roles. What begins as communication and engagement evolves into daily habits and is reflected in operational execution. This cultural foundation is critical to ensuring that XLSMART's sustainability commitments are consistently implemented and sustained over the long term.

Contributions to the Sustainable Development Goals (SDGs) [OJK F.25]

XLSMART aligns its sustainability programs with the United Nations Sustainable Development Goals (SDGs) as a globally recognised reference framework. This alignment ensures that the Company's digital expansion, social investment, and community engagement initiatives contribute to inclusive growth, social resilience, and Indonesia's long-term national development priorities. Through this alignment, the SDGs provide an overarching structure that connects XLSMART's material sustainability priorities with global development objectives, reinforcing the relevance, coherence, and impact of the Company's sustainability strategy.

Material Focus Area	Strategic Relevance	Aligned SDGs
Network quality, availability and reliability	Enabling inclusive digital infrastructure, economic participation, and service continuity across regions	
Data security, privacy and cybersecurity	Protecting digital rights, customer trust, and institutional integrity in the digital economy	
Digital inclusion, accessibility and affordability	Expanding equitable access to education, information, and economic opportunity	
Employment practices, talent development, health and wellbeing	Building future-ready human capital and inclusive, resilient workplaces that support performance, engagement, and long-term organisational sustainability	
GHG emissions, energy efficiency and climate resilience	Supporting the transition to low-carbon operations and climate-resilient infrastructure	
Waste management and circular economy	Reducing environmental footprint while strengthening resource efficiency across operations and the value chain	
Community development and stakeholder engagement	Strengthening social resilience through and inclusive collaboration and long-term development partnerships	





About XLSMART

Corporate Information [GRI 2-1]

COMPANY NAME

PT XLSMART Telecom Sejahtera Tbk (formerly PT XL Axiata Tbk)

The name change became effective as of 21 April 2025 following the completion of PT XL Axiata Tbk's merger with PT Smartfren Telecom Tbk and PT Smart Telecom on 17 April 2025.

LEGAL STATUS

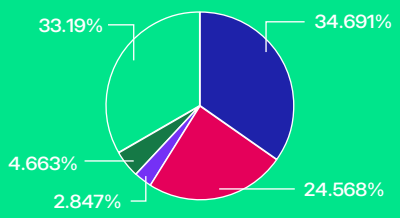
Deed of establishment No. 55 dated 6 October 1989, as amended by Deed No. 79 dated 17 January 1991, both of which were drawn up before Rachmat Santoso, S.H., Notary in Jakarta, and have been ratified by the Minister of Justice of the Republic of Indonesia by virtue of his Decree No. C2-515. HT.01.01.TH.91 dated 19 February 1991, and registered in Company Register maintained by the Registry Office of South Jakarta District court under No. 670/Not/1991/PN. JKT.SEL and No. 671/Not/1991/PN.JKT.SEL, both dated 21 August 1991, and published in the State Gazette of the Republic of Indonesia No. 90 dated 8 November 1991, Supplement No.4070.

SHARE OWNERSHIP

Axiata Investment (Indonesia) Sdn. Bhd. is a subsidiary of the Axiata Group Berhad, the largest telecommunications company in Asia, which also owns Celcom (Malaysia), Dialog (Sri Lanka), Robi (Bangladesh), Smart (Cambodia), Ncell (Nepal), Idea (India), and M1 (Singapore).

XLSMART's Shareholding Percentage:

- Axiata Investments (Indonesia) Sdn. Bhd
- PT Bali Media Telekomunikasi
- PT Wahana Inti Nusantara
- PT Global Nusa Data
- Public



TICKER CODE

EXCL

SEGMENT BRAND

XL axiata business solutions, XL satu, AXIS, smartfren.

SUPPLY CHAIN [GRI 2-6]

XLSMART works closely with a diverse network of vendors to ensure that the goods and services supporting its operations are delivered reliably and efficiently. The Company requires all suppliers to uphold sustainability principles and responsible sourcing as outlined in its procurement policy. Below is XLSMART's top three supply chains/vendors based on purchase order value in 2025:
1. PT Huawei Tech Investment
2. PT Lintas Teknologi Indonesia
3. PT Nokia Solutions and Networks Indonesia

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PT XLSMART Telecom Sejahtera Tbk

Significant Changes in the Company

[C.6]

On 15 April 2025, PT XL Axiata Tbk (XL), PT Smartfren Telecom Tbk (SF), and PT Smart Telecom (ST) signed the Merger Deed No. 33 dated 15 April 2025, where SF and ST agreed to merge with XL as the surviving company, and therefore, SF and ST status cease to exist by operation of law (Merger).

As part of the Merger, there are several amendments in XL's Articles of Association, including the change of name of XL to PT XLSMART Telecom Sejahtera Tbk. These changes in the Articles of Association have become effective with the obtainment of approval and/or notification receipt from the Minister of Law of the Republic of Indonesia (MOL) as follows: (i) Decision of MOL on Approval of Amendments to the Articles of Association of the Company No. AHU-0026805.AH.01.10.TAHUN 2025 dated 16 April 2025, (ii) Receipt of Notification of Amendments to the Articles of Association of the Company by MOL No. AHU-AH.01.03-0102806 dated 16 April 2025, and (iii) Receipt of Notification of Amendments to the Articles of Association of the Company by MOL No. AHU-AH.01.03-0104486 dated 17 April 2025.



Purpose, Vission, and Core Values [C.1]

As a newly unified entity, XLSMART is charting a path toward a more connected and sustainable Indonesia. Drawing on the shared aspirations of its founding companies, the Company seeks to enrich digital experiences while creating long-term value for customers, employees, society, and the environment. Every step of XLSMART's transformation is guided by excellence, inclusivity, and innovation, thus ensuring that growth goes hand in hand with social and environmental responsibility.

PURPOSE

We connect every Indonesian for a better life

The reason XLSMART exists is to be fully committed for Indonesians to live beyond through connectivity. With excellence commitment, excellence innovation to products and services, we believe we are able to improve and empower the quality of life of individuals, communities, and social well-being.

Vision and Purpose Review
The Board of Directors regularly reviews the Company's Vision and Purpose to ensure their continued alignment with XLSMART's current business conditions, strategic direction, and long-term sustainability objectives.

VISION

By 2027, to be Indonesia's Most Loved Company for our customers, the best place to work for our people, and the most efficient service provider.

01

To be Indonesia's most loved company for our customers. Being innovative and going above and beyond to deliver the best experience for our customers, so that they love us, trust us, choose for us, be loyal to us, and recommend us to their loved ones.

02

Best place to work for our people where our employees can thrive, grow, and perform in a supportive and nurturing culture. By doing so, attracting and retaining the best talent.

03

At the same time, to be the most efficient service provider by being resourceful and driving for maximum growth and profitability to ensure business sustainability in the long run.

CORE VALUES

i

Integrity
Integrity is a non-negotiable foundational value. It's a licence to play for participation in XLSMART.

Strive to deeply understand customer needs through active listening and continuous improvement, in order to deliver the best possible experience for our customers.

Embrace diverse perspectives, opinions, and feedback are welcomed and valued, enabling effective collaboration to grow and win together.



Responsibilities are carried out end-to-end to achieve excellent results, wholeheartedly and efficiently to achieve the best outcomes for XLSMART.

A joyful work environment is created by simplifying complexities and building positive energy, while victories are consistently celebrating wins and learn from mistakes together.

XLSMART at A Glance [C.1]

From Legacy to Leadership: The Journey to XLSMART

Our journey began more than three decades ago with the establishment of PT Graha Metropolitan Lestari on 6 October 1989, marking our first commercial venture as a trading and general services company. In 1996, the Company made a strategic leap into the telecommunications sector after obtaining a GSM 900 operating license, becoming Indonesia's first private cellular mobile operator to launch GSM services and provide cellular mobile telephony services.

An agreement between the Rajawali Group and three international investors (NyNEX, AIF, and Mitsui) brought new momentum to the Company's growth, leading to a rebranding as PT Excelcomindo Pratama. Driving further expansion, the Company reached a significant milestone in September 2005 by becoming a publicly listed company through an Initial Public Offering (IPO) on the Jakarta Stock Exchange (now the Indonesia Stock Exchange/IDX).

At the time of the IPO, the Company was a subsidiary of Indocel Holding Sdn. Bhd., now known as Axiata Investments (Indonesia) Sdn. Bhd., a fully-owned entity of TM International Sdn. Bhd. (TMI) through TM International (L) Limited. The synergy with our Malaysia-based holding brought strategic alignment and regional strength. In 2009, following TMI's transformation into Axiata Group Berhad, the Company changed its name to PT XL Axiata Tbk.

In Indonesia, the Company built a strong presence across both retail and corporate segments, providing Data, Voice, SMS, and a wide array of digital solutions with nationwide coverage. Operating on GSM 900/DCS 1800 and IMT-2000/3G, the Company became a pioneer by commercially launching 4.5G Ready services on the 1,800 MHz spectrum. The Company further strengthened its convergence leadership through certifications as Content Provider, Internet Service Provider (ISP), Internet Interconnection Services, VoIP, and Leased Line License, while also securing an Operational Eligibility Certificate (SKLO) that enabled the commercial deployment of 5G in August 2018.

As digital connectivity becomes the foundation of progress, we continue to serve a pivotal role in enabling people and businesses to thrive in the digital era. The Company expands access to high-speed and reliable networks across the archipelago through continuous investment in advanced technologies, including 4.9G (Massive MIMO), ensuring that communities beyond Java have access to the same quality of digital experience as those in major cities.

Innovation remains at the heart of our growth. The Company continues to strengthen its digital capabilities through the integration of Artificial Intelligence (AI) and data analytics to deepen customer understanding, enhance network performance, and deliver more personalized solutions that meet diverse needs. These endeavours not only drive engagement but also reinforce XLSMART's position as a leading convergence operator in Indonesia.

To safeguard this expanding digital ecosystem, XLSMART leverages cloud technology to build a more secure and resilient operational framework. Our cybersecurity and fraud management systems are continuously enhanced to ensure the integrity, reliability, and trustworthiness of every digital interaction thus reflecting our commitment to safe, efficient, and inclusive connectivity for all.

XLSMART: A New Force in Indonesia's Digital Future

Building upon a strong foundation of innovation and connectivity, 2025 marked a historic transformation as PT XL Axiata Tbk, PT Smartfren Telecom Tbk, and PT Smart Telecom officially united under the name: **PT XLSMART Telecom Sejahtera Tbk**. The merger signifies not only a consolidation of resources and expertise but also the realization of a unified vision to accelerate Indonesia's digital future. Through this integration, **XLSMART** is all set to deliver inclusive, intelligent, and sustainable digital experiences for customers across the nation.

As part of this transformation, **XLSMART** unveiled a new corporate identity that redefines its vision and purpose for the digital era. The **Infinity World** logogram represents limitless connectivity and endless opportunities, symbolizing a dynamic gateway to new possibilities that reflect XLSMART's commitment to expanding horizons across Indonesia and beyond. Carrying the tagline "***Bersama, Melaju Tanpa Batas***" (**"Go Beyond, Together"**), **XLSMART** embraces the spirit of collaboration while also inviting customers, communities, and partners to journey forward as one in creating meaningful connections and empowering every Indonesian for a better life.

XLSMART brings together the complementary strengths of XL Axiata and Smartfren under a unified leadership and shared aspirations. The Company continues to operate the well-established XL, AXIS, and Smartfren brands for mobile cellular and broadband services, while serving SMEs and corporate clients through **XLSMART** for Business. With over 94.5 million customers, each connection matters, and we are committed to delivering transformative digital experiences.

Our Transformation

1989
Established on 6 October 1989 under the name PT Graha Metropolitan Lestari, the Company initially operated as a trading and general services enterprise. This foundation later became the stepping stone for its future transformation into a major telecommunications operator in Indonesia.

1991
Changed its name to PT Graha Metropolitan Lestari.

1995
Changed its name to PT Excelcomindo Pratama through a partnership with the Rajawali Group and foreign investors—NyNEX, AIF, and Mitsui.

1996
Received a GSM 900 Cellular System license and commenced commercial operations, initially targeting Jakarta, Bandung, and Surabaya.

1997
Constructed an integrated microcell network within Jakarta's Golden Triangle area.

1998
Introduced the proXL brand as the Company's first prepaid product.

2000
Successfully expanded operations to Sumatra and Batam.

2001
- Secured DCS 1800 spectrum allocation.
- Completed construction of the primary fiber-optic network.
- Launched M-Banking and M-Fun services.

2009
- Initiated the first Limited Public Offering through a Rights Issue for 1,418,000,000 new shares.
- TM International Sdn. Bhd. officially rebranded as Axiata Group Berhad ("Axiata"), and PT Excelcomindo Pratama Tbk adopted the new name PT XL Axiata Tbk to reflect a unified identity and synergy within the Group. The majority of shares were subsequently owned by Axiata through Axiata Investments (Indonesia) Sdn. Bhd.

2010
Axiata Investments (Indonesia) Sdn. Bhd., the Company's principal shareholder, divested a 20% stake via Private Placement to increase public shareholding.

2012
- ETISALAT divested 9.1% of its shares through an offering to institutional investors, increasing public ownership from 20.2% to 33.5%.
- Deployed more than 11,000 new BTS to strengthen network coverage.

2013
- Entered into a Conditional Sale and Purchase Agreement (CSPA) with Saudi Telecom Company (STC) and Teleglobal Investment B.V. (a subsidiary of STC) to acquire PT Axis Telekom Indonesia (AXIS).
- Successfully tested 4G technology during the APEC Summit.

2014
- Completed acquisition of AXIS in March and effected a merger in April.
- Conducted live 4G-LTE trials with Huawei and Ericsson.
- Implemented corporate rebranding, including an updated logo to reflect a new strategic direction.
- By this time, XL Axiata had evolved into a major nationwide operator providing data, voice, SMS, and various value-added services across Indonesia through its GSM 900/DCS 1800 and IMT-2000/3G networks.

2015
- Launched LTE services on the 1,800 MHz band, extending coverage to 35 cities.
- Became the first telecommunications operator in Indonesia to commercially introduce 4.5G-ready technology on this spectrum, strengthening its leadership in mobile broadband.

2002

- Obtained network allocation for Kalimantan and Sulawesi.
- Launched leased-circuit and Internet Protocol (IP) services.

2004

Rebranded the corporate identity and expanded the proXL product family, introducing Jempol (prepaid), Bebas (prepaid), and Xplor (postpaid).

2005

Became a subsidiary of TM Group and successfully conducted an Initial Public Offering of 1,427,500,000 shares on the Indonesian Stock Exchange (formerly Jakarta Stock Exchange) under the ticker EXCL. The listing marked the Company's transition to a public entity and demonstrated market confidence in its long-term growth potential.

2006

Launched 3G network services.

2007

- Introduced an Rp1 per second tariff.
- ETISALAT, the Middle East's second-largest telecommunications company, acquired a stake in XL Axiata.
- Began consolidating brands under the XL Prepaid and XL Postpaid banners.

2008

- Following TM Group's demerger, two entities were formed: Telekom Malaysia Berhad and Axiata Group (formerly TM International Berhad), with Axiata Group becoming parent to Indocel Holding Sdn. Bhd. via TM International (L) Limited.
- Axiata Group, through Indocel Holding Sdn. Bhd., acquired the Company's shares from Khazanah Nasional Berhad, resulting in an 83.8% ownership interest by year-end.

2016

- Expanded to 84,000 BTS, including approximately 8,200 4G BTS, providing coverage to nearly 100 cities.
- Completed a fully subscribed public offering raising USD500 million.

2017

- Expanded the network to 101,000 BTS, with 63% of new deployments supporting 3G and 4G technologies.
- Extended 4G LTE coverage to 360 cities/regencies, supported by over 17,000 4G BTS and 45,000 3G BTS.
- Executed a Conditional Sales and Purchase Agreement to divest the Company's shares in PT XL Planet (Elevenia) and SK Planet Global Holdings Pte. Ltd.
- Collaborated with the Ministry of Communication and Information on the Fishermen Go Online program via the *Nelayan Pintar* (Smart Fishermen) application.
- Participated in the construction of the Australia–Indonesia–Singapore submarine cable communication system, connecting Australia and Singapore via Indonesia.

2018

- Commenced operation of Universal Service Obligation (USO) network services in 40 locations across four provinces.
- Launched Laut Nusantara, an application developed in collaboration with government ministries and organizations to enhance fishermen's productivity and safety.
- Inaugurated the IoT Lab XCAMP in partnership with the Ministry of Communication and Information and the Ministry of Industry.
- Earned the Certificate of Operational Eligibility (SKLO) for 5G network deployment, marking an important step toward commercial readiness for next-generation connectivity.

2019

- Completed the Australia–Indonesia–Singapore submarine cable system in collaboration with Vocus Group and Alcatel Submarine Networks.
- Expanded the network footprint to 130,000 BTS, including over 40,000 4G-enabled sites.
- Princeton Digital Group (PDG) agreed to acquire a 70% stake in the Company's data center portfolio.
- Commercially launched Narrowband IoT (NB-IoT) across 31 cities/regencies.
- Extended USO coverage to 298 locations across multiple provinces.
- Deployed additional BTS in remote areas including Natuna (Riau Islands), Musi Rawas (South Sumatra) and the west coast of Lampung.

2020

- Announced a share buyback program of Rp500 billion, executed from 7 April to 6 July 2020.
- Partnered with Google Cloud to migrate workloads and implement Anthos for a secure hybrid multi-cloud application management platform.
- Adopted SAP S/4HANA Cloud, becoming the first telecommunications company in Southeast Asia to implement this cloud ERP solution.
- Supported government ministries and agencies with donations and programs to assist communities adapting to the COVID-19 pandemic.
- Supported a government initiative to extend 4G services to 861 non-3T villages for the 2021–2022 period.

2021

- Attained ISO/IEC 20000-1:2018 and ISO 9001:2015 certifications.
- Entered a partnership with Helios Data (California) to implement Secure Data Sharing technology.
- Began USO BTS operations in collaboration with the Telecommunication and Information Accessibility Agency (BAKTI) in locations including Musi Rawas and North Musi Rawas (South Sumatra).
- Partnered with FiberStar to expand the XL HOME fiber network.
- Collaborated with NTT Ltd. to deploy private cloud infrastructure in preparation for the 5G ecosystem.
- Launched XL SATU, Indonesia's first convergence service integrating XL HOME and XL Prepaid.
- Extended 4G coverage to 2,431 remote villages in Lampung province and expanded 4G services in Aceh to 193 districts and 5,102 villages.
- Attained the MEF-CE 3.0 International Certification through XL Business Solutions (Busol).
- Received Ministry of Communication and Informatics approval for operation feasibility testing of 5G network services.
- Implemented the Zero-Touch Operation platform, including enhancements to Network Operation Centre (NOC) capabilities.
- Supported national vaccination efforts by establishing the Indonesia Bangkit Vaccination Centre (drive-thru) in Depok and continued vaccination initiatives at RSUP H Adam Malik in Medan; the Depok center was inspected by President Joko Widodo, accompanied by Minister of Health, Budi Gunadi Sadikin, the Governor of West Java, Ridwan Kamil, the Rector of Universitas Indonesia, Prof. Ari Kuncoro, S.E., M.A., Ph.D, and the Hospital Director, Dr. Astuti Giantini.
- Advanced ESG commitments aligned with GSMA targets, including long-term commitments toward net-zero emissions by 2050.
- Launched Desa Digital Nusantara (DDN) to facilitate digital technology adoption and empower villages.
- Dian Siswarini, President Director & CEO of the XL Axiata, and Yessie D. Yosetya, Chief Strategic Transformation & IT Officer, attended the inauguration of the Indonesian G20 presidency in their capacity as chair of G20 Empower.
- Expanded VoLTE coverage to 403 cities and regencies.

2022

- Acquired 2,805 shares representing a 51% stake in PT Hipernet Indodata (telecommunications and IT managed services), for approximately Rp358.438 billion.
- Completed the construction of Sea Cable Communication System (SKKL), linking Batam, Indonesia, to Sarawak, Malaysia, also known as the Batam Sarawak International Cable System (BaSIC) in partnership with PP Telecommunication Sdn. Bhd., strengthening international connectivity.
- Axiata Group Berhad and XL Axiata jointly acquired 66.03% of PT Link Net Tbk's shares for approximately RM2.63 billion; XL Axiata subsequently held a 20% stake in Link Net.
- The Echo submarine cable system ("Golden Buoy") was docked in Tanjung Pakis, Karawang, scheduled for integration into XL Axiata's network to enhance fiber backbone connectivity.
- Announced intention to issue XL Axiata Shelf Offering Bonds II Phase I of 2022 and Shelf Offering Sukuk Ijarah III Phase I of 2022 for Rp1.5 trillion each.
- Convened an Extraordinary General Meeting of Shareholders (EGMS) to seek approval for a capital increase via a Limited Public Offering III (LPO III) by pre-emptive rights.
- Collaborated with Link Net to introduce internet convergence services, integrating products from First Media and XL. This collaboration encompasses high-speed internet services devoid of quota restrictions, streaming content, cable TV, and online storage from First Media, coupled with the XL Joint Quota Package offering extensive internet data services.
- Participated actively in Women20 and G20 Empower initiatives; resulting in the election of XL Axiata's President Director & CEO, Dian Siswarini, as Co-Chair of Women20 Indonesia, and the election of Director & Chief of Digital Transformation & Enterprise Business Officer, Yessie D. Yosetya, as Chair of G20 Empower.

2023

- Successfully completed the Capital Increase through Pre-emptive Rights III ("PMHMETD III"), generating proceeds of Rp5 trillion to strengthen the Company's financial position and support future growth initiatives.
- Advanced the implementation of ESG principles by deploying Green BTS on a large scale. This initiative included the use of Intelligent Ventilation Cooling Systems (IVS), DC fans, and air conditioning systems that collectively reduced energy consumption by up to 50%. The modernization program has encompassed more than 90% of XL Axiata's BTS network since its inception in 2014.
- Partnered with Cisco to enhance 5G and Cloud network readiness for the Internet of Things (IoT) through end-to-end automation and optical network advancements, thereby strengthening IoT connectivity services across Indonesia.
- Officially launched the e-SIM service, enabling customers to activate mobile connections without a physical SIM card. The service offers a seamless registration process via QR code, providing convenience and flexibility for users anywhere and anytime.
- Reinforced the strategic synergy between Axiata Group, XL Axiata, and Link Net to expand convergence services nationwide. The initiative aims to reach 8 million home passes within five years and strengthen XL Axiata's position as Indonesia's leading convergence operator by capitalizing on the low penetration of fixed broadband and the rising demand for integrated digital solutions.
- Continued the development of SD-WAN+ solutions tailored for corporate clients, offering simplified deployment, centralized management, and improved cost efficiency—ensuring sustainable value creation for businesses in an increasingly digitalized global market.
- Introduced "XL SATU BIZ," a high-speed internet service for small and medium-sized enterprises (SMEs), providing robust Wi-Fi connectivity, generous data quotas, and a complimentary Majoo subscription that integrates ERP software to enhance business efficiency and productivity.
- Strengthened internet infrastructure at the new capital city (IKN) by installing four units of Mobile 4G BTS in key project areas, including the Presidential, Vice-Presidential Palaces, and around the workers' mess. The IKN network is connected to Kalimantan's main infrastructure and the international link via the Batam—Sarawak—Entikong submarine cable system.
- Collaborated with Link Net to develop one million new home-passed networks across more than ten cities and regencies, including regions outside Java, marking a significant expansion of broadband connectivity in underserved areas.
- Facilitated public mobility by ensuring 4G signal coverage across all Light Rail Transit (LRT) routes and stations in Cibubur and Bekasi, supported by more than 2,300 4G BTS units.
- Consolidated the Company's leadership in convergence services through the XL SATU product line. The upcoming integration of Fiber To The Room (FTTR) technology will further enhance user experience, while service coverage expanded to 63 cities and regencies, with Batam as the latest addition.
- Partnered with Nokia Indonesia to strengthen ESG initiatives in line with Indonesia's national target of reducing carbon emissions by 43.2% by 2030. Within its operational framework, the Company aims for a 45% carbon emission reduction from the 2020 baseline by 2030.
- Successfully expanded 4G LTE coverage throughout the Jakarta MRT network, including all underground lines and stations, ensuring seamless connectivity for passengers and enabling continuous monitoring to maintain service excellence.
- Introduced green mining solutions through private networks that enable environmentally responsible mining operations. By leveraging IoT-based fleet management and automation, the solution enhances efficiency, reduces operational costs, and improves employee safety in hazardous areas.
- Partnered with Hipernet to launch Open Wi-Fi and Managed Wi-Fi services under XL SATU BIZ, empowering SMEs with advanced digital infrastructure to support business growth.
- Extended 4G services to 861 outermost, underdeveloped, and frontier regions across Indonesia, fulfilling government-mandated connectivity obligations.
- Received the Gold Flag certification for the Occupational Safety and Health Management System (SMK3) from Indonesia's Ministry of Manpower, recognizing the Company's excellence in workplace safety management.
- Supported Axiata Group Berhad's structural transformation initiative to accelerate the evolution of its Indonesian subsidiaries, XL Axiata and Link Net, into a "ServeCo" and "FibreCo" framework to enhance strategic focus and operational efficiency.
- Collaborated with Indosat Ooredoo Hutchison, Axiata Digital Labs, and Amazon Web Services (AWS) to launch the SinergiAPI Portal—Indonesia's first GSMA Open Gateway-based API platform—empowering developers with standardized network API access through the Linux Foundation's CAMARA project.

2024

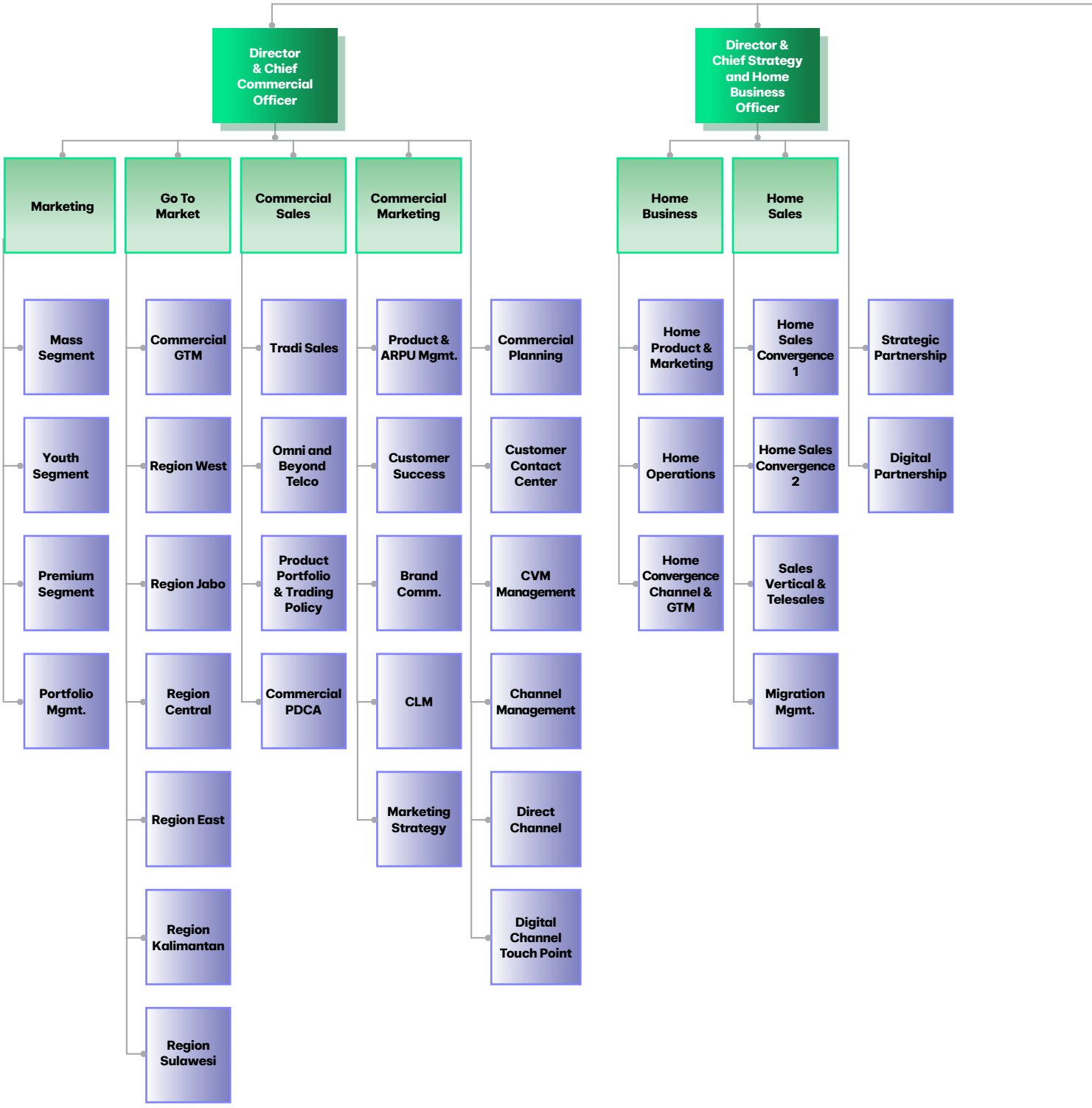
- As part of the global GSMA Open Gateway initiative, XL Axiata, Telkomsel, Indosat Ooredoo Hutchison, and Smartfren jointly launched three API services—Number Verify, SIM Swap, and Device Location—enhancing digital security and customer experience across Indonesia's telecommunications ecosystem.
- Achieved CDP certification following a rigorous five-month evaluation process by the global non-profit CDP organization, underscoring XL Axiata's steadfast commitment to ESG excellence and transparent environmental disclosure.
- Signed a Memorandum of Understanding (MoU) with Huawei to establish a strategic collaboration focused on Artificial Intelligence (AI) integration in digital business operations.
- Partnered with Cisco to introduce a cloud-delivered IoT connectivity management platform under the "IoT Connectivity+" product, enabling customers to scale their IoT businesses securely and efficiently.
- In collaboration with Nokia, successfully concluded a five-year network modernization program encompassing approximately 4,400 sites, involving comprehensive infrastructure replacement and network expansion.
- Through XL Axiata Business Solutions (XLABS), launched smart manufacturing solutions that utilize IoT technology to support the digital transformation of Indonesia's manufacturing sector by improving operational efficiency and product quality.
- Entered a new phase of strategic development as Axiata Group and Sinar Mas signed a non-binding MoU to explore a potential merger between XL Axiata and Smartfren, paving the way for the formation of "MergeCo".
- Partnered with PT Mobil Anak Bangsa (MAB) through XLABS to deliver essential ICT services—including IoT and fixed connectivity—supporting Indonesia's growing electric bus industry and contributing to sustainable mobility.
- Strengthened cybersecurity capabilities by becoming the exclusive partner of ITSEC Asia in supporting DEFEND IT360's cybersecurity solutions tailored for SMEs, further expanding XLABS' B2B service portfolio.
- Enhanced the XL Center Online platform with improved design, functionality, and service range under the #JadiLebihBaik initiative, offering features equivalent to physical outlets such as eSIM registration, lost card replacement, premium number selection, smartphone bundling, and streamlined ticket tracking.
- Expanded Fixed Mobile Convergence (FMC) network coverage to Sulawesi with the launch of XL SATU Fiber in Morowali Regency, ensuring broader access to high-quality broadband services.
- Formed a partnership with PT Ide Inovatif Bangsa (Quest Motors) to integrate XLABS' digital solutions into its electric motorcycle platforms, supporting innovation in Indonesia's green mobility ecosystem.
- Introduced "HYFE" by XL PRIORITAS, a new internet service package offering flexible options and enhanced user experience to meet the evolving digital needs of customers.
- Opened a new office and XL Center in Balikpapan to reinforce service quality and network presence in East Kalimantan, coinciding with XL Axiata's 28th anniversary celebration.
- Reaffirmed the Company's sustainability commitment during its anniversary celebration by achieving a Zero Waste to Landfill event, in collaboration with Waste4Change for responsible waste management.
- Through XLABS, launched "XL Axiata HydroponiX," an IoT-based smart farming solution designed to improve the productivity and quality of hydroponic agriculture.
- Officially integrated First Media's home internet services into XL Axiata effective 27 September 2024, following the merger of Link Net and XL Axiata under a B2C business transfer agreement signed on 22 May 2024.
- On 11 December 2024, XL Axiata and Smartfren announced a strategic merger valued at approximately IDR104 trillion (US$6.5 billion), establishing PT XLSMART Telecom Sejahtera Tbk ("XLSMART"). This landmark merger creates a leading telecommunications entity poised to drive innovation, elevate service quality, and accelerate Indonesia's digital transformation.

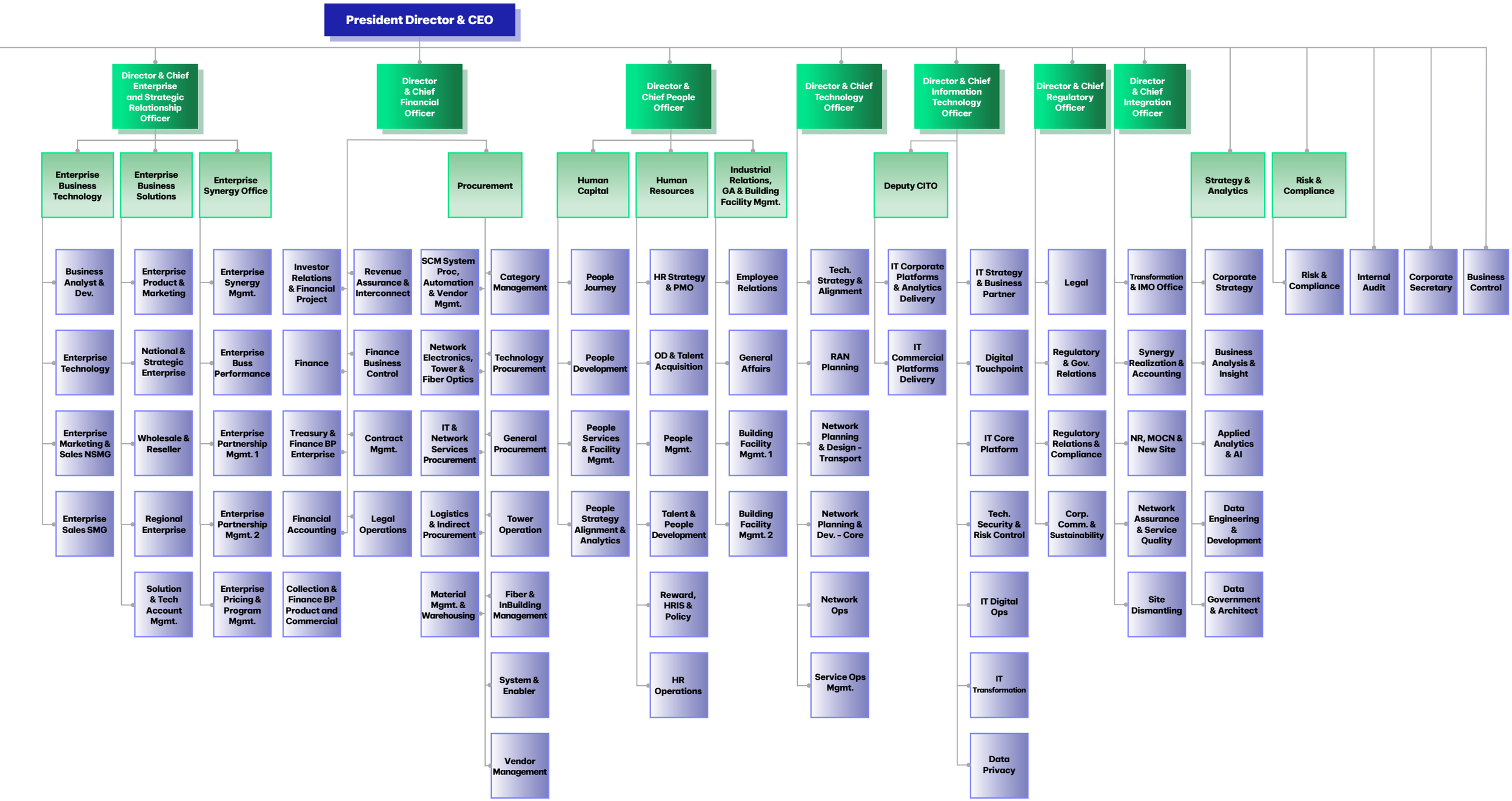


2025

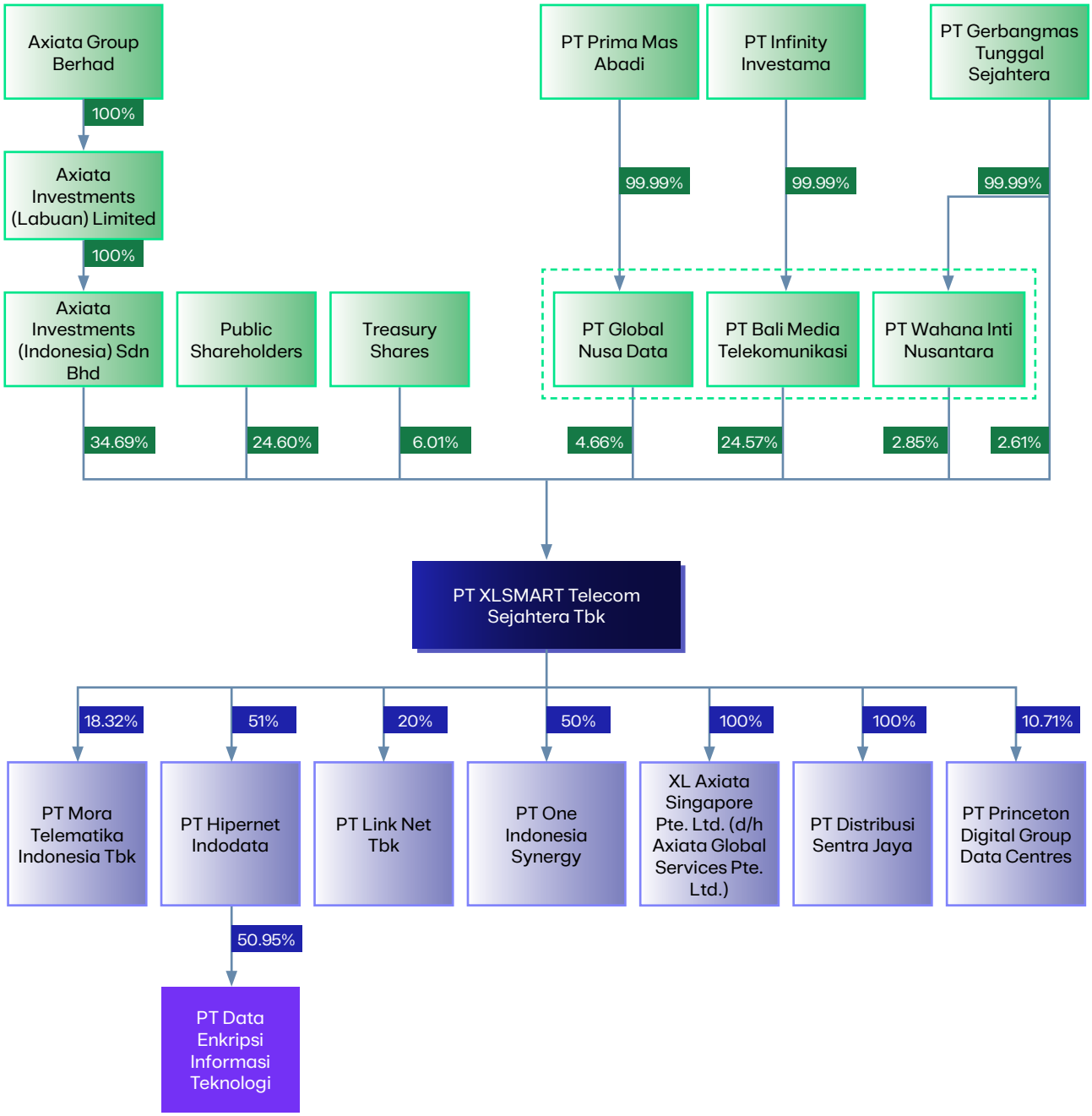
- On 25 March 2025, the EGMS approved the business merger between the Company, PT Smartfren Telecom Tbk ("SF"), and PT Smart Telecom as outlined in the Merger Plan summary published on 11 December 2024 (as supplemented and/or amended in accordance with applicable laws and regulations).
- On 16 April 2025, PT XLSMART Telecom Sejahtera Tbk ("XLSMART" or "IDX: EXCL") marked its official establishment as a unified telecommunications entity, born from the legal consolidation of PT XL Axiata Tbk, PT Smartfren Telecom Tbk, and PT Smart Telecom. This landmark moment signifies the beginning of a bold new chapter in Indonesia's digital era, with XLSMART poised to redefine connectivity, drive innovation, and elevate customer experience across the archipelago.
- XLSMART unveiled its new corporate identity featuring the **Infinity World logogram**, symbolizing limitless connectivity and boundless innovation, alongside its inspiring new tagline, **"Bersama, Melaju Tanpa Batas" ("Go Beyond, Together")**.
- Signed a strategic partnership agreement with two global technology companies, PT Huawei Tech Investment and PT ZTE Indonesia, to support the management of national network operations as well as the development of employee knowledge, competencies, and technological expertise in the fields of technology and digital innovation.
- For Smartfren brand, XLSMART officially expanded 4G LTE and VoLTE coverage to new regions, including the Province of Aceh, the Bali Regencies of Gianyar, Klungkung, and Karangasem, as well as Kupang City in East Nusa Tenggara, providing customers with faster and more reliable data access.
- Introduced "Sarah," a virtual assistant powered by Generative AI (GenAI), as part of Smartfren Care's digital transformation. Sarah delivers faster, more personalized, and solution-oriented customer service experiences across digital platforms.
- XLSMART through its business arm XLSMART for Business, held the BRAVO 500 SUMMIT, an international strategic forum that brought together industry players, regulators, and global technology partners on a collaborative stage. The event drew around 500 companies, 1,500 top-level executives from diverse industries, and over 30 expert speakers from the public and private sectors. XLSMART also introduced Enterprise Smart Technology & Automation (ESTA), which is XLSMART's unified digital platform to assist industrial sectors function more efficiently, securely, and measurably.
- To enhance customer protection and satisfaction, XLSMART launched "Credit Control," an innovative feature that allows customers to lock their prepaid credit, preventing unauthorized use for paid SMS, subscription content, or out-of-plan internet access—offering greater transparency and control over service usage.
- Signed a strategic agreement at the Bali Annual Telkom International Conference (BATIC) 2025, committing to expanded collaboration in network development, service quality improvement, and the creation of new business opportunities within the telecommunications ecosystem.
- Through XLSMART for Business, XLSMART partnered with ASTRAtech to develop a 5G-based Autonomous Drone for Goods Delivery, designed to accelerate logistics distribution and support digital transformation in Indonesia's manufacturing sector.
- XLSMART has now implemented SIM card registration utilising face recognition technology. This service is still optional for customers, in line with current regulations. To assure data accuracy, a biometric system connected to the national population database. This initiative represents XLSMART's support for the government's program to expedite national digital transformation while enhancing customer data security.
- Integrated the unified operational and service quality monitoring center (Customer Experience & Service Operation Centre-CE & SOC) into a single location, the XLSMART Building in Bumi Serpong Damai (BSD) City, South Tangerang. The CE & SOC integrates two formerly distinct Network Operation Centres (NOC), one owned by XL Axiata at the XL Axiata Tower in Kuningan, Jakarta, and the other by Smartfren in BSD, South Tangerang. The CE & SOC have been operationally integrated since July 2025, representing an important point in XLSMART's post-merger phase, which prioritises network stability as well as operational efficiency and effectiveness.
- XLSMART through Smartfren has earned a national record for "Telecommunications Service Provider Organizing the Most Running Events in a Single Year" with its flagship program, Smartfren Fun Run 2025. Over the past year, Smartfren has successfully hosted a series of fun run events in 22 cities across Indonesia, engaging over 15 thousand participants of various ages and backgrounds.
- XLSMART through its XL service brand, has reaffirmed its commitment to providing a superior experience for customers and the general public. XL services with XLSMART network support has officially presented XL Ultra 5G+ which was ready to fully cover Denpasar City and Badung Regency, Bali, as well as 11 other cities/regencies spread across various regions in Indonesia, as of 17 December 2025.

Organization Structure




President Director & CEO
Director & Chief Enterprise and Strategic Relationship Officer
Director & Chief Financial Officer
Director & Chief People Officer
Director & Chief Technology Officer
Director & Chief Information Technology Officer
Director & Chief Regulatory Officer
Director & Chief Integration Officer
Enterprise Business Technology
Enterprise Business Solutions
Enterprise Synergy Office
Procurement
Human Capital
Human Resources
Industrial Relations, GA & Building Facility Mgmt.
Deputy CITO
Strategy & Analytics
Risk & Compliance
Business Analyst & Dev.
Enterprise Product & Marketing
Enterprise Synergy Mgmt.
Investor Relations & Financial Project
Revenue Assurance & Interconnect
SCM System Proc, Automation & Vendor Mgmt.
Category Management
People Journey
HR Strategy & PMO
Employee Relations
Tech. Strategy & Alignment
IT Corporate Platforms & Analytics Delivery
IT Strategy & Business Partner
Legal
Transformation & IMO Office
Corporate Strategy
Risk & Compliance
Internal Audit
Corporate Secretary
Business Control
Enterprise Technology
National & Strategic Enterprise
Enterprise Buss Performance
Finance
Finance Business Control
Network Electronics, Tower & Fiber Optics
Technology Procurement
People Development
OD & Talent Acquisition
General Affairs
RAN Planning
IT Commercial Platforms Delivery
Digital Touchpoint
Regulatory & Gov. Relations
Synergy Realization & Accounting
Business Analysis & Insight
Enterprise Marketing & Sales NSMG
Wholesale & Reseller
Enterprise Partnership Mgmt. 1
Treasury & Finance BP Enterprise
Contract Mgmt.
IT & Network Services Procurement
General Procurement
People Services & Facility Mgmt.
People Mgmt.
Building Facility Mgmt. 1
Network Planning & Design - Transport
IT Core Platform
Regulatory Relations & Compliance
NR, MOCN & New Site
Applied Analytics & AI
Enterprise Sales SMG
Regional Enterprise
Enterprise Partnership Mgmt. 2
Financial Accounting
Legal Operations
Logistics & Indirect Procurement
Tower Operation
People Strategy Alignment & Analytics
Talent & People Development
Building Facility Mgmt. 2
Network Planning & Dev. - Core
Tech. Security & Risk Control
Corp. Comm. & Sustainability
Network Assurance & Service Quality
Data Engineering & Development
Solution & Tech Account Mgmt.
Enterprise Pricing & Program Mgmt.
Collection & Finance BP Product and Commercial
Material Mgmt. & Warehousing
Fiber & InBuilding Management
Reward, HRIS & Policy
Network Ops
IT Digital Ops
Site Dismantling
Data Government & Architect
System & Enabler
HR Operations
Service Ops Mgmt.
IT Transformation
Vendor Management
Data Privacy

Group's Structure



Subsidiaries, Associates, and Joint Ventures

Direct Ownership

PT Hipernet Indodata

Address	Graha Hyper Jl. Makaliwe Raya No. 24-24A West Jakarta, DKI Jakarta
Shareholding Percentage	51%
Business Line	Managed Service Provider and Information Technology Service
Total Assets as of 31 December 2025 (Rp million)	455,605
Operational Status	Active

PT Link Net Tbk

Address	Centennial Tower 26th Floor Unit D Jl. Jenderal Gatot Subroto Kav. 24-25 South Jakarta, DKI Jakarta
Shareholding Percentage	20%
Business Line	Internet Services Provider and Cable TV
Total Assets as of 31 December 2025 (Rp million)	15,448,528
Operational Status	Active

PT One Indonesia Synergy

Address	Indosat Building, 9th Floor Jl. Medan Merdeka Barat No. 21 Gambir, Central Jakarta, DKI Jakarta
Shareholding Percentage	50%
Business Line	Computer consultancy and facility management
Total Assets as of 31 December 2025 (Rp million)	-
Operational Status	Active

PT Princeton Digital Group Data Centres

Address	Astra Tower, 37/F Jl. Jend. Sudirman Kav 5-6 Central Jakarta 10220, DKI Jakarta
Shareholding Percentage	10.71%
Business Line	Activities relating to hosting and managing data centres
Total Assets as of 31 December 2025 (Rp million)	3,703,542
Operational Status	Active

XL Axiata Singapore Pte. Ltd. (formerly Axiata Global Services Pte. Ltd)

Address	9 Raffles Place, #26- 01 Republic Plaza, Singapore 048619
Shareholding Percentage	100%
Business Line	International operator services and partnership and alliance management
Total Assets as of 31 December 2025 (Rp million)	26,122
Operational Status	Active

PT Distribusi Sentral Jaya

Address	CBD Lot, Jl. Pahlawan Seribu No.45 12A, Lengkong Gudang, Serpong District, South Tangerang, Banten 15321
Shareholding Percentage	100%
Business Line	Wholesale Services
Total Assets as of 31 December 2025 (Rp million)	250,398
Operational Status	Active

Indirect Ownership

PT Data Enkripsi Informasi Teknologi*

Address	Graha Hyper Jl. Makaliwe Raya No. 24-24A West Jakarta, DKI Jakarta
Shareholding Percentage	50.95%
Business Line	Cybersecurity services
Total Assets as of 31 December 2025 (Rp million)	14,148
Operational Status	Active

* PT Hipernet Indodata owns 99.9% direct ownership in PT Data Enkripsi Informasi Teknologi.

Business Scale

Description	Unit	2025	2024	2023
Total Employees	People	3,239	1,663	1,495
Total Revenues	Rp-Billion	42,446	34,392	32,323
Total Assets	Rp-Billion	115,318	86,179	87,688
Total Liabilities	Rp-Billion	85,310	59,956	61,183
Total Equity	Rp-Billion	30,009	26,222	26,505
Number of Products/Services Provided	Petabyte	14,566	10,547	9,638
Number of Customers	Million-people	73.00	58.80	57.52

Shareholder Composition

Axiata Investment Indonesia is a subsidiary of the Axiata Group Berhad, the largest telecommunications company in Asia which also owns Celcom (Malaysia), Dialog (Sri Lanka), Robi (Bangladesh), Smart (Cambodia), Ncell (Nepal), Idea (India), and M1 (Singapore).

Shareholder	Unit	2025	2024	2023
Axiata Investments (Indonesia) Sdn. Bhd.*	%	34.69	66.25	66.25
PT Bali Media Telekomunikasi*		24.56	-	-
Treasury Shares		0	0.43	0.43
Public with Less than 5% Ownership		33.23	33.32	33.32

*Axiata Investments (Indonesia) Sdn. Bhd and PT Bali Media Telekomunikasi are the Company's controlling shareholders along with PT Global Nusa Data (4.663%) and PT Wahana Inti Nusantara (2.847%).

Association Membership [C.5] [GRI 2-28]

Throughout 2025, XLSMART actively participated and contributed to the following industry associations:

No	Organization Name	XLSMART's Role and Contribution
1	Global Mobile Suppliers Association (GSA)	Member
2	Submarine Cable Association (ASKALSI)	Supervisory Board; Inter-Institutional Relationship, Training; Event & Certification; Legal & Regulatory; Restoration & Facility Management; Member
3	Indonesia Service Dialogue (ISD Council)	Member
4	Association of Indonesian Telecommunications Operator (ATSI)	Supervisory Board; Secretary General; Member
5	Indonesian Telematics Society (MASTEL)	Member and Manager
6	Telecommunications Interconnection Clearing Association (ASKITEL)	Supervisory Board; Member
7	Indonesian Chamber of Commerce and Industry (KADIN)	Member
8	Indonesian Chamber of Commerce and Industry (KADIN DKI Jakarta)	Member
9	Asosiasi Penyelenggara Jasa Internet Indonesia (APJII)	Member
10	Metro Ethernet Forum (MEF)	Member
11	Indonesian Corporate Secretary Association (ICSA)	Member
12	Dewan TIK Nasional (Wantiknas)	Advisory Team Member
13	KADIN NET ZERO Hub	Member



Operational Area [C.3]

Operational Area and BTS Network

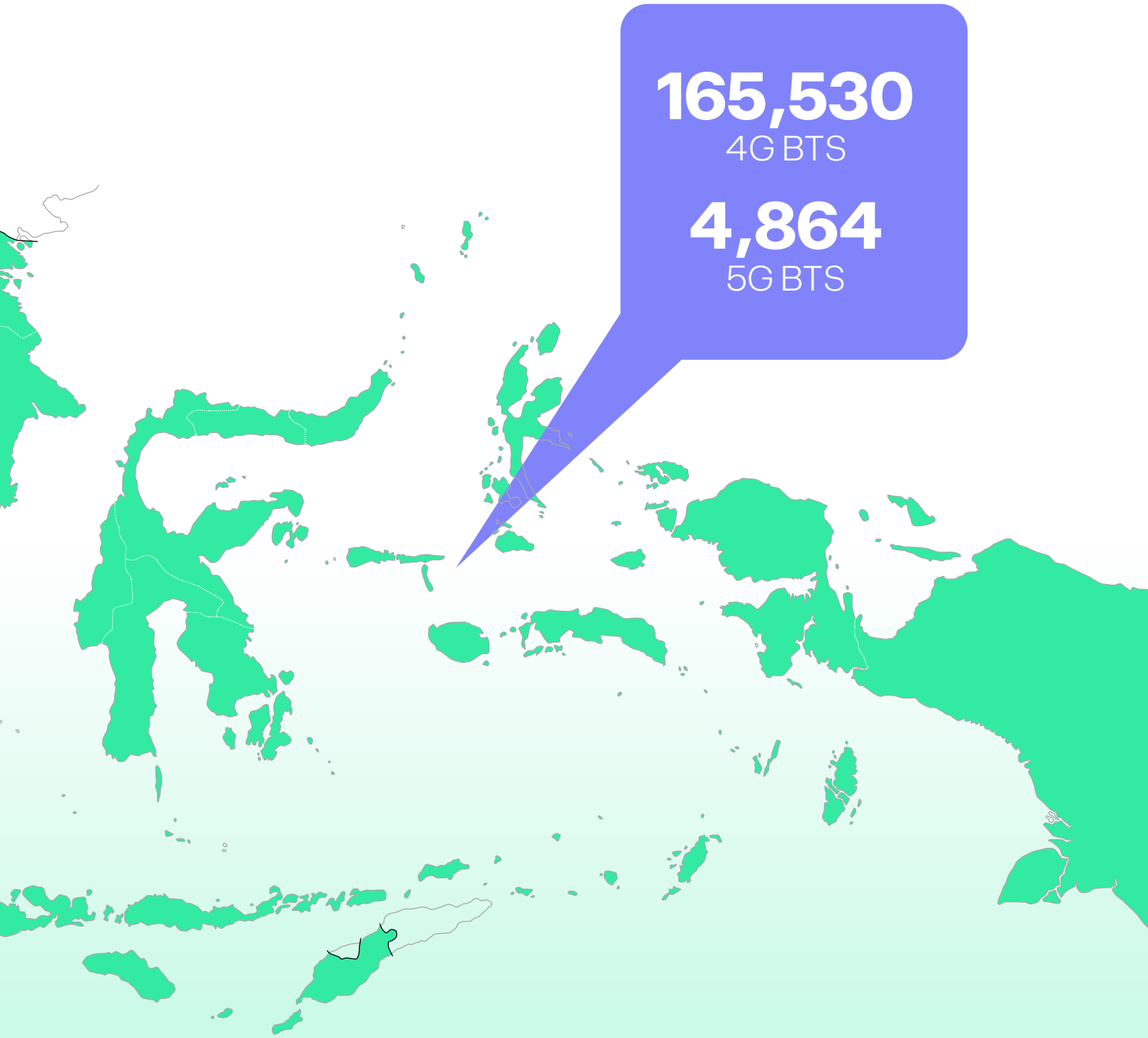


1 **Head Office**
XLSMART TOWER
Jl. H.R Rasuna Said X5 Kav.11-12, East Kuningan, Setiabudi, South Jakarta 12950

2 **Region-West**
DIPONEGORO MEDAN
Jl. Diponegoro No.5, Medan, North Sumatra

3 **CENTRAL**
MARTADINATA
Jl. R.E Martadinata No 7, Bandung West Java

4 **EAST**
PEMUDA
Jl. Pemuda No 94-98 Embong Kaliasin Subdistrict, Genteng District, Surabaya, East Java


165,530
4G BTS
4,864
5G BTS

Business Activities [C.4] [GRI 2-6]

Pursuant to Article 3 of the latest Articles of Association, XLSMART's objectives and scope of business encompass activities in telecommunications, large-scale trade, programming, computer consulting and related services, information services, telecommunications construction and installation, employment activities, as well as professional, scientific, and technical activities. The Company also engages in rental and leasing activities without option rights, real estate, financial services, office administration and support services, advertising, land preparation, and other supporting business activities.

To achieve the aforementioned aims and objectives, the Company may engage in the following business activities:

1. **Telecommunications Business Activities:**
   a. Operation of telecommunications networks, including but not limited to:
      - Cable Telecommunication Activities;
      - Wireless Telecommunications Activities;
      - Satellite Telecommunication Activities;
      - Special Telecommunication Activities for Own Use;
      - Special Telecommunication Activities for Defense and Security Purposes;
      - Other Telecommunication Activities;
      - Special Broadcasting Telecommunications Activities;
      - The Development of Internet-Based Trading Applications (e-Commerce) Activities.

   b. Provision of telecommunications services including but not limited to:
      - Internet Service Provider;
      - Data Communication System Services;
      - Internet Telephony Services for Public Purposes (ITKP);
      - Internet Interconnection Services (NAP);
      - Content Provider Services through Cellular Mobile Networks or Wireless Local Area Networks with Limited Mobility;
      - Other Multimedia Services;
      - Telecommunication Resale Services;
      - Internet Protocol Television (IPTV) Services;
      - Other Telephony Value-Added Services.

2. **Large Scale Trade:**
   - Large Scale Trade in Computers and Computer Equipment;
   - Large Scale Trade of Software;
   - Large Scale Trade in Telecommunication Equipment;
   - Large Scale Trade in Electronic Spare Parts;
   - Large Scale Trade in Machinery, Equipment, and Other Supplies;
   - Wholesale Trade Based on Service Fees or Contracts.

3. **Computer Programming and Consultancy Services and other Activities Related thereto:**
   - Other Computer Programming Activities;
   - Artificial Intelligence Programming Activities;
   - Immersive Media Content Programming and Production Activities;
   - Digital Identity Provision Activities;
   - Activities for Providing Electronic Certificates and Services Using Electronic Certificates;
   - Blockchain Technology Development Activities;
   - Information Security Consultancy Activities;
   - Computer Consulting and Other Computer Facility Management Activities;
   - Internet of Things (IoT) Consulting and Design Activities;
   - Information Technology Activities and Other Computer Services.

4. Information Services Activities:
- Data Processing Activities;
- Hosting and Related Activities;
- Web Portals and/or Digital Platform without Commercial Purposes;
- Web Portals and/or Digital Platforms with Commercial Purposes;
- Other Information Services Activities-Not Included in Others.

5. Construction:
- Telecommunication Central Construction;
- Telecommunication Installation;
- Railway Signal and Telecommunication Installation;
- Land Preparation.

6. Employment Activities:
- Provision of Human Resources and Management of Human Resources Function;
- Specific Time Labor Provision Activities.

7. Professional, Scientific, and Technical Activities:
- Management Consultancy Activities;
- Advertising.

8. Rental and Leasing Activities without Option Rights for Technological Aids.
9. Owned or Leased Real Estate.
10. Other Monetary Intermediaries.
11. Call Center Activities.
12. Software Publishing.
13. Other Publishing Activities.
14. Telecommunication Equipment Repair.

For the purpose of realizing the aforementioned aims and objectives, the Company may engage in the following business activities:

a. Plan, engineer, build, provide, develop and operate, lease, maintain and procure telecommunication facilities/facilities including procurement of resources to support the Company's business in providing telecommunication services and/or networks;
b. Increase as much as possible the business of providing telecommunication services and networks, so as to achieve the capacity desired and needed by the community in order to improve services to the community;
c. Run business and operational activities (which also includes marketing and sales of telecommunication networks and/or services provided by the Company), carrying out maintenance, research, development, means and/or facilities of the telecommunication, organizing non-formal education and training in telecommunication sector both domestic and overseas;
d. Provide other telecommunication services and networks including information technology services and/or networks; and
e. Carry out the other activities deemed necessary to support and/or be related to telecommunication operations, large scale trade trading activities, programming activities, computer consulting activities and related activities, information services activities, telecommunication construction and installation, employment activities, professional, scientific and technical, rental and leasing activities without option rights for digital technology tools, real estate, financial services activities, management consulting activities, office administration activities, office support activities, advertising and land provision.

Throughout 2025, the Company carried out all of the aforementioned business activities, except for Internet Protocol Television (IPTV) Services, Digital Identity Provision Activities, Activities for Providing Electronic Certificates and Services Using Electronic Certificates, Telecommunications Installation, Other Telephony Value-Added Services, Special Telecommunication Activities for Defense Security Purposes, Telecommunication Central Construction, Railway Signal and Telecommunication Installation Specific, Telecommunication Activity for Own Use, Immersive Media Content Programming, Production Activities, Satellite Telecommunication Activities, and Land Preparation.



Sustainability Governance



Committed to the Effective Implementation of GCG Practices

At XLSMART, strong governance is more than a framework, it reflects how the Company stays true to its values in every decision, and how integrity guides each part of the business. Good Corporate Governance (GCG) has long been the foundation for responsible operations, resource optimization, and building lasting trust with stakeholders. Through the consistent implementation of governance practices, the Company ensures that accountability and ethical conduct are deeply in its culture.

GCG also serves as the compass that links business performance with long-term sustainability. It provides direction for how decisions are made, how risks are managed, and how opportunities are pursued in a responsible and transparent manner. These governance practices help the Company create value not only for shareholders, but also for customers, employees, partners, and communities. They reflect a belief that growth built on strong ethics leads to long-lasting impact.

XLSMART's commitment to the implementation of sustainable governance is grounded in compliance with the Law of the Republic of Indonesia No. 40 of 2007 on Limited Liability Companies ("Company Law") and its implementing regulations, as well as the Law of the Republic of Indonesia No. 8 of 1995 on Capital Markets, OJK Regulation No. 51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Service Institutions, Issuers, and Public Companies, and SEOJK No. 16/SEOJK.04/2021 on the Formats and Contents of the Annual Report of Issuers or Public Companies. The Company also adopts additional reference and frameworks, such as Roadmap of Indonesian Corporate Governance Guidelines issued by OJK, the ASEAN Corporate Governance Scorecard (ACGS) issued by the ASEAN Capital Market Forum (ACMF), and the Indonesian General Guidelines for Corporate Governance issued by the National Governance Policy Committee (KNKG).

XLSMART's GCG Principles

XLSMART continues to uphold GCG principles in every aspect of its operations. These values guide how the Company engages with stakeholders and bring to life its sustainability pillars: Building Prosperity, Planet & Society, Nurturing People, and Process Excellence. The following table outlines how each GCG principle is applied within the Company's governance framework.

Specifically, XLSMART's GCG practices are guided by the Indonesian Corporate Governance General Guidelines (Pedoman Umum GCG Indonesia/PUGKI) 2021, as revised by the National Committee on Governance Policy (KNKG). In line with these guidelines, the Company consistently applies the fundamental principles of Ethical Conduct, Accountability, Transparency, and Sustainability, which together form the foundation of XLSMART's governance framework.

The principles are as follows:

XLSMART's GCG Principles



ETHICAL CONDUCT

The corporation places a premium on honesty in its operations, treats all stakeholders with respect, fulfills its commitments, and consistently cultivates and maintains moral values and trust. It considers the interests of shareholders and other stakeholders based on the principles of fairness and equity. The corporation is managed independently, ensuring that no individual corporate entity can dominate or intervene in the affairs of another.

Implementation at XLSMART
In practice, all decision-making processes at XLSMART are designed to prevent and manage potential conflicts of interest. Should any corporate action involve a conflict, it will only be carried out in strict compliance with prevailing laws and regulations. The Company guarantees that all shareholders receive fair and equal treatment in accordance with applicable legal provisions. Furthermore, XLSMART ensures that shareholders and stakeholders have the right to provide input, express opinions, and obtain balanced and transparent information regarding the Company's performance and governance practices.

Through the consistent application of these principles, XLSMART strengthens its ethical foundation, reinforces stakeholder confidence, and ensures that integrity remains at the heart of its corporate governance culture.



ACCOUNTABILITY

The corporation is fully accountable for its performance, presenting information in a transparent and equitable manner. It is essential that the corporation is managed correctly, with measurable outcomes aligned with corporate interests while also considering the interests of shareholders and stakeholders. Accountability is vital for achieving sustainable performance.

Implementation at XLSMART
The Company takes full responsibility for the accuracy, integrity, and timeliness of information disclosed to shareholders and stakeholders. Each corporate organ, the General Meeting of Shareholders (GMS), the Board of Commissioners, and the Board of Directors, carries out its duties and responsibilities in accordance with applicable laws, the Articles of Association, and established governance policies. Through effective oversight, internal control mechanisms, and performance evaluation systems, XLSMART ensures that accountability is maintained at every organizational level, thereby supporting sound decision-making and long-term corporate sustainability.



TRANSPARENCY

To maintain objectivity in its business operations, the corporation disseminates material and relevant information in a manner that is accessible and comprehensible to stakeholders. The corporation takes the initiative to disclose not only those matters required by laws and regulations but also other significant issues that are vital for decision- making by shareholders, creditors, and other stakeholders.

Implementation at XLSMART
The Company disseminates relevant and material information through multiple communication channels to ensure broad and equitable access. These include the Annual Report, audited Financial Statements published via the Indonesia Stock Exchange (IDX) platform, the Company's official website, and other public information media such as newspapers or press releases. XLSMART also complies with periodic and incidental disclosure obligations as required by the Financial Services Authority (OJK) and the IDX. Through these measures, XLSMART reaffirms its commitment to transparency as a means of strengthening stakeholder trust and promoting accountability throughout the organization.

SUSTAINABILITY

The corporation adheres to legal regulations and is committed to fulfilling its social and environmental responsibilities, thereby contributing to sustainable development through collaboration with relevant stakeholders to enhance their well-being in alignment with business interests and the sustainable development agenda.

Implementation at XLSMART
In practice, XLSMART consistently applies the principles of Environmental, Social, and Corporate Governance (ESG) across all operational and strategic activities. The Company is committed to minimizing its environmental footprint, promoting responsible resource management, and advancing social empowerment through inclusive and impactful programs. XLSMART also ensures that its governance systems reflect transparency, ethics, and accountability, reinforcing its dedication to responsible business conduct. By embedding sustainability into its core operations, XLSMART creates long-term value for stakeholders and contributes to a more resilient and sustainable future.

DIGITIZATION

The Company asserts that digitalization will stimulate business growth, enhance the efficiency of existing processes, and ensure consistency and quality. Additionally, it will empower the organization and its Board Members to adapt to ongoing disruptions in business models by implementing modifications to its internal governance techniques, Board leadership, structure, and processes.

The Company continuously refines its governance mechanisms to anticipate emerging risks, strengthen stakeholder trust, and uphold its responsibility to society and the environment. Through these ongoing efforts, XLSMART ensures business continuity and reinforces its leadership in responsible and sustainable telecommunications.

ACGS 2024 Assessment Result

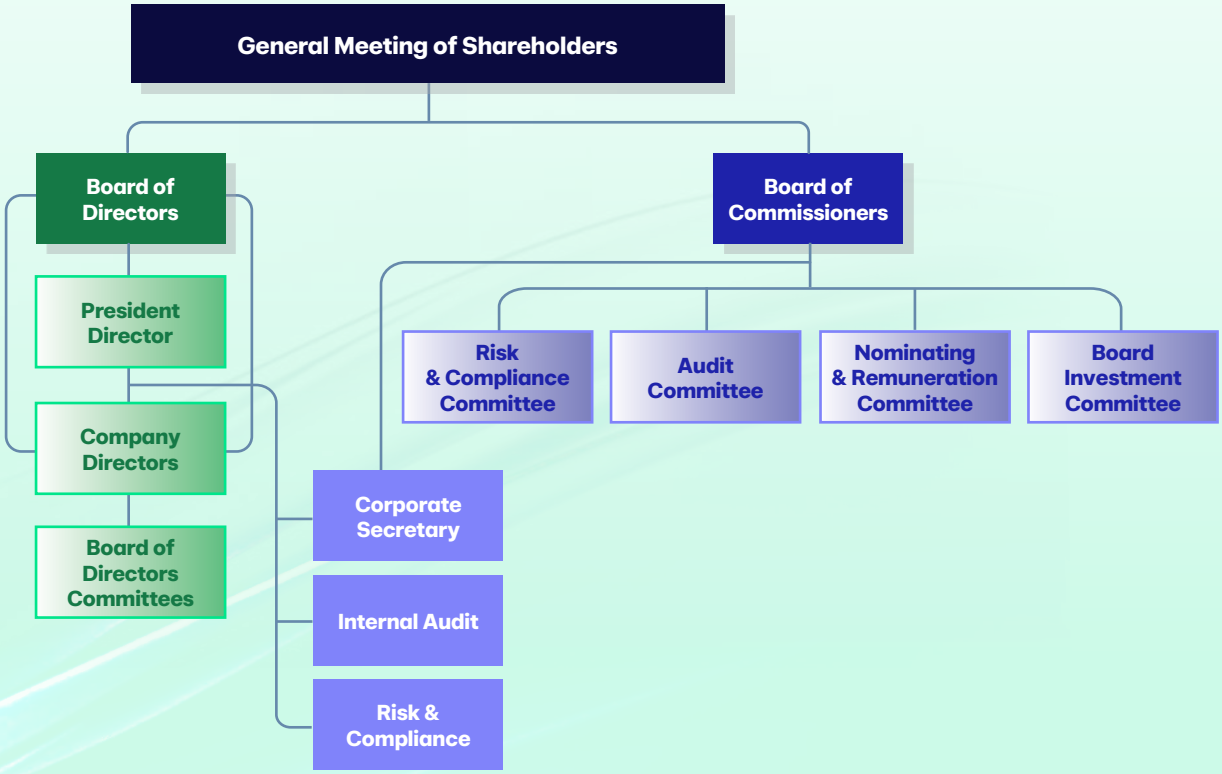
96.82 reflecting the Company's strong commitment to upholding the highest standards of governance, transparency, and ethical conduct in all aspects of its operations.

Scorecard Level 1	Total item	Item(s) Not Applicable	Items Adopted	Adoption Rate
Part A	30	3	22	81.48%
Part B	22	0	18	81.82%
Part C	34	0	31	91.18%
Part D	63	0	31	91.18%
Total Score (Level 1 & 2)		**96.82**		

Note: Cut Off Date as of 30 June 2024

Structure and Composition of Sustainability Governance [GRI 2-9] [GRI 2-11]

XLSMART's sustainability governance structure is designed to ensure clear accountability, effective oversight, and smooth coordination across all levels of the organization. The governance framework comprises Main Organs and Supporting Organs. Within this structure, the Company has established a dedicated Sustainability Unit responsible for integrating Environmental, Social, and Governance (ESG) considerations into business strategies. Each organ carries a distinct yet complementary roles, ensuring that sustainability principles are embedded in every key business decision.



General Meeting of Shareholders

The General Meeting of Shareholders (GMS) functions as the highest decision-making body within the Company's governance structure. As the ownership organ, the GMS holds exclusive authorities not granted to the Board of Commissioners or the Board of Directors, in accordance with the Articles of Association and prevailing laws and regulations. Through this forum, Shareholders are given the opportunity to exercise their rights, express opinions, and request information that supports transparency and accountability in the Company's decision-making process.

Each year, the Company may convene two types of GMS: the Annual GMS and the Extraordinary GMS. The mechanisms governing both types of meetings are regulated under the Company Law, the Articles of Association, and OJK regulations. In 2025, XLSMART held its Annual GMS on 5 March 2025 and Extraordinary GMS on 5 March 2025, 12 August 2025, and 21 November 2025, during which several important resolutions were approved. Further details regarding the 2025 GMS implementation are available presented in XLSMART's official website and in the 2025 Annual Report, published as a separate document from this Sustainability Report.

Board of Commissioners

The Board of Commissioners serves as the supervisory body of the Company, entrusted with overseeing management performance and the consistent application of GCG principles. The Board of Commissioners is responsible for monitoring the implementation of the Company's strategies, evaluating reports submitted by the Board of Directors, reviewing audit outcomes, and providing constructive guidance to ensure effective risk management and business sustainability. To maintain objective and independent oversight, the Company has established a clear separation between the roles of the Chairman of the Board and the CEO.

The Board of Commissioners also provides recommendations to Shareholders on key matters concerning the Company's direction and performance. To support its supervisory duties, the Board is assisted by three committees under its purview: the Audit Committee, the Nomination and Remuneration Committee, and the Risk and Compliance Committee. The Board of Commissioners performs its duties with independence and objectivity to ensure that all decisions remain in the best interest of the Company.

Pursuant to the resolution of the Extraordinary General Meeting of Shareholders convened on 25 March 2025, the shareholders approved the cessation of tenure of all members of the Board of Commissioners effective as of the Merger Effective Date, and appointed new members of the Board of Commissioners. Accordingly, the composition of the Board of Commissioners as of December 31, 2025 was as follows:

Name	Position	Period	Term of Office	Legal Basis of Appointment
M. Arsjad Rasjid P.M.	President Commissioner	First Period	21 April 2025 until the closing of the Annual General Meeting of Shareholders in 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Vivek Sood	Commissioner	Fourth Period	21 April 2025 until the closing of Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
L. Krisnan Cahya	Commissioner	First Period	21 April 2025 until the closing of Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Nik Rizal Kamil	Commissioner	Second Period	21 April 2025 until the closing of Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Sean Guek	Commissioner	First Period	21 April 2025 until the closing of Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
David R. Dean	Commissioner	First Period	21 April 2025 until the closing of Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Retno Marsudi	Independent Commissioner	First Period	21 April 2025 until the closing of Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Robert Pakpahan	Independent Commissioner	First Period	21 April 2025 until the closing of Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Willem Lucas Timmermans	Independent Commissioner	First Period	21 April 2025 until the closing of Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.

Board of Directors

The Board of Directors is responsible for leading the Company's management and ensuring that all operational activities are carried out in accordance with good governance principles, the Articles of Association, and applicable laws and regulations. As the executive organ, the Board of Directors represents the Company both inside and outside of legal proceedings and ensures the effective implementation of strategies that drive growth, innovation, and sustainability.

The Board of Directors consists of six members, led by a President Director who coordinates and oversees the execution of duties across all Directorates. In fulfilling its responsibilities, the Board determines the Company's direction and sustainability strategies, manages potential social, economic, and environmental impacts, and oversees climate-related actions. The Board is supported by several key committees and key functions, including the Information Technology Committee, Risk Management and Business Continuity Committee, People Committee, Gifts, Donations and Sponsorships Committee, Ethics and Integrity Committee, Corporate Secretary, Internal Audit, and Risk & Compliance functions.

Pursuant to the resolution of the Extraordinary General Meeting of Shareholders held on 12 August 2025, shareholders approved the cessation of tenure of all members of the Board of Directors effective as of the Merger Effective Date, and appointed the new members of the Board of Directors. Accordingly, the composition of the Board of Directors as of 31 December 2025 was as follows:

Name	Position	Period	Term of Office	Legal Basis of Appointment
Rajeev Sethi	President Director & Chief Executive Officer (CEO)	First Period	16 April 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Annual General Meeting of Shareholders dated 25 March 2025.
Antony Susilo	Director & Chief Financial Officer	First Period	16 April 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
David Arcelus Oses	Director & Chief Commercial Officer	Second Period	16 April 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Andrijanto Muljono	Director & Chief Enterprise & Strategic Relationship Officer	First Period	16 April 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Feiruz Ikhwan	Director & Strategy & Home Business Officer	Second Period	16 April 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Shurish Subbramaniam	Director & Chief Technology Officer	First Period	16 April 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Yessie D. Yosetya	Director & Chief Information Technology Officer	Third Period	16 April 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Merza Fachys	Director & Chief Regulatory Officer	First Period	16 April 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Jeremiah Ratadhi	Director & Chief People Officer	First Period	16 April 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025.
Sanjay Vaghasia	Director & Chief Integration Officer	First Period	12 August 2025 until the closing of the Annual General Meeting of Shareholders 2029.	Resolution of the Extraordinary General Meeting of Shareholders dated 12 August 2025.

The Roles of XLSMART's Governance Body in Impact Management [GRI 2-12] [GRI 2-13] [GRI 2-14]

At XLSMART, sustainability governance is built on collective leadership and shared accountability. The governance body ensures that sustainability impacts are systematically identified, managed, and embedded into corporate decision-making. Through this structure, the Company aligns its strategies with long-term sustainability commitments while creating value for all stakeholders.

The Board of Commissioners oversees the overall direction of sustainability impact management, ensuring that policies and initiatives comply with regulatory requirements and reflect stakeholder priorities. The Board of Directors translates this oversight into strategic actions through policy development, target setting, and resource allocation that advance XLSMART's key sustainable priorities including climate action, circular economy, and social impact.

To support effective execution, both Boards work closely with the Sustainability Unit and cross-functional teams to assess the Company's actual and potential impacts. These assessments inform the prioritization of material topics, guide target setting, and ensure that identified impacts are addressed through measurable initiatives and continuous performance monitoring.

In implementing sustainability governance, the Boards delegate day-to-day responsibility for managing sustainability impacts to the Head of Sustainability, who reports to the Group Head of Corporate Communications and Sustainability. The Head of Sustainability is responsible for:
1. Strengthening the monitoring of sustainability performance;
2. Designing strategic initiatives and evaluating their impacts;
3. Ensuring stakeholder engagement as a key component in assessing sustainability achievements.

The specific roles within XLSMART's governance body in managing sustainability impacts are as follows:



Climate Change and Decarbonisation Strategist

Ensures environmental performance across the Company by carrying out data monitoring, reporting and verification, developing the net-zero roadmap, and integrating corporate sustainability strategies.

Social Impact and Governance Coordinator

Oversees the collection and monitoring of social and governance data, and coordinates sustainability-related events and communication campaigns.

Performance Assessments of Governance Body [GRI 2-18] [G-04]

XLSMART conducts periodic evaluations of the performance of both the Board of Commissioners and the Board of Directors. The assessments cover strategic leadership, compliance, risk management, and sustainability performance. The results form the basis for strengthening governance practices and enhancing accountability reflecting the Company's commitment to continuous improvement and transparent leadership.

Performance Assessment Mechanism for the Board of Commissioners

XLSMART applies two complementary mechanisms to assess the performance of the Board of Commissioners, namely through the GMS and a self-assessment process. The Company adopts a structured and quantitative approach to performance measurement, ensuring objectivity and transparency in the evaluation process.

The GMS evaluates the collective performance of the Board of Commissioners during the reporting year based on the supervisory accountability report presented at the Annual GMS. The outcome of this assessment forms the basis for granting full release and discharge of responsibility (*acquit et de charge*) to the Board of Commissioners for the execution of its supervisory duties throughout the financial year.

On the other hand, the self-assessment process was coordinated and reviewed by the Nominating and Remuneration Committee, in accordance with its mandate to oversee the performance evaluation of the Board of Commissioners. The assessment was conducted using a quantitative approach, with data collected through structured questionnaires distributed to each member of the Board of Commissioners, its Committees, and the Board of Directors as part of the cross-evaluation process.

Assessment Mechanism of Performance of the Board of Directors

The Board of Directors is evaluated on both individual and collective bases through self-assessment and by the Nomination and Remuneration Committee. Individual assessments refer to the agreed Key Performance Indicators (KPI), which cover both financial and non-financial aspects, including sustainability targets, operational achievements, and risk management effectiveness.

Meanwhile, the collective performance of the Board of Directors is reviewed by the GMS based on the accountability report on the Company's management, which includes financial, operational, and sustainability results. Based on this evaluation, the GMS grants acquit et de charge to the Board of Directors for its management throughout the financial year.

In 2025, the Company carried out an independent self-assessment of the Board of Directors. A quantitative approach was employed for the evaluation, utilizing structured questionnaires completed by all Board members, as well as peer assessments conducted among them. The evaluation covered Board effectiveness, peer reviews, and cross-Board assessments.

The focus of the evaluation was to clarify roles, duties, and responsibilities, while assessing compliance with the GCG principles. The results provide recommendations for strengthening GCG practices and are taken into consideration in the reappointment of individual Board members.

Assessments Results of the Governance Body

In 2025, XLSMART conducted an independent assessment of the performance of both the Board of Commissioners and the Board of Directors. The assessment evaluated both of the Boards' understanding of their roles, duties, and responsibilities, as well as their implementation of GCG principles.

Based on the 2025 self-assessment, the Board of Commissioners effectively performed its supervisory and advisory functions in accordance with prevailing laws, regulations, and corporate governance standards. The Board demonstrated a high level of integrity, competence, and commitment in overseeing the Company's management and ensuring alignment with XLSMART's strategic objectives and GCG principles.

The Board of Directors' assessment also resulted in positive results. Based on the evaluation, the Board of Directors has satisfactorily fulfilled its duties and responsibilities in accordance with applicable regulations and relevant standards.

The Board of Commissioners and Directors were also assessed on their implementation of sustainability aspects, in line with the established KPIs and strategic objectives. Insights from this assessment provided valuable input for the continuous improvement of sustainability governance practices and serve as considerations in future appointments or reappointments of the Board members.

Assessment of the Head of the Sustainability Unit

In addition to evaluating the performance of the Boards, XLSMART also conducts a dedicated assessment of the Head of Sustainability to measure the effectiveness of sustainability strategy implementation across the organization. The evaluation focuses on the achievement of sustainability goals, the quality of stakeholder engagement, and the tangible impact of programs on beneficiaries.

Performance reviews are conducted through the Risk Management and Business Continuity Committee (RBCC) and the Board Risk & Compliance Committee (BRCC), which act as the highest governing bodies overseeing sustainability performance. Both committees conduct quarterly reviews of ESG performance reports to ensure data accuracy, consistency, and reliability. At the end of each year, the consolidated ESG performance report is reviewed and evaluated to identify progress, challenges, and opportunities for improvement. The results of these reviews serve as an important reference for enhancing sustainability governance, strengthening data reliability, and refining the Company's future sustainability targets and initiatives.

When relevant, the scope of evaluation is expanded to include material topics such as carbon emissions, climate change, employment practices, waste management, and data privacy and security, as identified through the Company's Materiality Assessment.

Attendance at Board Meetings

As part of its performance evaluation process, XLSMART monitors the attendance and participation of the Board of Commissioners and the Board of Directors in meetings throughout the year. This serves as an indicator of their active engagement and their commitment to providing effective governance oversight.

Meetings of the Board of Directors and Commissioners [G-02]

Throughout 2025, the Board of Commissioners held 18 meetings, including 4 Joint Meetings held together with the Board of Directors. Details regarding the frequency of meetings, attendance by the Board of Directors and the Board of Commissioners, the agenda, and other details concerning the meetings of the Board of Directors and the Board of Commissioners can be found in the Company's Company's Annual Report.

As part of the performance evaluation process, XLSMART monitors the attendance and participation of the Board of Commissioners and the Board of Directors in meetings held throughout the year. This serves as an indicator of their active involvement and commitment to conducting effective governance oversight. Where appropriate, the scope of the evaluation is expanded to include material topics, such as carbon emissions, climate change, labor practices, waste management, as well as data privacy and security, in accordance with the results of the Company's Materiality Assessment.

Throughout 2025, the Board of Commissioners held 18 (eighteen) meetings, along with 4 (four) Joint Meetings held together with the Board of Directors.

Nomination and Selection of Governance Body [GRI 2-10] [G-06]

XLSMART is committed to appointing leaders who embody integrity, professionalism, and accountability. The nomination and selection of members of the Board of Commissioners and Board of Directors are carried out transparently, and in accordance with applicable regulations and Company policies. XLSMART evaluates candidates based on expertise, experience, ethical conduct, and alignment with the Company's sustainability vision to ensure that each Board member contributes meaningfully to responsible and effective governance.

The nomination of the Company's executive members is governed by the Senior Executive Nomination Policy. In line with this policy, Shareholders and/or Minority Shareholders may propose candidates for the Board of Commissioners, after which the proposals are submitted to the Nomination and Remuneration Committee through the Corporate Secretary for further review.

The Nomination and Remuneration Committee evaluates the proposed candidates in its meetings to ensure that they meet all required criteria, qualifications, and professional standards before being submitted to the GMS for approval. The Company applies the requirements stipulated in POJK No. 33/POJK.04/2014 regarding the appointment of members of the Board of Commissioners.

In determining nominations, the Company also considers the results of organizational needs assessments to ensure an optimal composition in terms of expertise and background. The Company values Board diversity, recognizing that a mix of different skills, perspectives, and experiences contributes to stronger strategic direction, effective oversight, and high-quality decision-making. The Company's highest governing bodies also uphold independence and remain free from conflicts of interest.

Meanwhile, the nomination of the Board of Directors follows the Succession Policy, which aims to ensure leadership continuity and smooth business succession. This policy encourages potential successors to participate in self-development and professional training programs, including team-based problem-solving initiatives. The Nomination and Remuneration Committee plays a central role in the nomination process, while the Board of Directors may also identify potential successors from within the organization, including those in the Talent Pool.

The appointment procedures for Director candidates are regulated under the Nomination Policy and comply with the Company Law and other applicable regulations. The Company periodically reviews Director candidates through internal assessment panels or by engaging independent third-party to assess their competencies.

In appointing the Head of the Sustainability Unit, the Company refers to the qualifications outlined in the Recruitment Policy to ensure that the selected candidate has the expertise required to lead the Company's sustainability initiatives effectively.

To further strengthen the integrity of the nomination and selection process, XLSMART ensures that diversity and independence remain core considerations when forming the composition of its governing bodies. The Company believes that balanced representation across gender, experience, and independent viewpoints enhances governance quality and supports inclusive, accountable decision-making.

Board Diversity and Independence [G-01]

Management Level	Male	Female	Number of Independent Personnel
Board of Commissioners	88%	12%	33%
Board of Directors	90%	10%	-

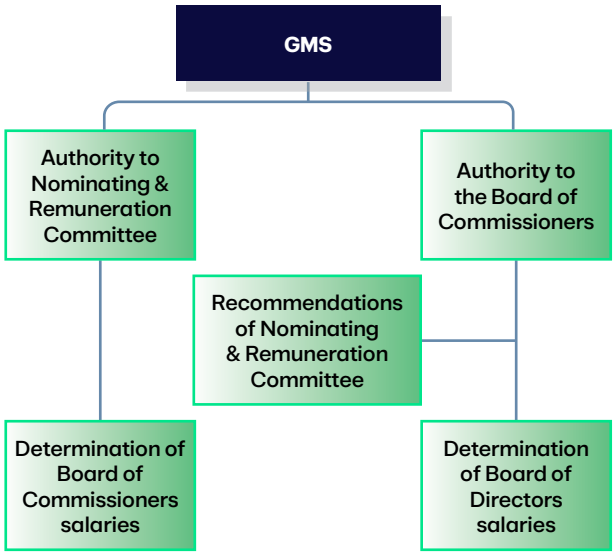
Remuneration Policy and Process

[GRI 2-19] [GRI 2-20]

XLSMART's remuneration policy is designed to attract, motivate, and retain competent leaders who drive sustainable long-term sustainable value creation. The policy and process emphasize fairness, competitiveness, and accountability, while aligning executive rewards with corporate performance, individual contribution, and the Company's ethical and sustainability commitments.

Remuneration of the Board of Commissioners and Board of Directors

XLSMART recognizes that a well-structured remuneration framework supports business continuity and effective leadership. As part of its responsibility to internal stakeholders, the Company ensures that remuneration encourages the Board to formulate and deliver strategies that advance sustainable relationships between the Company, the environment, and the community.



The remuneration for members of the Board of Commissioners and the Board of Directors is determined through the GMS, based on the recommendations and authority granted to the relevant governance bodies.

The procedure is outlined as follows:

- The Nomination and Remuneration Committee is granted the authority to determine the salary, bonuses, and other benefits for members of the Board of Commissioners, in accordance with the structure, policy, and amount of remuneration stipulated in the Company's Remuneration Policy for the applicable financial year.
- The Board of Commissioners is authorized to determine the salary, bonuses, and other benefits for members of the Board of Directors, based on the same principles and within the framework of the Company's Remuneration Policy for the relevant financial year.

In determining remuneration, the Company takes into account several key considerations, including corporate performance, individual performance targets, industry benchmarks, and non-monetary benefits. The overall remuneration structure is reviewed regularly to ensure its competitiveness and alignment with market conditions.

The Board of Commissioners is responsible for overseeing the implementation of the Remuneration Policy and periodically evaluating its effectiveness to ensure that it continues to support the Company's strategic objectives and uphold principles of fairness, transparency, and accountability.

Remuneration Structure of the Board of Commissioners and Board of Directors

The remuneration structure for the Board of Commissioners and Board of Directors is governed by the Remuneration Policy for Senior Executives. It comprises the following components:

1. Basic Salary
2. Benefits
3. Bonus (applicable solely to members of the Board of Directors)

Remuneration of the Sustainability Unit

XLSMART maintains a competitive and equitable remuneration system for all employees, including the Head of Sustainability, who is responsible for leading the implementation of the Company's sustainability strategies. The remuneration scheme for this position follows the same structure applied to other employees at equivalent levels, ensuring fairness, consistency, and recognition of the strategic importance of the role.

Annual Compensation Ratio [GRI 2-21]

XLSMART ensures fair and competitive remuneration across all employee levels through a structured and transparent process. The Company upholds the principle of equal pay for equal work, with compensation determined based on role, performance, and prevailing

market benchmarks. Regular reviews are conducted to maintain alignment with industry standards, business outcomes, and applicable labour regulations, reinforcing accountability, equity, and the Company's commitment to sustainable talent management.

Information regarding aggregate remuneration amounts for the Board of Commissioners, Board of Directors, and Head of the Sustainability Unit is not disclosed due to confidentiality policies. While sustainability performance indicators are incorporated qualitatively into managerial assessments, the linkage between ESG performance and remuneration is currently being refined to ensure stronger alignment with the Company's sustainability objectives. Remuneration structures are periodically reviewed and benchmarked against industry practices to ensure competitiveness and continued alignment with the Company's performance and sustainability commitments.

Sustainability Training and Competency Development Program [E.2] [GRI 2-17] [G-05]

XLSMART believes that strengthening sustainability governance begins with continuous learning and capacity building. The Company ensures that members of the Board of Commissioners, Board of Directors, and sustainability-related functions have access to development programs that enhance their knowledge, skills, and awareness of ESG issues relevant to their responsibilities.

Each member of the Board of Commissioners and Board of Directors is encouraged to pursue ongoing professional development through seminars, workshops, and industry events related to governance, sustainability, and telecommunications. This commitment to continuous learning is reflected in the Company's Board Manual, which outlines the requirement for regular competency enhancement to support effective oversight and strategic decision-making.

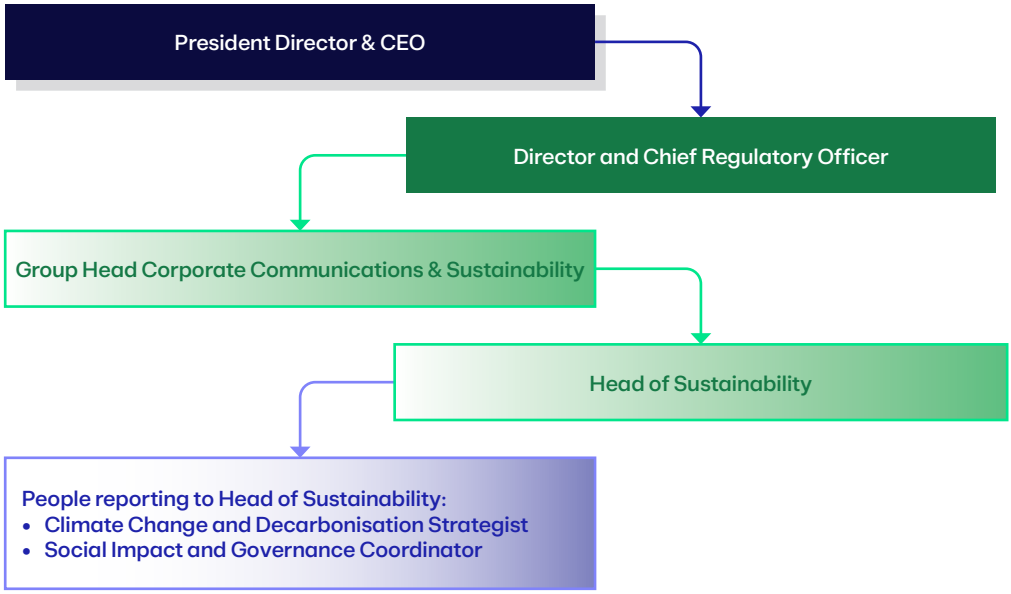
In parallel, XLSMART strengthens the competencies of its Sustainability Unit and cross-functional teams through targeted training programs. These include courses, certifications, and learning sessions focused on sustainability reporting, climate action, human rights, circular economy, and other emerging ESG topics. Throughout 2025, the Company facilitated various sustainability-related trainings and professional development activities as follows:

Name of Participant	Training Name	Place/Date	Organizer
Ratu Maulia Ommaya Firhah	Setting Science-Based Targets	29 June 2025	UN Global Compact Academy
	E-waste Policy and Extended Producer Responsibility (EPR)	16-17 September 2025	International Telecommunication Union
	1.0 Welcome to GHG Accounting: Scope 1, 2, and 3 Emissions	29 October 2025	UN Global Compact Academy
	The Net-Zero Standard	29 October 2025	UN Global Compact Academy
Asril Praboe Anom	The Net-Zero Standard	4 September 2025	UN Global Compact Academy
	How to understand and take action on the Global Goals	6 September 2025	UN Global Compact Academy
	Developing an integrated health, environment and climate strategy for your company	9 September 2025	UN Global Compact Academy
	Gender Equality: How Business Can Accelerate The Pace of Change	24 September 2025	UN Global Compact Academy
	1.1 Accounting for your Scope 1, 2 and 3 Emissions	30 October 2025	UN Global Compact Academy
Adiba Putri Rahmahakim	Setting Science-Based Targets	29 June 2025	UN Global Compact Academy
	1.0 Welcome to GHG Accounting: Scope 1, 2, and 3 Emissions	24 October 2025	UN Global Compact Academy
	The Net-Zero Standard	30 October 2025	UN Global Compact Academy

Sustainability Unit [E.1]

To ensure sustainability is embedded throughout the organization, XLSMART has established a dedicated Sustainability Unit under the Corporate Communications and Sustainability Department. The Unit plays a strategic role in coordinating sustainability initiatives across business lines and ensuring alignment between ESG commitments.

The Sustainability Unit operates under the supervision of the Board of Commissioners and the Board of Directors, with direct leadership from the President Director & CEO. This structure ensures that sustainability considerations are integrated into the Company's business strategy and decision-making processes while maintaining independence and preventing conflicts of interest.



The members of XLSMART's Sustainability Unit as of 31 December 2025 were as follows:

Name	Position	Term of Office	Legal Basis of Appointment
Merza Fachys	Director and Chief Regulatory Officer	16 April 2025-present	Resolution of the Extraordinary General Meeting of Shareholders dated 25 March 2025
Reza Zahid Mirza	Group Head Corporate Communications	15 October 2023-present	Employee Appointment Announcement No. 37/2023
Ratu Maulia Ommaya Firhah	Head of Sustainability	9 March 2024-present	Employee Appointment Announcement No. 11/2024
Asril Praboe Anom	Sustainability	16 April 2025-present	No. 0722A-RM-XLS-IV-2025
Adiba Putri Rahmahakim	Social Impact & Governance Coordinator	23 April 2025-present	No. 0013-RM-XLS-IV-2025

Risk Assessment of Sustainability Implementation [E.3]

As a company operating in a fast-moving telecommunications landscape, our ability to anticipate, understand, and respond to emerging risks is what keeps us resilient and future-focused. We see sustainability risk management as a way to align our pursuit of growth with our responsibilities toward the environment, society, and good governance, ensuring that profitability and purpose advance together.

Our approach is built on a strong governance foundation through the Enterprise Risk Management (ERM) Framework, which integrates ISO 31000 principles. Within this framework, sustainability considerations are not treated as an afterthought, but embedded into strategic planning, investment decisions, and day-to-day operations. It enables us to map out climate-related risks, both physical risks such as extreme weather affecting network infrastructure, and transition risks such as policy shifts and market changes toward low-carbon technologies.

Each risk is carefully assessed based on its likelihood and potential impact, followed by clear mitigation measures that ensure business continuity. XLSMART's process begins by defining risk appetite and tolerance, which guides how we prioritize and respond to potential disruptions. Among the risks that we consistently monitor and supervise are capital and debt requirements as part of the sustainable financial action. The Company has established a policy on capital and debt structure to ensure the strategies regarding those aspects are in line with the Company's strategic objectives and risk appetite. Oversight from our Board of Commissioners and Board of Directors ensures that every major decision reflects both market realities and our risk appetite, strengthening the Company's ability to adapt and thrive responsibly.

To strengthen accountability and clarity in how risks are managed across the organization, XLSMART adopts the Three Lines Model. This structure defines clear responsibilities for managing, overseeing, and independently reviewing risks. The first line manages risks within its business operations, the second line provides oversight and guidance, while the third line, through internal audit, ensures independent assurance. Together, these lines create a unified framework that reduces overlaps, fills potential gaps, and enhances overall consistency and transparency.

Supporting this framework is the Risk and Control Self-Assessment (RCSA) process, which enables each business unit to actively identify, evaluate, and manage the risks most relevant to their activities. The process encourages accountability at every level and helps embed a culture where risk awareness and sustainability are understood as shared responsibilities.

To ensure that risk decisions are data-driven and proportionate, XLSMART also applies a Risk Rating Matrix, which helps categorize and prioritize risks, ensuring that each one is assessed accurately and managed effectively. It serves as a practical tool for setting risk tolerance levels and for ensuring that our mitigation strategies are aligned with corporate priorities. When a risk exceeds the defined threshold, it is immediately escalated to senior management and reviewed through the Risk-Based Control Committee (RBCC) to determine the most appropriate course of action.

This integrated and forward-looking approach to risk management allows XLSMART to remain both resilient and adaptive in a rapidly changing environment. It not only safeguards the Company from uncertainty but also positions us to anticipate opportunities arising from technological advancement and sustainable innovation.

Guided by this approach, XLSMART has identified several key sustainability risks in 2025 that require focused, proactive, and continual management, namely:

Risk	Description
Strategic and Investment Risk	Risks that may significantly affect the Company's strategic activities, decision-making processes, and achievement of business objectives. These risks are monitored by the Senior Leadership Team (SLT) as part of the strategic planning and review process.
Financial Risk	Risks related to the Company's financial management and stability. These include treasury-related exposures such as liquidity risk, foreign exchange risk, interest rate risk, and credit risk.
Operational Risk	Risks arising from the Company's core business operations, including telecommunications services, digital businesses, and infrastructure management. These risks may result from inadequate or failed internal processes, people, systems, or external events that disrupt daily operations, including business continuity risks.
Legal and Regulatory Risk	Risks related to compliance with applicable laws and regulations that may expose the Company to legal penalties or non-compliance with established policies and best practices. The Company monitors regulatory developments, maintains strong engagement with regulators and industry associations, and integrates regulatory requirements into its internal policies and procedures.
Market Risk	Risks arising from market conditions and the competitive landscape in which the Company operates, including industry developments and macroeconomic factors. To mitigate these risks, the Company has shifted part of its floating-rate debt to fixed-rate debt through the issuance of sukuk and bonds.
Geopolitical Risk	Risks associated with political changes or instability, including changes in government policies, legislative decisions, or geopolitical developments that may affect investment returns or operational performance.
Governance Risk	Risks related to the implementation of good corporate governance practices. These may include non-compliance with internal policies, procedures, or control mechanisms that could affect operational effectiveness and accountability.
Technology Risk	Risks related to information technology infrastructure, data systems, or applications that may disrupt business operations. These risks may arise from system failures, infrastructure disruptions, or technological vulnerabilities. The Company continuously strengthens its network infrastructure by modernising systems, increasing capacity, and enhancing reliability.
Cyber Risk	Risks arising from cyber threats, including cyber-attacks or data breaches that may disrupt operations or compromise sensitive information. The Company continues to invest in information security technologies and maintains ISO 27001 certification to support the protection of customer data.
People Risk	Risks associated with human capital management, including shortages in specialised or skilled positions, competency gaps, and employee health and safety. The Company addresses these risks through continuous talent development, recruitment of professional and young talents, and initiatives to strengthen organisational capabilities.

Constraints, Challenges and Opportunities in Sustainability Implementation [E.5]

As XLSMART continues to strengthen its sustainability foundation, we acknowledge that advancing sustainability implementation is a journey that involves both challenges and opportunities. The transition toward a more responsible business approach brings challenges that are both technical and cultural.

Some of the constraints may stem from post-merger integration complexity, harmonisation of ESG data and governance frameworks, evolving regulatory and stakeholder expectations, and the need to balance short-term financial performance with long-term sustainability commitments. Nonetheless, these challenges also create opportunities for innovation, capacity building, and more efficient resource utilization which support XLSMART's transition toward sustainable business practices.

To provide a structured overview, the table below outlines key areas that may represent potential constraints, challenges, and opportunities identified during the implementation process:

Obstacles /Challenges	Approaches to Overcome Obstacles / Challenges	Opportunities for Further Development and Sustainability Implementation
Integration of networks, systems, governance standards, and ESG commitments following the merger	Establishment of a structured cross-functional integration monitoring mechanism, strengthened governance harmonisation, and unified ESG data consolidation	Stronger operational integration and sustainability standardisation
Alignment of sustainability priorities across legacy entities and evolving double materiality outcomes	Reassessment of Double Materiality Assessment and embedding ESG into strategic planning and Board oversight	Sharper focus on high-impact topics such as Climate Impact, Data Privacy, Network Resilience, and Employee Wellbeing
Increased regulatory, cybersecurity, and data privacy expectations amid digital acceleration	Strengthening risk management, ISO 27701 certification, enhanced cybersecurity governance, and AI oversight framework	Positioning XLSMART as a trusted digital operator with robust governance and responsible technology deployment
Environmental impact from large-scale network rationalisation and site dismantling	Implementation of controlled decommissioning protocols, engagement of certified vendors, strengthened e-waste traceability mechanisms, and renewable energy adoption	Acceleration of circular economy practices and structured Decarbonisation roadmap toward Net Zero 2050
Cultural integration and employee alignment post-merger	Implementation of new corporate culture (i-CARE), harmonised KPI systems, and structured employee engagement platforms	Development of a high-performing, digitally skilled workforce capable of driving sustainable innovation

Management of Conflict of Interest

[GRI 2-15] [G-09]

XLSMART has established clear policies and procedures to prevent and manage conflicts of interest at all levels of the organization. These measures are integral to the Company's sustainability governance framework, ensuring that decisions related to ESG matters are made objectively and in the best interest of stakeholders. By upholding fairness and transparency in every aspect of governance, XLSMART reinforces accountability and trust as the foundation of sustainable business conduct.

The Company's Conflict of Interest Policy outlines the mechanisms to identify, disclose, and manage potential conflicts that may arise in decision-making processes involving the Board of Commissioners, Board of Directors, or other governing bodies. Members with a conflict of interest in any agenda item are required to abstain from discussions and decision-making, and to formally declare their position through a signed statement of independence. The Corporate Secretary is responsible for overseeing the implementation of this policy and ensure consistent adherence across the organization.

Conforming with applicable regulations, XLSMART also refers to OJK Regulation No. 42/POJK.04/2020 concerning Affiliate Transactions and Conflicts of Interest. Any transaction involving affiliated parties or deemed to contain a potential conflict must be transparently disclosed and, where required, submitted for approval by the General Meeting of Shareholders and reported to the relevant authorities.

To strengthen awareness of conflict management, the Company continuously communicates the policy and related procedures to internal units, emphasizing their importance in maintaining governance integrity and long-term business continuity. Throughout 2025, there were no identified cases of conflicts of interest involving cross-board memberships, share ownership, affiliated transactions, or engagements with suppliers and other stakeholders.

Anti-Bribery and Anti-Corruption Policy

[F.1] [GRI 205-3] [ACGS B.4.5] [G-07]

Integrity is non-negotiable at XLSMART. The Company believes that long-term success must be built on honesty, fairness, and transparency in every aspect of our operations. Guided by this principle, XLSMART enforces an Anti-Bribery and Anti-Corruption (ABAC) Policy that establishes clear standards and expectations for all employees, management, and business partners. [GRI 3-3]

The policy reflects XLSMART's strong commitment to uphold the highest ethical standards, ensure fair treatment of shareholders, and maintain compliance with applicable laws and regulations. It prohibits all forms of bribery, including offering, receiving, or participating in activities that could be construed as corrupt practices. This prohibition extends to all stakeholders, including the Board of Commissioners, Board of Directors, employees, business partners, vendors, consultants, agencies, and distributors.

The governance of ABAC-related activities is managed under XLSMART's Risk & Compliance (RC) Division and is supported by a comprehensive framework, policies, procedures, and the Code of Conduct. To foster an open and transparent culture, XLSMART provides the Speak Up Channel, a whistleblowing mechanism aligned with the Axiata Group-wide system. Any retaliation or discrimination against individuals who report potential violations in good faith is strictly prohibited.

XLSMART ensures that its anti-corruption policies and procedures are communicated across all levels of the organization through continuous awareness programs, internal audits, and compliance reviews. Regular training is also provided to reinforce understanding and accountability, empowering every employee to act ethically in all situations. New employees whose roles are directly affected by ABAC are required to complete relevant training within a prescribed period after joining XLSMART. All personnel must participate in mandatory ABAC training programs, which are monitored for completion by the RC Division.

In 2025, XLSMART continued to strengthen its anti-corruption governance as part of the post-merger integration process, aligning policies, procedures, and training modules across all entities under one unified standard. The following table provides an overview of the Company's anti-bribery and anti-corruption trainings:

Training Name	Total Participating Employees in Anti-Bribery and Anti Corruption Trainings	%
Awareness & Socialization ISO 37001: 2016 Anti Bribery Management System (ABMS)	3,239	100
ABAC & GDS Operational and VITAL system Hands on	3,239	100

Communication on Anti-Corruption Policy & Procedures [GRI 205-2]

In 2025, XLSMART continued to communicate its anti-corruption policies and procedures to all employees and key business partners. The communication and training sessions were conducted through both online and onsite channels, ensuring equal access across regions and management levels. All employees and selected business partners participated in anti-corruption awareness programs, reinforcing the Company's commitment to ethical conduct and zero tolerance for corruption.

The Company regularly assesses all business operations and high-risk functions for potential exposure to bribery and corruption. In 2025, no operations were identified as having significant risks related to corruption, and there were no confirmed incidents of bribery or corruption across the Company's business activities. Reports and indications of misconduct are managed through the Company's established communication and reporting channels. [GRI 205-1]

Stakeholder Relations [E.4] [GRI 2-29]

XLSMART recognises that sustainable performance is built on constructive and transparent engagement with stakeholders. As a unified entity following the merger, XLSMART continues to strengthen relationships with both internal and external stakeholders to ensure that business decisions reflect stakeholder expectations, regulatory requirements, and long-term value creation.

Internally, the Company fosters a collaborative and inclusive work environment that respects employees as strategic partners in delivering service excellence and innovation. Externally, XLSMART actively engages customers, shareholders, regulators, suppliers, communities, and other relevant institutions to ensure that its operations generate shared value while managing risks responsibly.

To enhance the quality of engagement, XLSMART conducts structured stakeholder mapping to identify stakeholders who are most affected by, or have significant influence over, the Company's operations. The mapping refers to the AA1000 Stakeholder Engagement Standard (AA1000SES) 2015 issued by Accountability, using the elements of Dependency (D), Responsibility (R), Tension (T), Influence (I), Diverse Perspective (DP), and Proximity (P).

Below is an overview of XLSMART's key stakeholder groups and engagement mechanisms:

Stakeholder	Assignment Base	Engagement Methods	Frequency	Topics/Issues Covered
Customers	D, R, T, I	• Website and frontline information • In-person visits • Call Center Services • Customer Satisfaction Survey	• At any time when necessary • Once a year	• Achieving service satisfaction • Information on the latest products and services of the Company • Obtaining solutions if there are questions or complaints on products and services • Obtaining an idea of customer satisfaction and dissatisfaction numbers
Shareholders	D, R, I	GMS	Once a year	The Company is able to achieve targets in accordance with the targets set in the previous GMS
Regulators	D, R, T, I, DP	Submission of compliance reports	4 (four) times a year	Submitting information on regulatory compliance
Employees	D, R, T, I	• Internal Media (Magazine) • Employee Satisfaction Survey • Townhall meeting (using hybrid method)	• Once every 3 (three) months • Once a year	• Socialiation of policies and strategies relating to employment • Measuring employee satisfaction rate and capture their ideas and aspirations
Trade Unions	D, R, T, I	Discussion of Bipartite Collective Labour Agreement (Bipartite Cooperation Institution)	• Once in three years • When necessary	Creating a vibrant work environment to pursue a harmonious bipartite relationship
Suppliers	D, R, T	• Employment contract • Investment partners • Seminars and workshops	If needed	• Transparent procurement process • Obtaining a mutually beneficial cooperation
Non-D, R, T, I, DP governmental organizations	D, R, T, I, DP	Strategic cooperation to carry out programs of Corporate Responsibility for both social and environmental aspects	When necessary	Optimising the impacts of the Company's CSR program implementation

Stakeholder	Assignment Base	Engagement Methods	Frequency	Topics/Issues Covered
Media	T, I, DP	Publication of press releases	When necessary	• Accurate and trustworthy source of information • Fulfilling public information disclosure
Community	D, R, T, I, DP	Meeting during social or CSR activity implementation	When necessary	XLSMART Tri Karsa

Following the completion of the merger, XLSMART conducted a refreshed Double Materiality Assessment in 2025 to ensure that the sustainability priorities of the unified entity reflect the combined operational footprint, risk exposure, stakeholder landscape, and strategic direction of the post-merger organisation. The updated assessment was necessary to:

- Integrate stakeholder perspectives from both legacy entities;
- Re-evaluate ESG risks and opportunities arising from the expanded network scale and digital ecosystem;
- Align sustainability priorities with evolving regulatory expectations and investor scrutiny; and
- Establish a unified materiality baseline for XLSMART going forward.

To ensure objectivity and methodological integrity, XLSMART engaged an independent third party to support the assessment process. The resulting prioritised material topics and strategic focus areas now underpin the Company's post-merger sustainability direction and are elaborated in the chapter "**Our Framework to Accelerating Sustainability Journey**" of this Sustainability Report.

Communication of Key Issues [GRI 2-16] [GRI 2-25] [GRI 2-26]

The Company communicates key sustainability issues through internal meetings, management reviews, and digital communication platforms to ensure that important updates and emerging concerns are shared across all relevant levels of the organization. Material or urgent matters identified during these discussions are escalated to senior management for review and follow-up actions.

In 2025, XLSMART also placed a strong emphasis on open and consistent communication throughout its merger process, recognizing it as a significant governance milestone that shaped the Company's structure, culture, and sustainability priorities. Regular updates were provided to employees, regulators, and partners through official briefings and leadership communications. This transparent approach helped maintain trust, reduce uncertainty, and ensure that the transition aligned with XLSMART's long-term vision for responsible and sustainable growth.

In line with its commitment to openness and accountability, XLSMART provides channels for employees and stakeholders to raise concerns, share feedback, or communicate sustainability-related issues. These include formal and informal communication platforms, as well as the Whistleblowing System, which serves as an avenue for reporting suspected misconduct or violations of ethics and compliance standards.

Whistleblowing System [GRI 2-26] [B.7.1-2]

To strengthen accountability and integrity, XLSMART maintains a confidential and accessible whistleblowing system. This mechanism allows employees and stakeholders to report any suspected violations of the Code of Conduct or unethical behaviour without fear of retaliation. All reports are investigated fairly and independently, ensuring that corrective actions are taken promptly and transparently.

The Company provides the Speak Up Channel as a confidential platform for employees, outsourced staffs, suppliers, business partners, contractors, customers, and other stakeholders to report any suspected illegal acts, unethical behaviour, or other forms of misconduct.

Reports can be submitted conveniently through XLSMART's dedicated email investigation@XLSMART.co.id or telephone lines 081937701234. The Speak Up Channel welcomes disclosures related to a wide range of issues, including but not limited to:

- Accounting, internal controls, auditing, or IT;
- Anti-competitive behavior;
- Breach of the Company's policies or national laws;
- Bribery and corruption;
- Data confidentiality or privacy;
- Conflict of interest;
- Fraud and breach of trust;
- Gifts, entertainment, and hospitality;
- Harassment and sexual misconduct;
- Health, Safety, Security, and the Environment;
- Malpractice;
- Abuse of power/authority;
- Money laundering;
- Social media and business communications;
- Substance abuse;
- Theft and misuse of assets;
- Workplace and people;
- Retaliation from Speaking up.

XLSMART upholds a strict non-retaliation policy to protect whistleblowers who submit reports in good faith. Every report received through the Speak Up Channel is directed to the Group Head of Internal Audit of PT XLSMART Telecom Sejahtera Tbk and reviewed by the Investigation Unit under the Internal Audit Division, which determines the appropriate course of action. Where further examination is necessary, an investigator will be appointed, who may be an internal resource or an independent external party, depending on the nature and complexity of the case.

Whistleblowers can monitor the progress of their submissions and respond to follow-up questions by accessing the Speak Up Channel using their unique case number and password. Should no additional information or evidence be provided within 14 days when requested, the investigation process will be closed due to insufficient data.

In 2025, a total of 16 (sixteen) complaints were received through the whistleblowing channels or reported directly to the Investigation Unit. The status of these cases is as follows:

- 8 (eight) cases have been resolved;
- 3 (three) cases were unsubstantiated; and
- 5 (five) cases remain under ongoing investigation.

All substantiated cases resulted in appropriate corrective actions. No retaliation cases were recorded.

Whistleblowing System Socialization

The Whistleblowing System has been continuously socialized to relevant XLSMART stakeholders through the following communication channels:

Target Audience	Socialization Channels
All XLSMART Employees	Employee portal, Email Blast, and Direct Socialization during Company Townhall
All Vendors & Partners	Vendor Portal
Public	XLSMART Official Website

The Implementation of Customer Privacy Policy [GRI 418-1]

Safeguarding customer data and ensuring information security are integral to XLSMART's governance practices. The Company continues to adopt internationally recognized standards to strengthen its data protection framework. XLSMART applies the ISO 27001 Information Security Management System (ISMS) as the foundation for securing information assets and managing potential cybersecurity risks across its operations. Building on this framework, the Company has achieved certification for the ISO 27701 Privacy Information Management System (PIMS), an extension of ISO 27001 that governs the management of personal data privacy. This certification positioned XLSMART as the first telecommunications company in Indonesia to achieve such recognition, reflecting its commitment to privacy excellence and regulatory compliance. [GRI 3-3]

Following the completion of the merger, XLSMART is focused on establishing an integrated cybersecurity and data protection framework that unites the strengths of both legacy systems. The Company is undertaking a comprehensive harmonization of data governance policies, security protocols, and digital infrastructures to ensure consistent privacy practices across all operational entities. This includes aligning data management procedures with the Personal Data Protection (PDP) Law, strengthening access controls, and enhancing monitoring mechanisms to detect and respond to potential threats more swiftly. These ongoing efforts are intended not only to maintain compliance but also to enhance the Company's ability to manage operational risks, safeguard critical assets, and strengthen technological readiness in addressing increasingly complex cybersecurity challenges.

Throughout 2025, XLSMART continued to ensure that all data handling and processing activities complied with the PDP Law and ISO 27701 standards. The Company also provided support to stakeholders in exercising their data subject rights, reaffirming its commitment to transparency and accountability. According to the Company's review of customer data privacy protection in 2025, there were no recorded incidents or violations of the customer privacy policy.

Code of Conduct [GRI 2-23] [GRI 2-24] [G-07]

The Code of Conduct serves as our ethical compass, guiding every employee and leader in their daily activities and decision-making. It embodies our values of integrity, respect, and accountability. To strengthen governance and uphold ethical business practices, the Board of Directors established the Ethics and Integrity Committee on June 30, 2020, which supports the Board by preventing, detecting, and responding to any potential fraud or misconduct.

The Code of Conduct is formally endorsed by the Board of Directors and serves as a mandatory reference for all employees, contractors, and business partners. It is also reviewed periodically and communicated across the organization to ensure consistent understanding and adherence. The key points of the Code of Conduct are:



The Code of Conduct applies to all leaders and employees of the Company. To ensure consistent implementation, it is regularly reviewed and communicated to ensure consistent understanding and adherence across the organization. The Company ensures that its Code of Ethics is easily accessible to all employees through XLSMART Apps, the internal corporate platform. New employees receive the Code during onboarding, and it is also publicly available on the Company's official website (https://www.xlsmart.co.id). In addition, the Company regularly circulates the Integrity Fulfillment Statement, highlighting key ethical commitments such as anti-corruption, anti-collusion, and anti-nepotism. Each employee is required to sign this Statement, which is then archived and managed by People Directorate. In December 2025, the Company completed the distribution of the Integrity Fulfillment Statement, with all employees having signed and acknowledged it.

Throughout 2025, the Ethics and Integrity Committee conducted reviews of investigation results and ensured that appropriate disciplinary actions were implemented in accordance with the Company's internal regulations and Code of Ethics. In 2025, XLSMART recorded no violations of the Code of Ethics, demonstrating the strong commitment of all employees to comply with the Company's ethical standards.

Legal and Regulatory Compliance

[GRI 2-27] [GRI 419-1]

XLSMART maintains strict adherence to all applicable laws, regulations, and industry standards. In 2025, the Company did not record any significant fines, sanctions, or instances of non-compliance related to environmental, social, or governance matters.



Environmental Stewardship



The establishment of XLSMART marked a significant shift in how the Company manages and governs its environmental responsibilities. The merger not only combined networks, systems, and operational scale, but also brought together two legacy organizations with different levels of ESG maturity and reporting practices. This integration created a unique opportunity to rebuild the Company's environmental governance on a stronger, more cohesive foundation.

Prior to the merger, the Company had demonstrated steady progress in reducing greenhouse gas (GHG) emissions through network modernization, the deployment of energy-efficient technologies, and renewable energy procurement via Renewable Energy Certificates. The Company had also begun expanding visibility into Scope 3 emission categories, particularly those related to purchased goods, services, and capital equipment. These historical achievements now serve as important reference points as XLSMART establishes consolidated environmental baselines for the merged entity.

Throughout 2024 and 2025, XLSMART focused on harmonizing methodologies and aligning environmental data across its combined operations. Key efforts included consolidating monitoring systems, unifying emission-calculation methods, and strengthening internal controls to ensure consistency with national and global frameworks. As part of this governance enhancement, environmental and ESG responsibilities were embedded across procurement, network operations, and technology functions, reinforcing shared accountability throughout the organization.

In parallel, XLSMART continued its participation in selected global ESG assessments, including the S&P Global Corporate Sustainability Assessment and Sustainable Fitch, while intentionally limiting external submissions during the integration period to safeguard data accuracy and reliability. With governance structures and integrated datasets now in place, the Company plans to re-engage with CDP beginning next year and to expand its participation in international sustainability ratings, including Sustainalytics and Fitch ESG, as a fully unified entity.

Through this foundational phase, XLSMART has established the systems, governance mechanisms, and data integrity required to support long-term environmental performance. These advancements position the Company to transition from integration to acceleration, enabling more ambitious Decarbonisation initiatives, deeper value-chain engagement, and the scaling of renewable energy and circular-economy initiatives across the merged network footprint.

Integrating Environmental Stewardship into Our Operations [GRI 2-24]

Environmental stewardship at XLSMART is anchored in the Company's Environmental Management Policy, which is aligned with ISO 14001:2015 and ISO 45001:2018. This policy provides the framework for identifying, managing, and monitoring environmental aspects and impacts across the organization, while clearly defining the roles and responsibilities of management, operational teams, and contractors in ensuring regulatory compliance and preventing environmental harm. As part of its environmental management initiatives, the Company fulfils its regulatory commitments through the application of the following procedures: [GRI 3-3]



In 2025, XLSMART strengthened its environmental management approach by consolidating monitoring mechanisms across the merged entity and harmonizing operational requirements across business units. As part of this roadmap, the Company plans to enhance supervisory controls for contractors and field operations starting in 2026 to further reinforce compliance and oversight across implementation activities. These improvements were embedded into the planning and execution of network modernization initiatives, site upgrades, and expansion activities, ensuring the consistent application of environmental safeguards across all business units.

As a telecommunications company with a nationwide operational footprint, XLSMART recognizes that environmental performance is closely linked to the design, operation, and maintenance of its digital infrastructure. The merger presents an opportunity to reduce environmental impacts through the consolidation of overlapping sites, modernization of legacy equipment, and deployment of higher-efficiency technologies across a unified network. The effectiveness of these initiatives is evaluated through periodic audits, inspections, and performance monitoring, supporting continuous improvement and ensuring alignment with internal policies and applicable regulations.

ENVIRONMENTAL COSTS [F.4]

As a newly merged entity, 2025 marks the first year in which XLSMART consolidates environmental expenditures across three legacy operational systems. Environmental costs cover a range of activities, including waste management, environmental monitoring, environmental impact management, energy efficiency initiatives, and compliance with national health, safety, and environmental (HSE) regulations. This also includes activities related to Environmental Management and Environmental Monitoring (UKL/UPL), which constitute regulatory environmental management and monitoring obligations under Indonesia's environmental framework.

Throughout the year, XLSMART consolidated environmental expenditure reporting across the legacy entities and strengthened its internal recording framework to ensure that environmental costs are captured consistently across operational regions. The Company also standardized reporting procedures and supporting documentation to improve transparency and traceability of environmental expenditures. This integration process forms an important step in establishing a unified environmental expenditure baseline for the merged organization.

The consolidated environmental expenditure for 2025 amounted to Rp560,362,896, compared to Rp86,203,200 in 2024, which primarily covered UKL/UPL obligations and domestic waste management. The significant increase mainly reflects higher UKL/UPL reporting fees and expanded waste management coverage following the merger. UKL/UPL report fees increased significantly from Rp18,000,000 in 2024 to Rp364,500,000 in 2025 as environmental management and monitoring activities were implemented across all operational regions. Domestic waste management expenses also increased from Rp68,203,200 to Rp195,862,896 due to the addition of head office and regional offices, which expanded the scope of waste management services.

While expenditure data from the legacy entities provide useful historical context, XLSMART has established 2025 as the baseline year for consolidated environmental expenditure, reflecting the scale and operational scope of the merged organization. Accordingly, prior year figures should be interpreted with consideration of differences in operational coverage.

UKL/UPL Report Fee (Environmental Management/Environmental Monitoring)

2025

Rp364,500,000

2024 Rp18,000,000

Domestic Waste Management

2025

Rp195,862,896

2024 Rp68,203,200

Total

2025

Rp560,362,896

2024

Rp86,203,200

Note: 2024 figures reflect XL Axiata Legacy (pre-merger), while 2025 figures reflect XLSMART (post-merger). Figures may not be directly comparable with previous years.

Energy Consumption [GRI 302-1] [GRI 302-3] [OJK F.6] [OJK F.7]

Energy remains the largest contributor to XLSMART's environmental footprint and is therefore a material focus of the Company's environmental management efforts. Following the merger, the scale of energy consumption expanded significantly, requiring the consolidation of monitoring systems, the standardization of measurement methodologies, and the integration of energy-efficiency requirements into network planning and modernization initiatives. XLSMART evaluates energy performance through technical inspections, centralized monitoring dashboards, and comparative assessments across legacy networks to identify inefficiencies and determine improvement priorities. Insights from these evaluations guide the deployment of more energy-efficient equipment, site consolidation measures, renewable-energy integration, and operational controls that strengthen overall energy performance across the network. [GRI 3-3]

Network Energy Optimization

XLSMART implements a range of initiatives to improve energy efficiency across its telecommunications infrastructure, including:

1. Upgrading BTS equipment to more efficient technologies, achieving electricity savings of up to 50% compared with previous systems.
2. Migrating legacy indoor BTS sites to outdoor configurations to reduce air-conditioning requirements.

3. Utilizing Single RAN BTS technology to consolidate multiple BTS systems into a single platform, combined with Green BTS modernization using the latest technological devices, resulting in energy savings up to 50%.
4. Decommissioning generators by disabling generator usage and shifting backup power functions entirely to battery systems.
5. Expanding the use of solar panels and lithium battery solutions across network sites.

RENEWABLE ENERGY DEPLOYMENT [GRI 302-4] [GRI 302-5]

Solar-energy utilization remains a strategic priority for XLSMART. Across the legacy XL Axiata and Smartfren networks, hundreds of BTS sites had transitioned to solar-assisted or hybrid power systems prior to the merger. These installations continue to operate under XLSMART and form the foundation for a broader renewable-energy transition. Solar and hybrid systems help reduce diesel consumption at off-grid sites and support the Company's shift toward a low-carbon operational model.

Prior to the merger, XL Axiata was among the early adopters of Green BTS solutions, installing solar panels at 252 locations. Based on historical performance assessments, the application of CDC systems at BTS sites in non-electrified areas enabled an average diesel-use reduction of 54%. These results reflect legacy XL Axiata performance and are currently being consolidated into a unified baseline as XLSMART harmonizes methodologies for its 2025 environmental inventory.

In addition, the Company's collaboration with PT PLN (Persero) to supply renewable electricity through Renewable Energy Certificates (REC) continued in 2025. The REC program verifies that electricity allocated to BTS operations originates from renewable sources and reinforces XLSMART's transition toward cleaner energy use across its network. In 2025, XLSMART purchased a total of 3,000,000 kWh of REC, contributing directly to the Company's renewable-energy portfolio for the year.

Energy Consumption within the Company [E-03]

Energy Consumption Activities	Energy Source	2025		2024		2023	
		Energy Consumption	Energy Intensity	Energy Consumption	Energy Intensity	Energy Consumption	Energy Intensity
Renewable Energy							
Solar Panel		334,087 kWh	9.10 GJ/ Petabyte	-	-	-	-
		1,202.71 GJ		-	-	-	-
REC	PLN	3,000,000 kWh		1,000,000 kWh	0.34 GJ/ Petabyte	-	-
		10,800 GJ		3,600 GJ		-	-
Non-renewable Energy							
Energy consumption for building lighting and operations	PLN	1,282,346.871 kWh	3,642,917 GJ/ Petabyte	956,319,188.94 kWh	332 GJ/ Petabyte	902,853,187.65 kWh	290 GJ/ Petabyte
		4,616,448.74 GJ		3,442,742.87 GJ		3,250,271.48 GJ	
Energy consumption for Gasoline	Gasoline (Pertalite)	312,322.00 Liter		275,593.70 Liter		228,001.34 Liter	
		10,376.00 GJ		9,156.60 GJ		7,797.65 GJ	
Energy consumption for Solar (Diesel)	Diesel	1,030,365.97 Liter		1,189,149.24 Liter		1,393,829.51 Liter	
		37,216.82 GJ		42,952.07 GJ		47,668.97 GJ	
Total Energy Use		4,664,042.47 GJ		3,498,457.75 GJ		3,305,738 GJ	

Note:
- 2023 figures reflect XL Axiata legacy operations (pre-merger), while 2025 figures reflect XLSMART (post-merger). Smartfren data are primarily consolidated from April to December 2025 following the completion of the merger, with limited data available prior to the merger period. Accordingly, figures may not be directly comparable with previous years.
- Fuel consumption from liters is converted to gigajoules (GJ) using conversion factors from The Greenhouse Gas Protocol Initiative, 2004.
- Electricity consumption from kWh is converted to gigajoules (GJ) using conversion factors from The Greenhouse Gas Protocol Initiative, 2004.

Reducing GHG Emission [GRI 305-1] [GRI 305-2] [GRI 305-3] [GRI 305-4] [GRI 305-5] [OJK F.11] [E-01] [E-02]

XLSMART manages its GHG emissions through a structured process that includes identifying emission sources, assessing materiality, setting reduction priorities, and implementing targeted mitigation measures. This framework covers Scope 1, Scope 2, and Scope 3 emissions and is integrated into network planning, energy procurement, and operational decision-making. Emissions performance is monitored regularly using harmonized methodologies across the merged entity and reviewed to support continuous improvement in line with regulatory requirements and the Company's long-term Decarbonisation objectives. [GRI 3-3]

Starting in April 2025, GHG emissions data from Smartfren were integrated into the Company's reporting system following the completion of the merger. Accordingly, 2025 represents the first year of consolidated emissions reporting. Smartfren data are primarily consolidated from April to December 2025 following the completion of the merger, with limited data available prior to the merger period. A new baseline has therefore been established in 2025 to reflect the full operational scope of the merged entity. While prior-year data are presented for transparency, year-on-year comparisons should consider changes in reporting boundaries and category coverage.

Scope of GHG Emission

Scope of GHG Emission	Unit	2025		2024		2023	
		Total Emission	Emission Intensity Per Revenue $TonCo_2e$/ Billion Rp	Total Emission	Emission Intensity Per Revenue $TonCo_2e$/ Billion Rp	Total Emission	Emission Intensity Per Revenue $TonCo_2q$/ Billion Rp
Scope 1 (Direct Emission)	$TonCO_2eq$	36,476.89	0.0817	4,082.53	118.71	4,255.54	131.66
Scope 2 (Indirect Emission)		988,304.73	23.254	744,398.86	21,644.54	695,828.95	21,527.36
Scope 3* (Indirect Emission)		477.17	0.0112	4,252.47	123.65	5,743.82	177.70

Note (*):
- 2024 data covered Category 4, 5, 6, 7, 9, and 13 of XL Axiata Legacy (pre-merger).
- 2025 data cover only Category 6 (Business Trips) and Category 7 (Employee Travel) while 2025 figures reflect XLSMART (post-merger). Figures may not be directly comparable with previous years.

The significant decrease in Scope 3 emissions in 2025 compared to prior years primarily reflects limited category coverage during the integration phase rather than a structural reduction across the full Scope 3 value chain.

Scope 3 Emissions Breakdown [GRI 302-2]

In 2023 and 2024, the Company disclosed multiple Scope 3 categories, including upstream and downstream transportation, waste generated from operations, business travel, employee travel, and leased assets. During the 2025 integration period, the Company prioritized the calculation and disclosure of two Scope 3 categories, namely Category 6 (Business Trips) and Category 7 (Employee Travel), based on data availability and system readiness across the merged entity.

Category	2025	2024	2023
Category 6: Business Trips	357.48	371.12	596.05
Category 7: Employee Travel	119.69	1,128.3	702.45

Note:
- 2024 and 2023 figures reflect XL Axiata Legacy (pre-merger), while 2025 figures reflect XLSMART (post-merger), with Smartfren data included from April–December 2025. Figures may not be directly comparable with previous years.
- 2024 Employee Travel figure used the employee survey with more granular data obtained.

The Company plans to progressively expand Scope 3 category coverage in 2026 following the harmonization of data systems and operational reporting processes across the merged entity.

Supporting Low-Emission Ecosystems Through Technology and Industry Partnerships [OJK F.12]

Beyond reducing emissions within its own operations, XLSMART continues to advance initiatives established prior to the merger to support Indonesia's broader transition toward a low-emission ecosystem. The Company's collaboration with Kadin Net Zero Hub, initiated in November 2023, remains an important platform for industry-wide climate action and aligns with the national Decarbonisation agenda.

Prior to the merger, the Company began advancing technology-driven climate solutions through strategic partnerships, which now form part of XLSMART's ongoing approach. These initiatives include:

- A strategic collaboration with Xanh SM to deploy Internet of Things solutions that enhance the performance and energy efficiency of electric vehicle fleets, helping reduce transportation-related emissions and improve operational efficiency.
- A partnership with PT Ide Inovatif Bangsa (Quest Motors) to integrate digital connectivity into electric motorcycle fleets, enabling real-time monitoring, route optimization, and more efficient energy use compared with vehicles powered by fossil fuels.

These initiatives demonstrate how digital technology can accelerate the adoption of electric mobility and support the development of cleaner, more efficient transportation systems in Indonesia. XLSMART continues to build on these foundations as part of its long-term commitment to enabling low-carbon ecosystems. Several operational measures introduced prior to the merger also continued in 2025, including:

1. Development of a multi-platform Energy Monitoring System to track and analyze energy consumption;
2. Development of a real-time Network Monitoring System to oversee operational performance, including site monitoring;
3. Implementation of smart energy management initiatives, including Xinergis by X-Camp for real-time monitoring of electricity, water, and generator fuel consumption, and Powersense, an IoT-based system to optimize air conditioner energy use;
4. Expansion of solar panel installations as part of the Company's renewable energy initiatives;
5. Procurement of renewable electricity through Renewable Energy Certificates (REC);
6. Implementation of internal campaigns to promote energy efficiency and electricity savings among employees.

Waste Management [GRI 306-1] [GRI 306-2] [OJK F.14]

Telecommunication activities generate a wide range of waste streams, including hazardous (B3) and non-hazardous materials from network equipment, batteries, lamps, electronic components, cooling systems, office operations, and field maintenance. The establishment of XLSMART in 2025 resulted in a larger and more complex operational footprint, requiring waste to be managed under a unified and strengthened environmental standard.

XLSMART identifies waste-related impacts across its operations, assesses risks associated with improper storage or disposal, and implements mitigation measures through standardized handling procedures, contractor supervision, and regulatory compliance checks. Hazardous waste is collected, transported, and processed exclusively by licensed third-party service providers, while non-hazardous waste is minimized through recycling initiatives, material substitution, and internal awareness programs. [GRI 3-3]

Employee engagement remains a key enabler of effective waste management. Prior to the merger, XL Axiata implemented internal initiatives such as Sustainability Week, Waste Management Race, and World Environment Day activations to promote responsible waste segregation and reduction. These programs continue under XLSMART and have been expanded to reach employees across the merged operational footprint. Messaging emphasizes practical actions, including reducing single-use plastics, minimizing paper consumption, accurate waste segregation, and participation in internal-waste tracking initiatives within office and technical environments.

In 2025, a significant contributor to the Company's waste generation was the large-scale dismantling of redundant base transceiver station (BTS) sites following network integration. This dismantling was necessary to eliminate overlapping infrastructure, enhance energy efficiency, and modernize network architecture. The process generated substantial volumes of electronic components, metals, batteries, cabling, and mixed materials, all of which required strict environmental controls.

To mitigate environmental risks, XLSMART implemented a controlled dismantling protocol supported by internationally certified vendors specializing in telecommunications equipment decommissioning and e-waste recovery. These vendors operate in accordance with ISO 14001 and ISO 45001 standards and provide full traceability for both hazardous and non-hazardous waste streams, from site removal through transportation and final treatment. Reusable components are extracted for refurbishment, while non-recoverable materials are directed to licensed recycling facilities to prevent improper disposal and environmental leakage.

Through this approach, XLSMART ensured that the dismantling of decommissioned BTS sites did not result in uncontrolled accumulation of electronic waste or unmanaged hazardous materials. The process also supports the Company's broader resource-efficiency objectives by maximizing material recovery and reducing landfill disposal.

This dismantling initiative aligns with XLSMART's circular economy commitment, under which materials are recovered, repurposed, and returned to productive use whenever feasible. By extending the useful life of components, reducing dependence on virgin resources, and ensuring that residual waste is processed through certified recycling channels, the Company embeds circularity into its network modernization activities and reinforces a regenerative approach to infrastructure lifecycle management.



Total Waste Generated from Operations [OJK F.13] [GRI 306-3] [GRI 306-4] [GRI 306-5] [E-05]

Descriptions	Unit	2025	2024
Disposable	Ton	24.48	20.01
Recycled/Reused	Ton	73.29	77.10
Hazardous Waste*	Ton	3.04	8.67
Wet Waste	Ton	2.1	1.05
Dry Waste	Ton	18.27	1.34
Electronic Waste (Electronic Equipment, Passive Equipment, Iron and Cable)	Ton	N/A*	186.22

Note (*):
- Other than hazardous waste, 2024 figures reflect XL Axiata Legacy (pre-merger), while 2025 figures reflect XLSMART (post-merger), with Smartfren data included from April–December 2025. Figures may not be directly comparable with previous years.
- Figures of hazardous waste represent XL Axiata Legacy only.
- The appointment of a certified e-waste management vendor for e-waste generated from network dismantling activities was finalized in Q4 2025. As measurement commenced in Q4, comprehensive data collection and reporting will begin in 2026.

DOMESTIC WASTE MANAGEMENT [OJK F.14]

Domestic waste from XLSMART's daily operations primarily consists of organic waste from office activities and inorganic materials such as plastic, paper, cardboard, metal scraps, broken glass, and packaging materials. Although non-hazardous, this waste requires structured handling to maintain operational efficiency and prevent unnecessary environmental burden.

Most domestic waste is recycled through licensed third-party waste management operators, while certain fractions are repurposed into alternative fuel, compost, or animal feed, thereby reducing the amount of waste sent to landfills. All waste-handling procedures comply with the requirements of ISO 14001:2015 and ISO 45001:2018, and are routinely monitored to ensure proper segregation, recording, and disposal.

No Plastic Zone at Workplace Care

by providing reusable cutlery packs for employees

E-Waste Management

by recycling IT and Network waste through a licensed third party

Smart Digitalization

by introducing e-Business Card Solution to reduce printing of business cards

Resources Use & Efficiency [OJK F.14]

Resource efficiency is embedded into XLSMART's operational philosophy through the adoption of digital processes, environmentally responsible procurement, and the optimization of material use. The increased use of eSIM technology, the deployment of fiber-optic infrastructure in place of copper, and the prioritization of certified raw materials reflect the Company's commitment to reducing material intensity and supporting circular practices. XLSMART also promotes employee awareness by encouraging the use of reusable products, minimizing paper printing, and transitioning operational materials to recycled or eco-certified alternatives. These efforts contribute to lower resource consumption and a more sustainable operating environment.

Partner	· Utilizing COUPA as an integrated digital procurement system to reduce paper waste and support the Go Green initiative. · Providing environmentally certified raw materials, such as the use of FSC or PEFC certified paper, to support our operational needs. · Agreeing to comply with XLSMART sustainability principles at the time of registration.
Employees	· Prioritize reusable materials or products to reduce single-use paper and plastics, including plastic cups, plastic bottles, and plastic cutlery in office spaces, canteens, pantries, and meeting rooms. · Prioritize e-mail in doing correspondence with partners and corporate customers instead of printing documents, supporting cost efficiency and faster communication. · Encourage responsible waste management practices by implementing waste segregation into three categories: organic, non-organic, and plastic across office areas. · Conducted the Waste Management Race, a competition for each floors with the best waste segregation practices. The winning team received a giant trophy (*piala bergilir*) and a shared buffet snacks reward to reinforce positive behavioral change and collective accountability.
Products and Service Delivery	· Optimizing paper usage for physical vouchers, such as in 3in1 voucher. · Replacing copper cables to fibre optics that are more environmentally friendly. · Utilizing recycled materials for marketing kits. [GRI 301-2] · The launch of e-Sim card

WATER USE [OJK F.8] [GRI 303-3] [GRI 303-5] [E-04]

Beyond energy optimization, the Company manages water use to minimize environmental impact while supporting operational excellence. Although telecommunications operations are not water-intensive, XLSMART maintains oversight of its water consumption to ensure responsible use of shared natural resources. Water is primarily used in office facilities, data centers, and employee activity areas, supplied through Public Water Supply Company (PDAM) which are managed by third parties or building management.

Water Consumption

PDAM
(m^3)

2025
27,198.99

2024 7,497.46

2023 7,497.46

Note:
- 2024 and 2023 figures reflect XL Axiata legacy (pre-merger).
- 2025 figures reflect the combined full-year data of XL Axiata and Smartfren under XLSMART.
- Figures may not be directly comparable with previous years.

The significant increase in water consumption in 2025 was primarily driven by the expansion of the Company's operational footprint following the merger, including the addition of office buildings, regional facilities, and data center infrastructure. Renovation activities at the Sabang Head Office during the year also contributed to higher water usage. As operational activities expanded across these facilities, overall water consumption increased compared to the previous year.

Effluent Control and Pollution Prevention [OJK F.13] [OJK F.14] [OJK F.15][GRI 303-4] [E-04]

XLSMART's operations do not generate industrial effluents, wastewater is limited to domestic sanitation from office facilities and data centers and is managed through Wastewater Treatment Plants (WWTP) owned and operated by building management or licensed third-party operators. These systems ensure that effluent meets regulatory quality standards before discharge into water bodies or municipal channels. Throughout 2025, no spills, leakages, or effluent-related environmental incidents were reported.

XLSMART also ensures full compliance with environmental regulations through systematic monitoring of air emissions, noise levels, wastewater, effluents, and hazardous waste handling. These controls are implemented in alignment with ISO 14001:2015, ISO 45001:2018, and applicable government regulations, including Government Regulation No. 20/2012 on environmental management and pollution prevention.

Environmental monitoring covers ambient air quality, including dust and noise levels, mobile and stationary emission sources, and water quality around operational sites. These procedures enable the Company to identify environmental risks at an early stage and implement corrective actions promptly to prevent pollution. Regular supervision also ensures that hazardous waste, wastewater, and operational by-products are managed safely and responsibly.

In addition, XLSMART contributes indirectly to pollution reduction through its digital and broadband services. By enabling remote work, digital transactions, and online learning, the Company helps reduce transportation needs, thereby lowering associated emissions for customers and the broader community.

Technology to Preserve Biodiversity [OJK F.9]

[OJK F.10] [GRI 304-1]

XLSMART ensures that all network infrastructure, including BTS towers, fiber-optic routes, and supporting facilities, is located outside protected areas and biodiversity-sensitive zones. In line with regulatory requirements, all operational sites are screened against spatial planning regulations and environmental criteria to ensure that they do not interfere with ecologically significant areas. [GRI 3-3]

The Company maintains close coordination with local authorities to ensure that any maintenance, upgrade, or site improvement activities remain compliant with environmental guidelines and do not disrupt surrounding natural ecosystems. Based on these assessments, XLSMART did not operate in conservation areas, protected forests, or other high-biodiversity zones during 2025.

In addition to regulatory compliance, XLSMART supports ecosystem sustainability through technology-enabled initiatives, namely:

Initiative	Focus Area	Environmental Contribution	Implementation Status
HydroponiX (Smart Agriculture)	Sustainable urban farming through IoT-enabled hydroponic systems	• Promotes sustainable agriculture practices • Reduces water and nutrient waste through precise monitoring • Supports food production in limited urban spaces • Provides real-time cultivation data for better decision-making	Managed by CSR beneficiaries as part of community empowerment programs
X-Maggot (Smart Waste Management)	Organic waste processing using Black Soldier Fly larvae with IoT monitoring	• Supports sustainable organic waste reduction • Diverts waste from landfills • Encourages circular waste management practices	Managed by CSR beneficiaries
PowerSense (Smart Energy)	IoT-based AC control in BTS shelter towers	• Optimizes energy consumption • Prevents electricity overuse • Supports potential energy savings and reduced environmental impact	Ongoing implementation at BTS shelter towers in the JABODETABEK region
Xinergis (Smart Building/Energy Monitoring)	IoT-based monitoring of electricity, generator, and water usage	• Enables responsible and efficient resource management • Provides data-driven insights for sustainability performance	Active across several XLSMART regional offices

Future Environmental Priorities

As XLSMART transitions from integration to acceleration, the Company is preparing a set of forward-looking environmental priorities that will guide its sustainability agenda over the next three years.

A key focus is the development of the Net Zero Roadmap, scheduled to commence in 2026 and aligned with international frameworks such as the Science Based Targets initiative (SBTi). This roadmap will define Decarbonisation pathways across network operations, data centers, supply chains, and office facilities, supported by near-term science-based targets, renewable-energy strategies, and energy-efficiency commitments across both existing and new sites. With the merged entity projected to operate between 47,000 and 49,000 sites by the end of 2026, the deployment of low-power and energy-efficient equipment will be critical to reducing operational emissions. [OJK F.12]

The Company will also scale its circular economy and e-waste management framework. XLSMART is finalizing a unified policy for hazardous and electronic waste that complies with Indonesia's environmental regulations, including B3 waste standards. This framework incorporates vendor compliance requirements, end-to-end traceability, and partnerships with certified recyclers capable of managing large-scale electronic waste nationwide. Given that the merger resulted in the largest consolidated waste stream in the Company's history, this initiative represents a core pillar of XLSMART's environmental responsibility.

Energy-transition initiatives will remain a strategic priority. XLSMART is expanding its Green BTS program and initiating preparations for Green Data Center development, with a focus on low-PUE, efficient cooling technologies, and scalable renewable-energy solutions. These initiatives will accelerate the Company's shift toward a more energy-efficient and climate-resilient network.

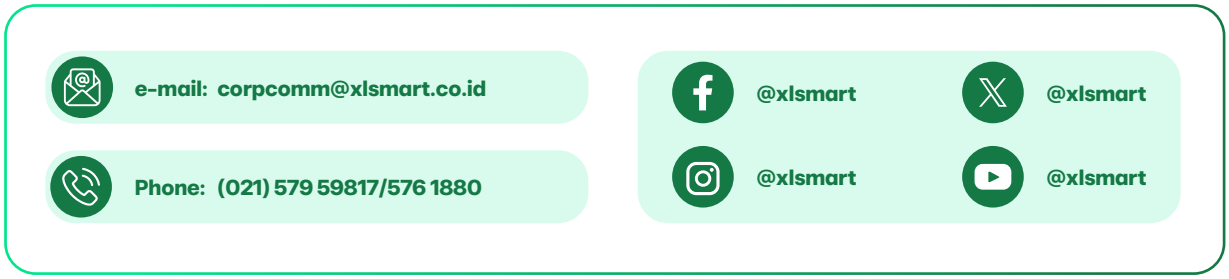
In addition, several operational components will be refined beginning in 2026, including baseline measurements for business travel emissions, employee commuting, and product life-cycle impacts. These enhancements will support a more comprehensive Scope 3 emissions assessment and inform supplier-engagement programs aimed at reducing value-chain emissions.

Environmental Compliance [OJK F.15] [OJK F.16]

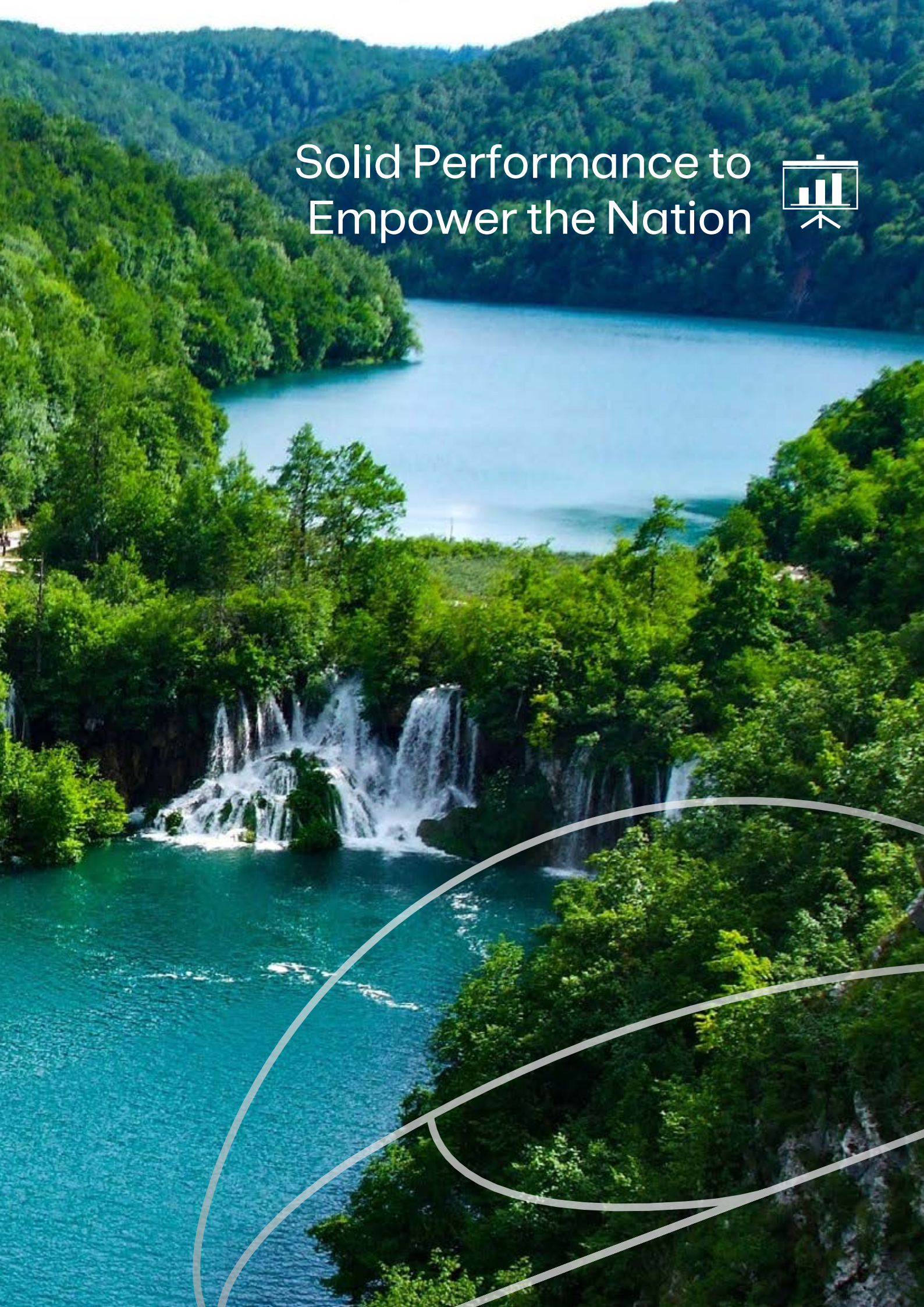
XLSMART maintains strict oversight of environmental risks across its operational footprint to ensure that activities such as network maintenance, equipment mobilization, and site operations do not cause disturbance or adverse impacts to surrounding communities. The Company's practices in energy efficiency, emission reduction, and responsible waste management contribute to minimizing potential environmental externalities.

Throughout 2025, no complaints were received from local communities regarding environmental impacts arising from XLSMART's operations. This outcome reflects the effectiveness of preventive controls and the Company's commitment to responsible operations during the post-merger integration period.

To support transparency and continuous improvement, XLSMART provides dedicated communication channels through which stakeholders may submit reports, suggestions, or complaints related to environmental matters. These channels ensure that any environmental concerns are promptly reviewed and addressed in accordance with established internal procedures.







Solid Performance to Empower the Nation

Economic Performance [GRI 201-1]

With the establishment of XLSMART as a unified entity following the merger, 2025 marks a transformative milestone in strengthening Indonesia's digital economy. The integration has significantly expanded network scale, customer reach, infrastructure assets, and operational capability, positioning XLSMART as one of the largest digital connectivity providers in the country. This year's performance showed that the integration is progressing as planned and is expected to be completed within eight quarters from Legal Day 1 (16 April 2025).

Economic sustainability remains a core priority. The Company recognises the importance of maintaining long-term economic growth and development without compromising the ability of future generations to meet their own needs. XLSMART's economic sustainability goal is to balance business expansion with responsible resource utilisation, ensuring that financial resilience is aligned with environmental stewardship and social progress. Together, these three pillars operate in harmony to create a sustainable framework that enables the Company to anticipate structural challenges such as climate change, resource scarcity, digital inequality, and evolving regulatory expectations.

As the Company advances toward its economic sustainability goals, XLSMART continues to drive innovation and adaptation across its economic activities while ensuring responsible practices remain embedded throughout operations. Continuous investments in infrastructure enhancement and nationwide network expansion remain central to this strategy. The Company is also at the forefront of implementing new technologies that generate broader economic benefits, thereby reinforcing its contribution to Indonesia's sustainable development agenda. [GRI 3-3]

Following the merger, XLSMART operates at significantly greater scale, managing 225,649 BTS in 2025 compared to 156,864 in 2024 and 160,124 in 2023. This expanded infrastructure directly supports digital inclusion, strengthens national connectivity resilience, and enhances productivity across sectors including MSMEs, education, financial services, digital entrepreneurship, and government services.

Total data traffic reached 14,566 Petabytes in 2025, increasing from 10,547 Petabytes in 2024. The growth reflects the continued acceleration of digital consumption, increasing reliance on mobile data services, and the structural shift toward digital-first economic activity in Indonesia. The enlarged customer base of 73.0 million subscribers in 2025, compared to 58.8 million in 2024, demonstrates the multiplier effect of post-merger integration in expanding market access and service delivery.

Economic Value Generated and Distributed [GRI 201-1]

Following the merger, XLSMART's expanded operational scale strengthens its capacity to generate and distribute economic value across Indonesia's digital ecosystem. The Company manages its economic performance through disciplined financial oversight, responsible capital allocation, and continuous infrastructure investment to support national connectivity expansion. Post-merger integration included harmonisation of financial systems, optimisation of procurement and capital planning processes, and alignment of investment priorities to ensure sustainable growth and operational efficiency. Economic performance is evaluated through key indicators including revenue growth, profitability, retained earnings, infrastructure expansion, and customer base development. Performance reviews are conducted regularly at executive and Board levels to ensure alignment with strategic objectives and long-term value creation. [GRI 3-3]

Through this structured approach, the Company ensures that economic growth supports shareholder returns while simultaneously strengthening employment, domestic supply chain circulation, and broader digital inclusion across Indonesia.

Financially, the Company demonstrated a solid performance throughout the year. Following the merger, the combined entity continued to deliver positive performance, supported by significant revenue growth and improved contribution from data and

digital services. XLSMART recorded revenue of Rp42.5 trillion, up 23% from Rp34.4 trillion in 2024, supported by improved contribution from data and digital services. While profitability declined due to merger-related expenses, the Company maintained normalized EBITDA growth of 13% to Rp20.1 trillion, in line with the post-merger target.

Net profit/(loss) in 2025 amounted to Rp(4,414,102) million, compared to Rp1,847,631 million in 2024. The 2025 position reflects the financial impact of merger integration, including harmonisation of accounting treatments, consolidation adjustments, and integration-related expenditures, while maintaining operational continuity and revenue stability.

Total direct economic acquisition in 2025 reached Rp41,432,011 million, compared to Rp34,343,049 million in 2024. The total economic value distributed in 2025 amounted to Rp42,924,235 million, compared to Rp33,166,342 million in 2024. The Company distributed economic value through:

- Infrastructure development and network expansion
- Employee salaries and benefits
- Interconnection and other direct operating expenses
- Sales and marketing activities
- Finance costs and capital servicing
- Tax payments to the Government
- Dividend payments to shareholders
- Community investment programmes

Retained economic value in 2025 amounted to Rp(1,492,224) million, compared to Rp1,176,707 million in 2024. This reflects the Company's continued reinvestment to strengthen network modernisation, support integration optimisation, and sustain long-term strategic development.

Below is the table of the XLSMART's total economic value acquisition and distribution:

(In Rp Million)

ECONOMIC PERFORMANCE	2025	2024	2023
ECONOMIC VALUE ACQUISITION			
Net Revenue	42,445,960	34,391,597	32,322,651
Profit (loss) exchange difference - net	8,699	(16,326)	12,977
Gain from the sale and leaseback of tower	141,227	415,641	424,062
Others	(1,055,559)	(230,290)	(80,900)
Finance income	97,860	80,256	100,096
Share of profit/(loss) from Associate Entity	(206,176)	(297,829)	(191,493)
Total Direct Economic Acquisition	41,432,011	34,343,049	32,587,393
ECONOMIC VALUE DISTRIBUTION			
Depreciation expenses	(17,585,538)	(12,074,335)	11,347,758
Infrastructure expenses	(12,327,392)	(8,942,323)	8,995,646
Sales and marketing expenses	(2,299,737)	(2,094,192)	2,454,775
Interconnection and other direct expenses	(4,909,568)	(3,284,180)	3,172,220
Salaries and employee benefits expenses	(4,286,366)	(1,736,074)	1,402,242
General and administrative expenses	(841,999)	(454,990)	413,040
Amortisation expenses	(428,521)	(216,928)	157,216
Finance cost	(4,015,661)	(3,112,802)	2,939,979
Income tax expense/(benefit)	848,669	(579,594)	420,069
Cash dividends paid	2,893,778	(635,296)	549,023
Community expenditure	28,100	35,628	20,735
Total Economic Value Distribution	42,924,235	33,166,342	31,872,703
Retained Economic Value	(1,492,224)	1,176,707	714,690

Comparison of Target and Production Performance, Portfolio, Financing Target, or Investment, Income and Profit and Loss [F.2]

The Company monitors the achievement of operational and financial targets through measurable production and performance indicators. In 2025, the first full year following the merger, operational scale expanded significantly compared to the prior year.

The number of BTS reached 225,649 units in 2025, compared to 156,864 units in 2024. The substantial increase reflects network consolidation, infrastructure integration, and optimisation of combined assets following the merger. The expanded infrastructure strengthens service reliability and nationwide coverage.

Based on the financial indicators presented in the table below, the Company recorded revenue growth of 23% in 2025, in line with its target of maintaining growth at market level. EBITDA margin reached 42%, remaining within the targeted range of low to mid 40%.

Capital expenditure in 2025 amounted to Rp11.19 trillion, slightly above the planned investment target of approximately Rp10 trillion. The higher capital allocation reflects continued investment in network integration, infrastructure expansion, and technology upgrades following the merger.

Net profit/(loss) in 2025 amounted to Rp(4,414,102) million compared to Rp1,847,631 million in 2024. The loss is primarily attributable to integration-related adjustments, consolidation costs, and other non-recurring impacts associated with the merger process.

Financial Indicators	2025 Actual	2025 Targets	2024 Actual
Revenue Growth	23%	In line with the market	6%
EBITDA Margin	42%	Low to mid 40%	52%
Capital Expenditure	Rp11.19 trillion	Approximately Rp10 trillion	Rp7.38 trillion

Comparison of Targets and Investment Realization in Environmental Preservation Projects [F.3]

In 2025, the Company allocated capital expenditure toward renewable energy integration as part of its operational infrastructure planning. This investment aligns with XLSMART's commitment to accelerating carbon neutrality through environmentally responsible and sustainable digital innovation, ensuring that network expansion is progressively supported by cleaner energy sources.

For the reporting year, the Company set a target to increase renewable energy attributes and expand solar panel installations across its network infrastructure. The realisation in 2025 included:

- Installation of 9 new solar panel sites, with 2 sites decommissioned, resulting in a net increase of 7 sites and bringing the cumulative total to 259 solar panel sites.
- Acquisition of 3,000 RECs, equivalent to 3,000 MWh of renewable energy attributes.

Year	Target	Realisation
2025	Additional renewable energy attributes and solar panel site installations	· Acquisition of 3,000 RECs equivalent to 3,000 MWh. · Installation of 9 new solar panel sites at Smartfren legacy locations, with 2 sites decommissioned, resulting in a net increase of 7 sites and bringing the total to 259 solar panel sites, compared to 252 in the previous year.
2024	Additional renewable energy attributes and 4 solar panel site installations	· Acquisition of 1,000 RECs equivalent to 1,000 MWh. · Installation of 4 solar panel sites.
2023	Addition of solar panel site installations	Installation of 46 solar panel sites.

The increase in RECs procurement reflects an intentional shift toward renewable energy sourcing within the Company's operational energy mix. RECs are internationally recognised instruments that enable a corporate user to claim the environmental benefits of electricity generated from renewable sources, even when the physical electricity consumed remains sourced from conventional electricity sources. This approach is consistent with prevailing industry practices and broader energy transition collaborations.

Solar panel installations contribute directly to reducing reliance on conventional electricity sources at selected operational sites, particularly within network infrastructure where energy reliability and efficiency are critical. The combined approach of on-site solar deployment and REC acquisition strengthens the Company's renewable energy footprint while maintaining operational stability.

Environmental capital allocation is incorporated into annual infrastructure and energy planning processes to ensure alignment between network expansion, energy efficiency improvements, and long-term decarbonisation objectives.

PROPORTION OF SENIOR MANAGEMENT FROM LOCAL COMMUNITIES [202-2]

XLSMART recognises that sustainable economic growth must be supported by meaningful participation of local communities in its workforce and leadership structure. As part of its commitment to strengthening domestic economic contribution, the Company prioritises the development and advancement of local talent across operational and managerial levels. For the purpose of this disclosure, senior management refers to top leadership positions within the Company's organisational structure. [GRI 3-3]

In 2025, XLSMART employed a total of 3,239 employees, reflecting the expanded organisational structure following the merger. The enlarged entity creates broader employment opportunities while reinforcing the Company's commitment to inclusive workforce development. Recruitment processes remain competency-based, ensuring that candidates from local communities who meet the required qualifications are provided equal opportunity to grow within the organisation.

Meanwhile, in 2025, the Company had 23 individuals serving in senior leadership positions. Of this number, 13 were Indonesian nationals, representing 56.5% of total senior leadership positions. Senior management positions occupied by employees recruited from local communities increased compared to the previous year, reflecting continued efforts to strengthen local leadership representation. This reflects the Company's continued effort to ensure that leadership representation incorporates local insight, operational familiarity, and contextual understanding of the markets in which it operates.

Workforce distribution across regions further demonstrates the Company's operational footprint. While a significant proportion of employees are based in Jabodetabek, consistent with the concentration of corporate headquarters and network management functions, the Company also maintains workforce presence in other regions to support nationwide operations. Through structured career pathways, competency development programmes, and succession planning initiatives, XLSMART aims to build sustainable leadership pipelines from within local communities. This approach ensures continuity, strengthens institutional knowledge, and supports long-term organisational resilience.

The Company's workforce composition and representation of local communities within senior management are presented in the table below:

Descriptions	2025	2024	2023
Total Employees	3,239	1,663	1,495
Local Employees*	3,214	1,648	1,480
Senior Leadership Positions (Total)	23	14	13
Senior Leadership from Local Communities	13	8	3
Local Representation in Senior Leadership (%)	56.5%	57.1%	23.1%
Female Employees	932	495	448
Female Representation in Senior Leadership	1	3	3
By Region			
Jabodetabek	2,414	1,381	1,267
Outside Jabodetabek	825	282	228

*Local Employees refer to Indonesian nationals employed by the Company (non-expatriates)

Market Presence Expansion and Indirect Economic Impact [GRI 203-2]

Beyond direct economic value generated, XLSMART contributes to broader economic development through significant indirect impacts arising from its network expansion and digital connectivity services. Following the merger, XLSMART expanded its operational scale nationwide and strengthened its capacity to accelerate network investments, improve service quality, and extend coverage reach across both urban centres and underserved areas.

The integration of network assets and operational systems enhances resilience, optimises capacity utilisation, and improves overall service quality. By consolidating infrastructure and operating under a unified network framework, XLSMART strengthens Indonesia's digital backbone and improves economic accessibility for millions of users who rely on stable connectivity for daily economic activity.

The enlarged network footprint enables faster deployment of advanced technologies, including 5G rollout, while improving customer experience through more consistent service performance. As digital connectivity becomes increasingly central to commerce, financial inclusion, and service delivery, strengthened infrastructure directly supports broader participation in Indonesia's digital economy.

The downstream economic impacts include:

- Improved productivity for SMEs, supported by stronger and more consistent connectivity for daily operations, digital marketing, and online transactions.
- Increased digital financial transactions, enabled by more reliable mobile data access and platform stability.
- Expansion of the digital services ecosystem, including e-commerce, digital content, and cloud-based solutions.
- Greater employment multiplier effects across the digital value chain as network expansion stimulates demand for supporting services and local partners.

Sustainable Supply Chain [204-1]

XLSMART's success is built upon strong and collaborative relationships with its stakeholders, including business partners who share a common commitment to sustainable value creation. The Company recognises that supply chain management plays a critical role in maintaining operational continuity, service quality, and long-term value creation. Therefore, supplier governance is embedded within the Company's procurement framework and risk management processes.

The Company has established a supply chain consisting of selected and verified suppliers who contribute to the delivery of its products and services. In navigating dynamic global economic conditions, local engagement remains a strategic priority to support supply chain resilience, competitive pricing, quality assurance, and timely delivery of goods and services.

Supplier selection is conducted through transparent and structured procurement mechanisms to ensure fairness, regulatory compliance, and alignment with ethical standards. All suppliers are provided equal opportunity to participate in procurement activities under clearly defined evaluation criteria. Performance and compliance are monitored throughout the contractual relationship to manage operational, legal, and reputational risks. [GRI 3-3]

In 2025, XLSMART collaborated with 659 vendors, an increase from 537 vendors in 2024. Of this total, 602 vendors were local suppliers, representing approximately 91% of the total supplier base, compared to 484 local vendors in 2024. This demonstrates a consistent prioritisation of domestic suppliers within the Company's procurement structure.

From a contract value perspective, total procurement spending reached Rp37,513.0 billion in 2025, significantly higher than Rp15,528.8 billion in 2024, reflecting expanded operational scale following the merger. Of this amount, Rp36,730.6 billion, or more than 97% of total procurement value, was allocated to local suppliers. In comparison, Rp15,068.4 billion was distributed to local suppliers in 2024.

This substantial allocation to domestic vendors illustrates the Company's direct contribution to Indonesia's economic ecosystem, supporting local enterprises, supply chain capacity building, and regional economic participation.

The detailed composition is presented below:

Descriptions	Total Vendors			Contract Value (Rp Billion)		
	2025	2024	2023	2025	2024	2023
Local (Indonesia)	602	484	431	36,730.6	15,068.4	13,554.4
Foreign (Overseas)	57	53	48	782.2	460.4	377.4
Total	**659**	**537**	**479**	**37,513.0**	**15,528.8**	**13,931.8**

In interacting with business partners, XLSMART upholds the highest ethical standards across all procurement activities. As stipulated in the Axiata Supplier Code of Conduct ("Code"), the Company clearly communicates its expectations regarding responsible business conduct. Compliance with these standards is monitored throughout the engagement lifecycle.

Vendor selection and onboarding require suppliers to comply with applicable legal standards, fair business practices, labour protection principles, and anti-corruption requirements. All suppliers are required to confirm that:
- Child labour and forced labour are strictly prohibited.
- Workers operate in safe and lawful conditions.
- Operational permits and legal documentation are valid.
- Bribery and corruption are not tolerated.

Vendor assessments are conducted prior to engagement, and corrective actions are implemented where non-compliance or potential risks are identified. Where feasible, XLSMART prioritises regional suppliers to support local economic ecosystems and community-based participation within its supply chain network.

Financial Assistance from the Government [GRI 201-4]

Throughout 2025, XLSMART did not receive any financial assistance from the Government in any form. The Company operates independently without reliance on direct government grants, subsidies, tax relief, or other forms of financial incentives.

Taxation Policy [GRI 207-1] [GRI 207-2] [GRI 207-3] [GRI 207-4]

XLSMART recognises taxation as a fundamental component of its economic contribution to Indonesia. Through responsible tax payments, the Company supports national fiscal capacity, macroeconomic stability, and public development priorities aligned with the SDGs.

The Company manages taxation as an integral part of its financial governance framework. Tax compliance, risk management, and regulatory monitoring are embedded within corporate oversight structures to ensure alignment with prevailing laws and long-term business sustainability. The management of taxation matters is conducted through structured governance, internal control systems, and periodic evaluation mechanisms. [GRI 3-3]

XLSMART fulfils its tax obligations in accordance with prevailing Indonesian taxation laws and regulations. Where applicable, international tax provisions are utilised in compliance with regulatory frameworks. In 2025, the Company met its statutory tax obligations, including Value Added Tax (VAT), Income Tax Article 21, Income Tax Article 23, and other applicable tax requirements.

Tax governance is overseen by the Head of Tax Division under the supervision of the Finance Director (CFO), ensuring effective monitoring of taxation and non-tax state revenue obligations, including PNBP where relevant. The Company continuously strengthens internal tax competency through structured trainings and workshops to enhance employees' understanding of taxation matters. Guidance is also provided to business partners, employees, and related stakeholders regarding regulatory updates that may have tax implications for business cooperation and employment arrangements.

XLSMART adopts a conservative taxation approach, taking into account regulatory risk, business substance, and long-term sustainability considerations. For new business schemes or material transactions, cross-functional reviews are conducted, including consultation with the taxation team, to assess and analyse tax implications prior to execution.

To ensure compliance, the Company adheres to all applicable laws and maintains open communication with relevant tax authorities. The tax strategy is reviewed annually and in consideration of outcomes from tax audits conducted by the Directorate General of Taxes (DGT). Compliance is further verified through internal and external audit processes, including financial statement audits and tax examinations.

The Company maintains zero tolerance toward tax non-compliance. Stakeholders are encouraged to utilise established whistleblowing mechanisms to report any suspected violations. The Company's consolidated tax position is disclosed within the audited financial statements prepared by an independent Public Accounting Firm.

THE EFFECTS OF CLIMATE CHANGE ON ECONOMIC SUSTAINABILITY [GRI 201-2]

Climate change presents multidimensional risks affecting environmental systems, economic stability, infrastructure resilience, and community welfare. As a digital infrastructure provider operating an extensive network footprint across Indonesia, XLSMART recognises that climate-related risks may have direct and indirect implications on operational continuity, capital expenditure, and long-term asset performance.

The Company has identified both physical and transition-related climate risks within its operational landscape. Physical risks include exposure of network infrastructure, including BTS sites and supporting facilities, to extreme weather events, flooding, heat stress, and other climate-related disruptions that may affect service reliability or increase maintenance costs. Transition risks may arise from evolving regulatory requirements, carbon-related policies, shifts in energy pricing, and changing stakeholder expectations regarding decarbonisation.

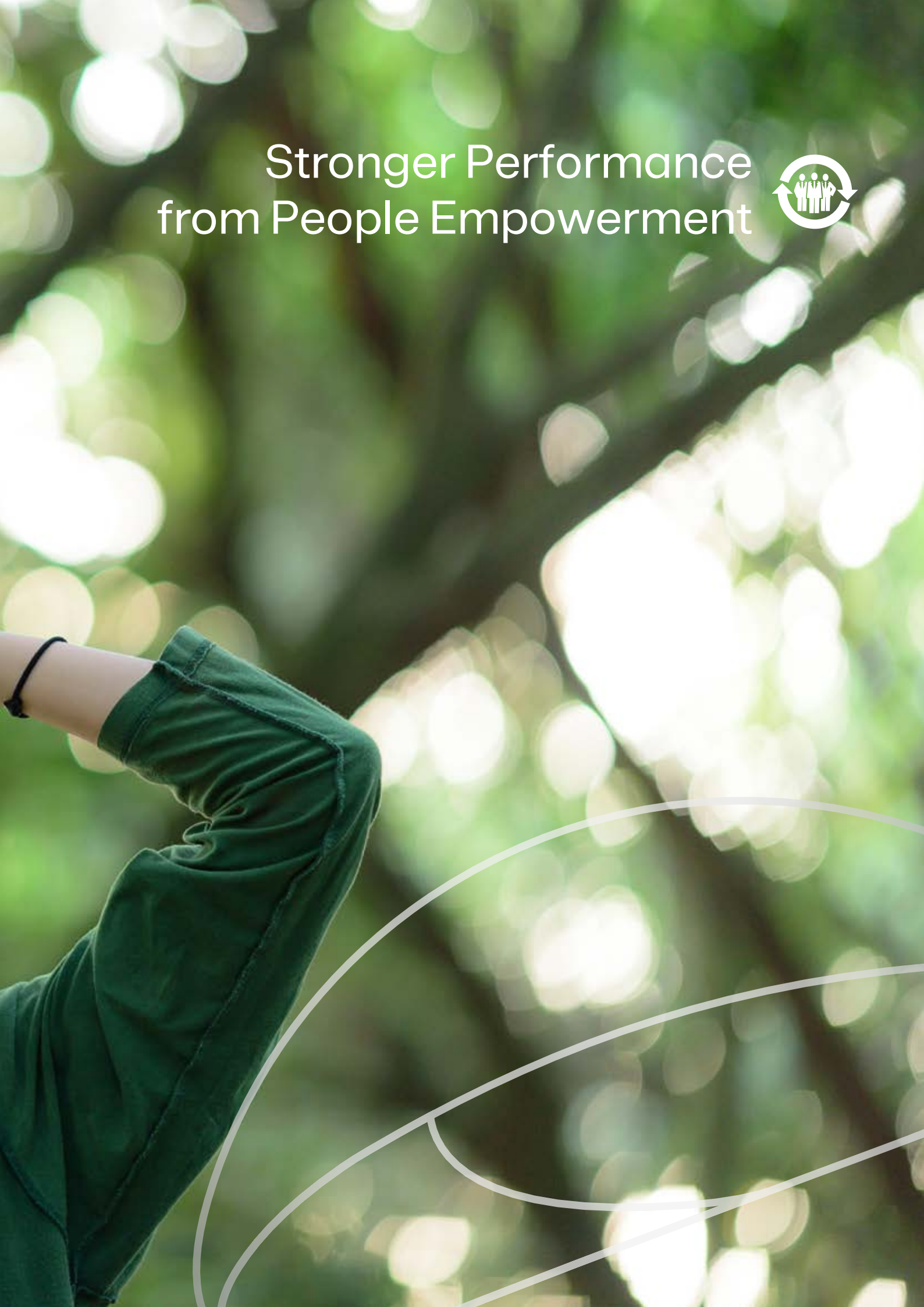
In 2025, the Company did not record material climate-related impacts that significantly disrupted business operations. However, climate risk considerations are embedded within infrastructure planning, energy management strategies, and capital allocation decisions to enhance long-term resilience. The assessment of climate-related risks and opportunities continues to be strengthened in line with evolving global sustainability disclosure practices.

To mitigate potential impacts, XLSMART remains committed to reducing greenhouse gas emissions across its operations and increasing the use of renewable energy. The expansion of solar panel installations and procurement of Renewable Energy Certificates form part of the Company's operational energy transition strategy. These initiatives reduce exposure to conventional electricity sources while supporting national decarbonisation objectives.

Beyond risk mitigation, the Company also recognises climate-related opportunities. Increasing public awareness of energy efficiency and sustainable consumption drives demand for digital solutions that enable remote working, digital transactions, smart infrastructure, and reduced physical mobility. Strengthened digital connectivity supports lower-carbon economic activity by facilitating virtual services and dematerialised transactions.

As the regulatory landscape evolves, XLSMART continues to enhance transparency and integrate climate-related considerations into strategic planning and financial decision-making processes. The Company recognises the growing importance of structured climate-related financial disclosures within global capital markets. Thus, XLSMART is progressively strengthening governance oversight, refining risk identification methodologies, and enhancing data integration capabilities to prepare for future alignment with internationally recognised sustainability reporting frameworks, including IFRS Sustainability Disclosure Standards.




Stronger Performance
from People Empowerment



EcoFusion Sustainability Week

The 2025 merger created a unified talent ecosystem that brings together diverse skills, perspectives, and professional experiences across the combined organization. This integration enables XLSMART to strengthen operational capacity, expand service excellence, and accelerate digital transformation. Our people play a central role in ensuring that the Company remains agile, innovative, and ready to meet the evolving needs of customers across Indonesia.

As the Company harmonizes systems and aligns post-merger structures, workforce management becomes a strategic enabler of long-term performance. XLSMART focuses on building a resilient and future-ready talent base through standardized job architecture, strengthened capability development, and continuous learning initiatives that equip employees to navigate the increasingly dynamic digital landscape. These pathways ensure that every individual is positioned to contribute meaningfully to the Company's goals, whether through frontline service, network operations, or enterprise solutions. Collectively, these efforts foster a strong and integrated workforce that supports the Company's operational excellence and sustained growth trajectory.

Following the 2025 integration, the Company aligned policies, decision-making structures, and workforce practices to ensure that employees operate under a consistent and equitable framework. This reflects the Company's commitment to equality and equal opportunity, ensuring that every individual has fair access to recruitment, development pathways, and career progression in line with applicable labor regulations. [F.18]

The Human Capital Committee oversees key aspects of workforce governance and organizational development. Established on 12 July 2019, the committee carries out responsibilities aligned with national labor regulations, including those amended under the Job Creation Law. It provides direction on workforce planning, capability strengthening, and employee relations while guiding the ongoing harmonization of post-merger Human Capital policies.

To support the Company's transformation agenda, the committee has introduced a digitalized Human Capital management system that streamlines employee processes and services. Integrated through the Human Capital Super App (XLSMART App), the system enables access to administrative services, learning modules, and performance information through a single platform, strengthening data-driven decision-making and improving overall employee experience.

In 2025, XLSMART was recognized as **Indonesia Best CX-EX Strategy 2025 by SWA Magazine** (14th edition) with a "Very Good" rating. This award marked as the Company's recognition in its human capital initiatives and the Company's commitment in the employee's development. With customer experience (CX) and employee experience (EX) strategy implementation to enhance customer loyalty and employee productivity. The award itself validates the Company's strategy of balancing customer satisfaction and employee engagement. This is in line with the Company's integration strategy, to focus on empowering and collaborative employees to deliver an exceptional customer experience.

Our Workforce

XLSMART's workforce now represents the combined talent pool of the three operators that merged in 2025. This integration creates a broader mix of competencies, digital capabilities, and operational experience that supports the Company's transformation across mobile, home broadband, and enterprise services.

Workforce planning during the first year of integration focuses on ensuring that talent availability aligns with network consolidation, digitalization priorities, and strengthened customer experience initiatives. The merged workforce enables greater operational scale and provides flexibility for future business needs.

Recruitment Approach and New Hires [GRI 401-1]

In 2025, the recruitment process aligned with the Company's post-merger strategic priorities. XLSMART focused on filling roles that were newly created or refined as part of the new organizational structure. The recruitment approach is outlined as follows:

1. Recruitment process with merit based selection, inclusivity and equal opportunity helped by digital recruitment tools and platforms utilized to improve efficiency, broaden talent reach, and enhance candidate experience.
2. Bringing in specialized skills particularly in digital technology, data analytics, network optimization, cybersecurity, and enterprise solutions.
3. Bringing in a deep pool of talents that enables the internal employees to explore cross-functional roles through a comprehensive and transparent selection process.
4. Prioritizing the harmonization of recruitment and talent management systems to align process, standards and experiences while also supporting sustainable career development for all employees.
5. Ensuring the people roles to achieve high performance, adaptive, and aligned with the Company's business needs.

Throughout the year, 137 new employees joined XLSMART. A comparison of new hires over the last two years is presented below:

Employee Recruitment by Age and Region [S-02]

Description	2025		2024		2023	
	Male	Female	Male	Female	Male	Female
Employees by Age						
<25 years old	1	3	5	3	2	5
25-30 years old	20	12	17	11	34	23
30-35 years old	38	19	41	10	39	17
35-40 years old	18	6	28	9	20	4
40-45 years old	9	1	19	2	9	5
45-50 years old	6	1	2	2	7	-
>50 years old	3	0	2	1	1	-
Total	**95**	**42**	**114**	**38**	**112**	**54**
Based on Regions						
Head Office	46	31	74	33	73	46
Region-West	10	1	18	1	4	-
Region-Jabo	10	1	0	0	7	3
Region-Central	9	4	13	2	10	1
Region-East	12	3	5	1	8	-
Kalimantan Area	3	1	2	0	6	3
Sulawesi Area	5	1	2	1	4	1
Region-North	-	-	-	-	-	-
Total	**95**	**42**	**114**	**38**	**112**	**54**

Employee Turnover [F.21] [GRI 401-1] [S-03]

The first year of integration also brought natural employee movement as structures, roles, and responsibilities were refined. Redeployment, role adjustments, and voluntary departures formed part of the transition phase as the organization consolidated functions and aligned operating models.

In 2025, a total of 233 employees left the Company. The turnover rate reached 7.2%, reflecting early-stage adjustments that typically occur after a large-scale merger. As role clarity improved and teams operated under more consistent processes, workforce stability also strengthened. The comparison of turnover between 2025 and 2024 is presented below:

Employee Turnover	2025			2024			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Incoming employees (recruitment)	95	42	137	114	38	152	112	54	166

Outgoing Employees

Outgoing Employees	2025			2024			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Natural retirement	4	0	4	2	4	6	49	14	63
Passed Away	0	0	0	3	0	3	2	0	2
Resigned**	115	76	191	47	17	64	45	29	74
Dismissed For Misconduct	11	4	15	6	3	9	6	0	6
Expired Contract	17	6	23	9	4	13	17	6	23
Total	**147**	**86**	**233**	**67**	**28**	**95**	**17**	**6**	**23**
Head Office	**114**	**77**	**191**	**67**	**28**	**95**	**119**	**49**	**168**
Percentage	**48.9%**	**33.0%**	**82.0%**	**6.0%**	**5.8%**	**6.0%**	**11.4%**	**10.9%**	**11.2%**

**Reasons for Resignation

Outgoing Employees	2025			2024			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
At Own Request	119	76	195	42	17	59	45	29	74
Not at Own Request	28	10	38	22	11	33	74	20	94

Total Employee Turnover Rate [S-03]

Descriptions	Total in 2025	% in 2025
Total resigned/terminated employees	233	7.2
Total new/replacement employees	137	4.2

Total Permanent Employees [S-04]

Descriptions	Total in 2025	% in 2025
Total employees managed by Contractors and/or Consultants	717	22.14

Employee Demographics [C.3] [GRI 2-7] [GRI 405-1]

Employee diversity remains an important foundation for building an inclusive and collaborative organization. As XLSMART brings together employees from different backgrounds and legacy entities, the Company ensures equal opportunities and a consistent employee experience across all groups. [GRI 3-3]

The workforce composition in 2025 highlights the expansion of key directorates, particularly Commercial-Consumer, Technology, Finance, and Enterprise & Strategic Relationship, alongside the establishment of new functions such as Regulatory and the Integration Office. This distribution demonstrates the Company's post-integration organizational scaling and its deliberate effort to align workforce capacity with evolving business priorities.

Employee Demographics by Directorate

Description	2025	2024
CEO'S Office	144	98
People	99	98
Finance	308	173
Strategy & Home Business	210	164
Commercial-Consumer	1,242	540
Technology	415	207
Information Technology	354	308
Enterprise & Strategic Relationship	285	173
Regulatory	61	
Integration Office	121	
Grand Total	**3,239**	**1,663**

The diversity profile is further detailed in the following tables:

Employee Composition by Age and Gender

Proportions	2025	2024	2023
Board of Commissioners and Board of Directors			
By Age			
<25 years old	-	-	-
25-30 years old	-	-	-
30-35 years old	-	-	-
35-40 years old	-	-	-
40-45 years old	3	-	-
45-50 years old	3	2	4
>50 years old	17	12	9
By Gender			
Male	22	11	10
Female	1	3	3

Proportions	2025	2024	2023
Employees			
By Age			
<25 years old	69	20	8
25-30 years old	297	138	156
30-35 years old	568	359	353
35-40 years old	682	363	343
40-45 years old	724	377	351
45-50 years old	594	282	231
>50 years old	305	124	109
By Gender			
Male	2,307	1,168	1,047
Female	932	495	448

Employee Composition by Operational Area and Gender

Operational Area	2025			2024			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Head Office	1,529	714	2,243	871	446	1,317	812	408	1,220
Region-West	166	43	209	63	9	72	45	8	53
Region-Jabo	124	34	158	49	15	64	36	11	47
Region-Central	218	71	289	73	13	86	53	9	62
Region-East	182	48	230	72	8	80	62	6	68
Kalimantan Area	37	5	42	33	3	25	21	4	25
Sulawesi Area	51	17	68	18	1	19	18	2	20
Region-North	-	-	-	-	-	-	-	-	-
Total	**2,307**	**932**	**3,239**	**1,168**	**495**	**1,663**	**1,047**	**448**	**1,495**

Employee Composition by Operational Area and Employment Status

Operational Area	2025			2024			2023		
	Permanent	Contract	Total	Permanent	Contract	Total	Permanent	Contract	Total
Head Office	1,918	325	2,243	1,197	120	1,317	1,113	107	1,220
Region-West	131	78	209	39	33	72	33	20	53
Region-Jabo	100	58	158	38	26	64	18	29	47
Region-Central	169	120	289	41	45	86	28	34	62
Region-East	142	88	230	48	32	80	36	32	68
Kalimantan Area	20	22	42	6	19	25	5	20	25
Sulawesi Area	42	26	68	8	11	19	9	11	20
Region-North	-	-	-	-	-	-	-	-	-
Total	**2,522**	**717**	**3,239**	**1,377**	**286**	**1,663**	**1,242**	**253**	**1,495**

Employee Composition by Employment Status and Gender

Description	2025			2024			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
Permanent	1,778	744	2,522	931	446	1,377	843	399	1,242
Contract	529	188	717	237	49	286	204	49	253
Temporary	2,199	3,108	5,307	319	600	919	-	-	-
Honorary	-	-	-	-	-	-	-	-	-
Total	**4,506**	**4,040**	**8,546**	**1,186**	**495**	**1,663**	**1,047**	**448**	**1,495**

Gender Equality [S-01]

Job Level	Male		Female	
	Total Employees	(%)	Total Employees	(%)
Entry Level (Staff /Individual Contributor)	1,973	85.52%	828	88.88%
Mid-Level (Head + Group Head)	312	13.53%	103	11.05%
Senior Level (Chief + Director)	21	0.91%	1	0.11%
Executive Level (President Director)	1	0.04%	0	0.00%
Total Employees	**2,307**	**100%**	**932**	**100%**

Number of Employees by Job Level, Age Group, and Gender [S-02]

Age Group (Years)	Entry Level		Mid-Level		Senior Level		Executive Level		Total Employees
	Male	Female	Male	Female	Male	Female	Male	Female	
18-24	0	0	17	19	3	5	0	0	44
25-34	0	0	318	221	191	107	0	0	837
35-44	0	0	475	156	565	188	3	0	1,387
45-55	0	0	194	87	502	140	12	1	936
Above 55	0	0	0	1	20	7	7	0	35
Total	**0**	**0**	**1,004**	**484**	**1,281**	**447**	**22**	**1**	**3,239**

Number of Temporary Employees [S-04]

Descriptions	Total in 2025	% in 2025
Total employees managed by Contractors and/or Consultants	5,307	62.1

Employee Composition by Job Title and Gender

Job Level	2025			2024			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
President Director	1	-	1	-	1	1	-	1	1
Director	8	1	9	5	1	6			
Chief	13	-	13	8	-	8	4	1	5
Group Head	59	18	77	33	16	49	7	0	7
Head	253	85	338	132	47	179	34	15	49
Lead	-	-	-	14	7	21	126	47	173
Staff/Individual Contributor	1,973	828	2,801	976	423	1,399	876	384	1,260
Total	**2,307**	**932**	**3,239**	**1,168**	**495**	**1,663**	**1,047**	**448**	**1,495**

Composition of Employees by Age and Gender

Age Group	2025			2024			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
<25 years old	36	33	69	7	13	20	3	6	9
25-30 years old	159	138	297	81	57	138	87	59	146
30-35 years old	372	196	568	244	115	359	232	112	344
35-40 years old	494	188	682	262	101	363	235	94	329
40-45 years old	568	156	724	279	98	377	256	87	343
45-50 years old	454	140	594	207	75	282	172	58	230
>50 years old	224	81	305	88	36	124	62	32	94
Total	**2,307**	**932**	**3,239**	**1,168**	**495**	**1,663**	**1,047**	**448**	**1,495**

Composition of Employees by Education and Gender

Education Level	2025			2024			2023		
	Male	Female	Total	Male	Female	Total	Male	Female	Total
S2/S3	201	72	273	143	57	200	59	29	88
S1	1,878	772	2,650	959	409	1,368	855	367	1,222
Diploma	216	76	292	66	29	95	133	52	185
High School Equivalent	12	12	24	0	0	0	0	0	0
Total	**2,307**	**932**	**3,239**	**1,168**	**495**	**1,663**	**1,047**	**448**	**1,495**

Interns [2-8]

Information	2025		2024		2023	
	Male	Female	Male	Female	Male	Female
Intern Count	63	79	60	52	167	179
Based on Internship Location						
Head Office	58	69	52	42	159	160
Region-West	1	2	7	4	3	2
Region-Jabo	-	2	-	3	2	1
Region-Central	1	-	-	-	-	4
Region-East	3	5	-	-	3	12
Kalimantan Area	-	1	1	3	-	-
Sulawesi Area	-	-	-	-	-	-
Region-North	-	-	-	-	-	-

Employment Practices

Non-Discrimination

XLSMART upholds a non-discrimination principle across all stages of employment. This commitment applies to recruitment, job placement, development opportunities, performance assessment, promotion, remuneration, and termination. All employment decisions are based on competence, performance, and organizational requirements, without reference to gender, age, ethnicity, religion, physical condition, or political views. During the 2025 reporting period, the Company recorded no incidents of discrimination. [F.18] [GRI 3-3][GRI 406-1]

Child Labour and Forced Labour [F.19] [GRI 408-1] [GRI 409-1]

XLSMART acknowledges that risks related to human rights violations, including child labour and forced labour, may arise in any work environment if not managed effectively. To mitigate these risks, the company maintains a comprehensive human capital management framework governing fair treatment, safe working conditions, and compliance with labour regulations across all operational areas. [GRI 3-3]

The company strictly prohibits child labour and forced labour in all forms. Recruitment policies require all candidates to meet the minimum legal working age and to submit verifiable educational documents to confirm eligibility. Working-hour arrangements follow article 77 of law no. 13 Of 2003 concerning manpower, which stipulates a maximum of 8 working hours per day and 40 working hours per week under a five-day work arrangement. Employees who work additional hours receive overtime compensation in accordance with internal provisions and applicable regulations.

This policy extends to subsidiaries, business partners, and vendors, all of whom are required to comply with indonesian labour laws and internationally recognized human rights principles. XLSMART's commitment aligns with:

- Law no. 20 Of 1999-ratification of ILO convention no. 138 Concerning minimum age for admission to employment.
- Law no. 1 Of 2000-ratification of ILO convention no. 182 Concerning the elimination of the worst forms of child labour.
- Law no. 19 Of 1999-ratification of ILO convention no. 105 Concerning the abolition of forced labour.

These references guide the company in ensuring that work arrangements, job assignments, and contractual terms do not create conditions that may constitute forced labour.

Throughout the 2025 reporting period, the company recorded no incidents of child labour or forced labour, and human-rights violations related to these issues were identified across its operations. This reflects the effective implementation of company policies and its ongoing commitment to protecting employee rights.

Collective Bargaining Agreements [GRI 2-30]

XLSMART maintains a constructive relationship with employee representatives and ensures that labour rights remain protected throughout the post-merger transition. All employees are covered by a collective labour agreement (CLA) developed jointly with the labour union, which serves as a binding reference for managing employment matters, including working conditions, grievance mechanisms, remuneration, benefits, and dispute resolution.

Following the 2025 merger, the company initiated the process of harmonizing employment provisions from the legacy entities into a single unified cla framework. During this transition, the existing cla remains fully in effect and continues to apply to 100 percent of employees. Any policy updates or workforce changes are discussed with the labour union in accordance with labour regulations and established consultation mechanisms.

This approach ensures that employees retain clear protection of their rights and that all employment-related decisions remain aligned with mutually agreed principles between the company and the labour union.

Description	2025
Total employees covered by CLA	100% employees
Legacy source of CLA	XL Axiata CLA (effective and applicable during transition period)
Coverage for Smartfren employees post-merger	Covered under unified employment policies during the harmonization period
Key areas governed by CLA	Working conditions, benefits, grievance procedures, dispute resolution, and termination provisions
Consultation mechanism	Regular meetings between Company and the Labour Union; reviews aligned with national labour regulations
Harmonization progress	In progress; unified CLA framework planned for phased implementation



Base Transceiver Station - BTS, Jawa Timur

Employee Wellbeing within an Equal and Inclusive Entity

Remuneration and Employee Welfare [GRI 202-1] [GRI 405-2] [GRI 401-2]

XLSMART ensures that all employees receive fair and competitive remuneration that reflects their role, performance, and contribution to the organization. The Company's remuneration framework complies with the Manpower Law, the Job Creation Law, and Government Regulation No. 36 of 2021 on Wage Policy. Harmonization of remuneration structures across the merged entities is carried out gradually to ensure consistency, internal equity, and alignment with industry benchmarks. In determining wages, XLSMART considers living cost, inflation trends, business locations, and the Company's financial capacity. The wage structure does not differentiate based on gender. This approach reflects the Company's commitment to equal remuneration in accordance with ILO Convention No. 100 on Equal Pay for Work of Equal Value. [GRI 3-3]

Regional Minimum Wage [F.20]

The Company maintains full compliance with applicable minimum wage regulations across all operational areas. In 2025, the Company's wage structure reached an average of 101 percent of the regional minimum wage standard.

Region	Minimum Wage	The Lowest Salary at XLSMART	Ratio Comparison to UMP
Region-West	Rp4,014,072	Rp5,700,000	1.42
Region-Jabo	Rp5,396,760	Rp5,700,000	1.06
Region-Central	Rp3,454,827	Rp5,700,000	1.65
Region-East	Rp4,961,753	Rp5,700,000	1.15
Kalimantan Area	Rp3,599,181	Rp5,700,000	1.58
Sulawesi Area	Rp3,880,137	Rp5,700,000	1.47

In addition to base salary, employees receive a comprehensive range of benefits tailored to their employment status and job level. The benefits include allowances, leave entitlements, insurance coverage, and other welfare programs designed to support employee wellbeing, as follows: [GRI 401-2]

Remuneration/Facility Type	2025	
	Permanent Employees	Non-Permanent Employees
Basic Salary	√	√
Long-term incentives in the form of cash or stocks	√	√
Allowances		
Holiday Allowance	√	√
Income Tax Allowance	√	√
Leave allowance	√	√
Transportation allowance	√	√
Communication allowance	√	√
Education allowance	√	√
Leave		
Annual Leave	√	√
Maternity Leave	√	√
Menstrual Leave	√	√
Leave for the Purpose of Worship	√	√
Progressive Leave	√	√
Others		
Healthcare	√	√
Life insurance	√	√

To boost employee productivity, XLSMART also formulates a range of rewards delivered in the form of:

- My Flexpro, a flexible non-cash employee development program (covering Medical Plan Benefits, the Let's Learn Program, and Annual Leave) that supports health benefits, education, wellness, additional leave purchases, and pension programs;
- Tuition Fee support;
- Opportunities to participate in Individual Development programs;
- Employee travel programs as recognition for performance and target achievement; and
- Token Appreciation, a non-cash reward granted to employees who have demonstrated strong engagement and significant contributions to the company's strategic initiatives.

With a spirit to become "Best Place to Work" the Company implemented work environment that supported by health screening programs, mental health support and collaborative platforms and activities that engaged in the XLSMART Employee Club. The Company also support Uncommon Day Program where the leaders are encouraged to engage with their teams during working hours through positive activities that strengthen togetherness and engagement, such as environmental care initiatives, group movie sessions, collective CSR activities, and other team-building initiatives. We also conduct Pulse Check Surveys to monitor employee conditions and perceptions, enabling timely corrective actions when necessary. In addition, we provide various supporting facilities such as EV charging stations, inter-office shuttle bus services, and a prayer facility.

Maternity Leave [401-3]

The Company grants maternity leave in accordance with national labour regulations and ensures that employees who take maternity leave have the right to return to their roles without penalty. The following table presents maternity leave data for 2025 compared to the previous two years:

Description	2025		2024		2023	
	Male	Female	Male	Female	Male	Female
Number of employees eligible for maternity leave	1,989	536	1,019	324	917	296
Number of employees taking maternity leave	40	23	10	15	59	25
Number of employees returning to work	37	19	10	15	53	24
Total number of employees returning to work after maternity leave ends, who are still employed 12 months after returning to work	37	19	10	15	53	24
The rate of employees taking maternity leave who return to work and can be maintained	92.50%	82.61%	100,00%	100,00%	89,83%	96,00%

In 2025, 63 employees took maternity leave and 56 returned to work, representing a return to work rate of 88.89 %. After twelve months, 56 of them continued their careers with XLSMART, demonstrating a retention rate of 100.00% and reflecting a workplace environment that enables employees to return and continue their careers confidently.

Employee Training and Development [F.22] [GRI 404-1, 404-2] [ACGS C.6.2]

Capability development plays a central role in preparing employees for the Company's digital transformation and expanded operational scale. Training programs are designed to strengthen technical, leadership, and digital competencies, ensuring that employees can adapt to evolving business needs. [GRI 3-3]

In 2025, XLSMART's learning framework focuses on key strategic capabilities as follows:

1. Digital and system operational excellence;
2. Collaborative and adaptive leadership;
3. Governance and anti-bribery compliance;
4. Customer-centric transformation;
5. 5G and connectivity-driven business enablement;
6. AI and data literacy;
7. Digital trend foresight;
8. Continuous learning culture through digital platforms.

Based on the aforementioned key capabilities, the Company has carried out the following training and development programs:

Training Title	Date	Participants
Socialization: ABAC & GDS Operational and VITAL System Hands-on (Batch 7)	5 May 2025	320
Socialization ABAC & GDS Operational and VITAL System Hands-on (Batch 8)	5 May 2025	293
Working as One: Leading Teams & Collaboration for Success	17 June 2025	248
Awareness & Socialization ISO 370001:2016 Anti Bribery Management System	18 June 2025	180
From Customer Perspective to Leadership Action in Times of Change	15 September 2025	259
5G to Business: Transforming Industries and Revolutionizing Connectivity	22 September 2025	515
AI for Everyone Seminar: Exploring of AI	24 September 2025	576
Podcast: Future Digital Trend	30 September 2025	616
Online Learning though XLEARN & LinkedIn Learning	1 January - 21 December 2025	991

[S-05]

Average Training Hours per Employee in 2025	Total Employees Participating in Training and Development	Percentage of Employees Participating in Training and Development
45.2	3,222	99%

XLSMART also encourages employees to elevate their skills. With a program called "Gear Up", the Company allocates adequate resources to covering the leadership development, technical skills training, soft skills training and internalization of work culture. The Company also encourages employees to become self-driven learners by providing eLearning platforms to strengthen a learning environment for all levels of organization. The Gear Up program itself delivered through a combination of in class training, live online sessions, and self-paced learning. In 2025, the program has reached more than 20,000 training participants, with 40 programs across 192 training batched and achieving satisfaction score of 4.6 out of 5. Another initiative that successfully encourages the employees were the sharing program from one chief to other division that help the employees to recognise the Company process as a whole entity.

In terms of digital transformation, employees were equipped with relevant competencies in areas such as data analytics, artificial intelligence, digital platforms, network technology, and agile ways of working, ensuring alignment with the Company's evolving business and operational needs. Various work processes helped with the utilization of AI through a chatbot, to give an easy access to information on HR-related policies and practices. In addition, employee data management based on analytics has been implemented, enabling faster and more accurate decision making. Meanwhile, the Company also provides a digital application called XLSMART Super App to facilitate employees and continue to expand the implementation of digital solutions to build an end-to-end digital HR ecosystem in support of the Company's organizational performance and long-term growth.

To ensure that training and development programs remain effective and aligned with business priorities, XLSMART allocates a dedicated budget for employee development each year. The allocation is determined based on capability needs, strategic focus areas, and the Company's financial capacity.

In 2025, total training and development expenses reached Rp16,195,525,115, compared to Rp7,449,117,233 in 2024. These investments reflect the Company's continued commitment to strengthening employee competencies, supporting digital transformation, and preparing the workforce for post-merger operational needs.



Training Fee

2025

Rp16,195,525,115

2024 Rp7,449,117,233 2023 Rp8,314,806,611

Employee Performance Assessment [404-3]

XLSMART evaluates employee performance to measure individual contributions to business objectives and ensure alignment with the Company's strategic priorities. The assessment process is conducted objectively and transparently, based on Key Performance Indicators (KPIs) that are agreed upon at the beginning of each year.

The Company's KPI framework is cascaded from the CEO to each Directorate and then translated into individual KPIs. This cascading process ensures consistency across levels and strengthens the link between employee goals and organizational targets.

Performance assessments are conducted twice a year, covering mid-year and year-end reviews. This approach allows the Company to monitor progress, identify development needs, and address performance gaps before they affect year-end results.

n 2025, all of the Company's employees participated in various training programs throughout the reporting period, as part of the Company's commitment to enhancing their competencies and supporting the achievement of the Company's objectives. The detailed results of the 2025 performance assessments are presented in the following table:

Employee Level	Number of Employees Assessed		
	Male	Female	Total
2025			
Chief	11	0	11
Group Head	59	18	77
Head	255	85	340
Staff/Individual Contributor	1,978	831	2,809
Total	**2,303**	**934**	**3,237**

In 2025, the performance assessment process also entered a transition phase as XLSMART harmonized KPI structures, scoring mechanisms, and evaluation cycles across the merged organization. This integration ensures that employees from different legacy entities are assessed under a consistent, transparent, and equitable framework.

Occupational Health and Safety

[F.21] [GRI 403-1]

XLSMART remains committed to maintaining a safe, healthy, and sustainable working environment for all employees across its integrated operations. As the Company enters its first year as a merged organization, the harmonization of Occupational Health and Safety (OHS) practices forms a critical foundation for ensuring operational continuity, employee wellbeing, and a culture of shared responsibility throughout the new organizational structure.

The Company implements a comprehensive Health, Safety, and Environment Management System (HSEMS) that adheres to Government Regulation No. 50 of 2012 on Occupational Safety and Health Management System, ISO 45001:2018 on Occupational Health and Safety Management System, and ISO 14001:2015 on Environmental Management System. These standards guide XLSMART in strengthening OHS governance and ensuring that all employees, regardless of their legacy entity, operate under consistent and reliable safety protocols. [GRI 3-3]

The implementation of HSEMS aims to:
1. Improve the effictiveness of planned, measurable, and integrated occupational health and safety programs.
2. Engage management, workers, and/or trade unions/ trade in preventing and reducing occupational accidents and illnesses.
3. Establish a safe, comfortable, environmentally responsible, and productive workplace that supports improved performance.

Legal References

To ensure accuracy and regulatory alignment, XLSMART refers to the following laws and regulations when implementing its Occupational Health and Safety Management System:
1. Law No. 1 of 1970 on Occupational Safety.
2. Law No. 13 of 2003 concerning Manpower.
3. Law No. 11 of 2020 on Job Creation has been updated with Law No. 6 of 2023 on the Ratification of Government Regulation in Lieu of Law No. 2 of 2022 on Job Creation into Law.
4. Government Regulation of the Republic of Indonesia No. 50 of 2012 on the Implementation of Occupational Health and Safety Management System (HSEMS).
5. Presidential Decree No. 22 of 1993 concerning Diseases Arising from Employment Relations.
6. Occupational Health, Safety and Environment Policy (HSE) of XL Axiata.
7. HSEMS Policy Manual of XL Axiata.

HSE Management Structure [GRI 403-8]

XLSMART continues to adopt the HSE policy that was signed by XL Axiata's CEO, Dian Siswarini, on 11 February 2022. The policy reflects the Company's commitment to ensuring an efficient, healthy, secure, and eco-friendly workplace for employees, partners, and customers. Although the organization has transitioned into an integrated entity following the 2025 merger, the principles outlined in this policy remain relevant and continue to guide the XLSMART's HSE practices. The Company also implements ongoing enhancements to ensure alignment with evolving business needs, regulatory developments, and industry standards.

The Company's commitment to implementing HSE across all operations is supported collectively by employees from both legacy organizations. To ensure effective and consistent implementation, XLSMART has designated the Facility Compliance and HSE Assurance Unit, under the Facility Operations and HSE Department, to lead, coordinate, and supervise the execution of the HSE Management System. This unit plays a central role in ensuring regulatory compliance, monitoring operational risks, and maintaining robust internal controls across the integrated business.

The Facility Compliance and HSE Assurance Unit is responsible for:
- Serving as Enterprise Business Partner
- Conducting Hazard Identification and Risk Control (IBPR)
- Identifying Environmental Aspects and Impacts (IADL)
- Conducting compliance assessments for HSE-related laws and regulations
- Setting goals, objectives and programs for Occupational Health, Safety, and Environment (HSE)
- Preparing and maintaining HSE documentation (policies, procedures, work instructions, standards, and forms)
- Implementing the Contractor Safety Management System (CSMS)

- Organizing monthly HSE Meetings
- Conducting HSE competency training
- Monitoring and Measuring HSE Performance
- Conducting HSE Inspections
- Conducting HSE Audits; internal audits (at least once a year), second-party audits (vendors and partners, at least once a year), and external audits (third-party, at least once every three years)
- Holding HSE Management Review Meetings at least once a year
- Implementing corrective and improvement actions.

The organizational structure of the Facility Operation & HSE-Facility Compliance and HSE Assurance Department is illustrated in the following chart:



In addition to its HSE policy, XLSMART enforces internal regulations that specifically address sexual harassment and other prohibited conduct. As outlined in Article 51, the regulation defines actions that may result in termination of employment, including:

- Engaging in immoral acts or unlawful activities such as gambling within Company premises.
- Attacking, molesting, threatening, or intimidating co-workers or other individuals within the Company's work environment (point g).

Occupational Health and Safety Advisory Committee (P2K3) [GRI 403-4] [GRI 403-8]

To strengthen the implementation of Occupational Health and Safety across the Company, XLSMART has established the Occupational Health and Safety Advisory Committee (P2K3). The Committee functions as a joint forum for management and employees to oversee HSE aspects, maintain consistent communication, and ensure active participation in the Company's HSE programs. In 2025, P2K3 officially held a Kick-Off Meeting marking the commencement of its new management term for the 2025–2028 period, reinforcing the Company's collective commitment to fostering a stronger and more sustainable XLSMART HSE Culture. Chaired by the Director & Chief Regulatory Officer, P2K3 serves as a key communication forum between management and employees.

The establishment of P2K3 is formally regulated under the Decree of the DKI Jakarta Provincial Manpower, Transmigration and Energy Office No. 2866 of 2022 dated 20 December 2022, and reinforced through the Directors' Decree dated 15 November 2023 regarding the Formation of the P2K3 Team. P2K3 represents employees across the organization and ensures that HSE governance aligns with applicable regulations and companywide standards.

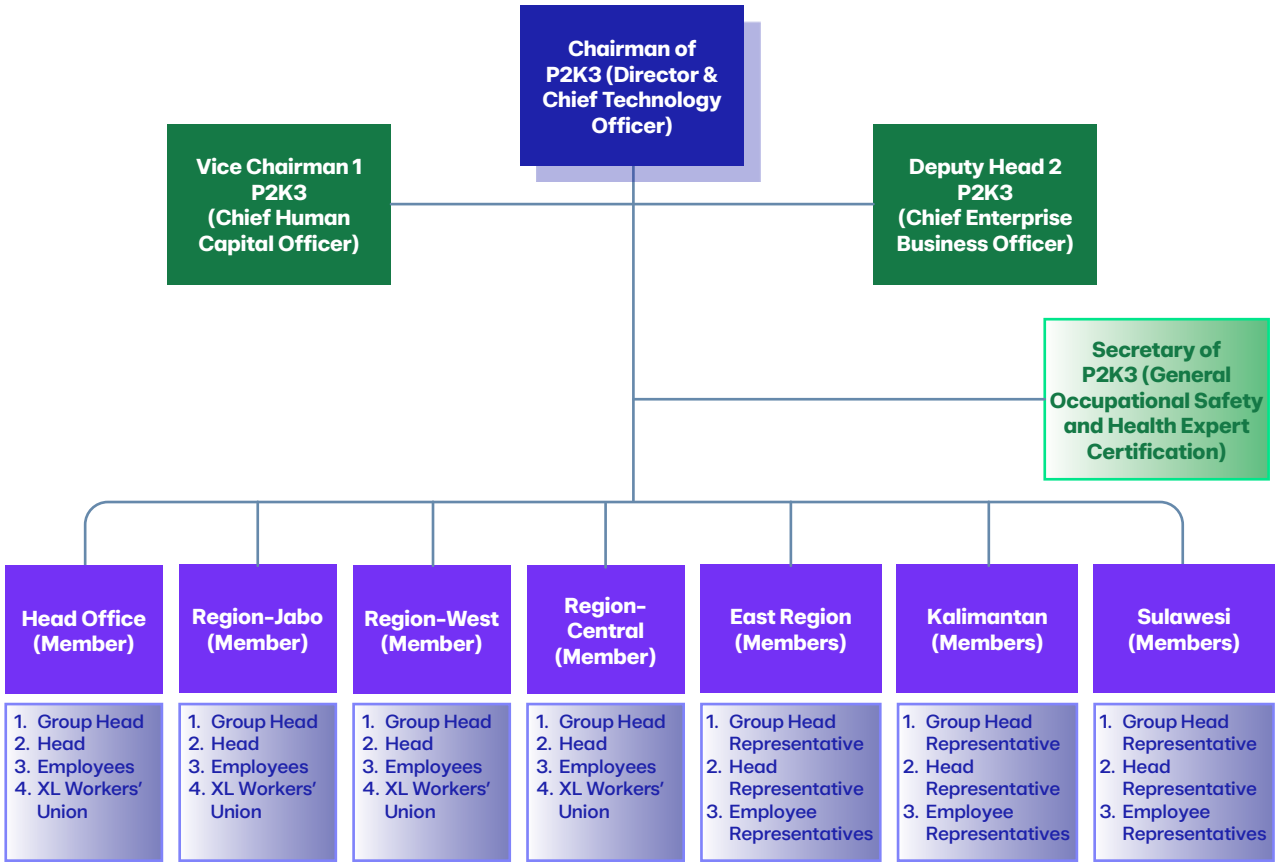
To support its duties, the Company has appointed the following leaders and members to the P2K3 structure:

- Chairman of P2K3: Merza Fachys (Director & Chief Regulatory Officer)
- Vice Chairman 1 P2K3: Marco Sumampouw (Chief IR, GA, BFM Officer)
- Secretary of P2K3: Mery Pangloli (Facility Planning & Development)

Members:

- Group Head
- Head
- Employees
- XLSMART Workers' Union

P2K3 ORGANIZATIONAL STRUCTURE



P2K3 is tasked with the following duties:

1. Building an HSE-conscious culture;
2. Providing safety performance reports every quarter to the Manpower Office;
3. Socializing HSE to employees through the Chairman of P2K3 (Director & Chief Technology Officer) and members representing Region-Jabo, Head Office, Region-West, and Region-Central;
4. Implementing various HSE-related trainings;
5. Ensuring HSE programs are effectively implemented and their performance;
6. Develop risk-control measures against HSE hazards in the work environment;
7. Organizing management reviews held once a year.

P2K3's Duty Implementation in 2025

As part of its duties and responsibilities, P2K3 carried out a number of activities in 2025, including:

1. Provision of a safe, healthy, and environmentally friendly workplace to prevent work accidents, occupational diseases, and environmental issues.
2. Risk assessment as the basis for decision-making, planning, and implementation of the Occupational Health and Safety (OHS) management system.
3. Compliance with applicable laws and regulations as well as other requirements related to Occupational Health, Safety, and Environment (HSE).
4. Improvement of the effectiveness of the HSE management system by strengthening communication network systems, developing strong relationships with interested parties, and implementing digital system applications.
5. Development of human resources with high awareness while encouraging consultation processes and active participation of all workers related to occupational health, safety, and environmental practices.
6. Implementation of the HSE management system and the execution of continual improvement to achieve the occupational health, safety, and environmental targets that have been established.

HSE Targets

XLSMART aligns its HSE targets with the Company's sustainability strategy to strengthen awareness among internal and external stakeholders of the importance of achieving zero work-accident fatalities as part of its operational performance and long-term organizational resilience.

HSE Work Programs in 2025

Further details of the 2025 HSE work programs are presented below:

1. HSE communication program implementation.
2. Contractor HSE Plan implementation for 2025.
3. HSE Management Review implementation.
4. Basic Safety e-Learning program for employees.
5. HSE Award program implementation.
6. HSE operational and competency training programs.
7. Development of HSE e-learning modules and learning materials.
8. Emergency preparedness programs.
9. Regulatory compliance testing and monitoring.
10. HSE inspection programs across operational facilities.
11. Management Walk Through programs.
12. HSE audit programs.
13. Follow-up actions on inspection and audit findings.
14. Infrastructure improvement programs related to workplace safety and operational facilities.
15. Procurement of safety tools, personal protective equipment (PPE), and work uniforms.
16. Workplace environmental measurement and monitoring.
17. HSE coordination meetings.
18. Updating HSE documentation, including policies and standard operating procedures (SOP).

Hazard Identification, Risk Assessment, and Incident Investigation [GRI 403-2]

XLSMART implements a comprehensive HSE management system that includes hazard identification, risk assessment, and incident investigation for both employees and contractors. This process covers field technicians, tower climbers, and fiber optic maintenance personnel who face high-risk working conditions. All incidents are investigated to identify root causes and preventive measures. [GRI 403-2].

Identified Risk	Potential Impact	Affected Workers	Control Measures/Mitigation
Working at height (tower climbing)	Falls from height, serious injury, fatality	Tower climbers, field engineers, contractors	Mandatory harness and fall protection, work-at-height certification, double lanyard use, daily equipment inspection, supervision approval before ascent
Electrical hazards in fiber optic work	Electric shock, burns, equipment damage	Fiber optic technicians, contractors	Lockout tagout procedures, insulated tools, electrical safety training, pre-work voltage testing
Weather and environmental risks during outdoor work	Slips, heat stress, exposure to lightning or strong winds	Tower workers, fiber teams, site surveyors	Weather monitoring, work postponement protocol, hydration breaks, PPE requirements
Working near active roads and public areas	Traffic accidents, collision risk	Field technicians, contractors, installation teams	Traffic cones, signage, reflective vests, coordination with local authorities
Manual handling and lifting of heavy equipment	Muscle strain, back injury	Tower riggers, fiber optic teams, logistics handlers	Manual handling training, lifting aids, two-person lift rules
Exposure to dust, fiber particles, and chemicals	Respiratory issues, eye irritation	Fiber optic splicing teams	Masks, safety goggles, controlled work areas, proper waste disposal

Identified Risk	Potential Impact	Affected Workers	Control Measures/Mitigation
Use of power tools and cutting equipment	Cuts, lacerations, equipment-related injury	Technicians, contractors	Tool inspection, PPE gloves, safety briefings before use
Working in remote or isolated sites	Delayed emergency response, communication issues	Tower teams in rural areas, field engineers	Lone worker protocol, GPS-based monitoring, routine check-in procedures
Vehicle and transportation risks	Road accidents during site mobilization	All field teams	Defensive driving training, vehicle maintenance schedule, journey management planning
Psychosocial risks (fatigue, long shifts, pressure)	Reduced focus, higher incident likelihood	Field workers, shift-based staff	Shift rotation, workload review, rest requirements

To prevent and mitigate occupational health and safety risks throughout its value chain, XLSMART applies strict safety requirements for contractors, especially those involved in tower construction and fiber optic maintenance. All partners must comply with the Company's HSE standards, participate in safety briefings, and undergo regular monitoring to ensure safe practices are implemented at all times [GRI 403-7].

Work Accidents and Occupational Diseases [GRI 403-9] [GRI 403-10]

XLSMART always strives to maintain operational excellence across all its activities, including ensuring zero workplace accidents and preventing any occupational diseases. Over the past three years, the Company has consistently recorded a very low level of workplace incidents. In 2025, XLSMART again reported a zero accident rate per 200,000 or 1,000,000 man-hours, reaffirming the Company's commitment to maintaining a safe working environment with zero fatalities.

Workplace Accidents and Occupational Diseases

[F.21] [GRI 403-1] [GRI 403-9] [GRI 403-10] [ACGS C.6.1]

XLSMART is committed to maintaining operational excellence across all its business activities, including by ensuring zero workplace accidents and preventing work-related illnesses. For three consecutive years, the Company has consistently recorded a zero accident rate per 200,000 or 1,000,000 man-hours and zero fatalities.

HSE Trainings [GRI 403-5] [S-05]

To enhance the capabilities of members of the Facility Operations and HSE Department and the Facility Compliance and HSE Assurance unit, XLSMART provides continuous opportunities to participate in various HSE training programs. These trainings aim to strengthen awareness of the importance of effectice HSE implementation and support the creation of a sustainable, safe workplace. Below are the HSE trainings conducted in in 2025:

Training Title	Date	Participants
Emergency Response & HT Usage for XLST Floor Warden	3 February 2025	35
Basic Life Support & First Aid for XLST Floor Warden	13 February 2025	40
Internal Audit for HSE & Enterprise team	20 June 2025	10
Workshop & Awareness ISO 45001:2018, ISO 14001:2015, & ISO 22301:2018	4 July 2025	8
HSE Inspection for FO team	26 July 2025	59
HSE Awareness for FO Sabang team	2 August 2025	25
Accident Investigation for FO team	26 September 2025	52
Emergency Response & Basic Life Support for BSD & Sabang Floor Warden	6 November 2025	121
Hazard Identification & Risk Assessment for Partner	25 December 2025	10
E-Learning Basic HSE for all employee	April-December 2025	1,995

Improving the Quality of Health at Work [GRI 403-3] [GRI 403-6]

Employee wellbeing remains a key priority for XLSMART. As part of the Company's commitment to maintaining a safe, healthy, and supportive workplace, employees are provided access to a wide range of health and wellness facilities. These include fitness centers, daycare services, and lactation rooms for breastfeeding employees, as well as several employee-led sports and wellness communities such as cycling, running, basketball, futsal, football, religious study groups, and music communities. These initiatives aim to promote physical and mental wellbeing, strengthen social connection, and enhance overall productivity.

To further reinforce its health support programs, XLSMART also operates an internal health clinic staffed by certified medical professionals. Employees may access occupational health services during office hours at no cost. The clinic provides preventive care, early detection services, and routine health consultations, helping employees maintain optimal health while fulfilling their responsibilities.

Through these facilities and initiatives, XLSMART strives to create a work environment that encourages healthy habits, minimizes health-related risks, and supports sustained employee performance as the organization continues its post-merger transformation.

Defined Benefits Program and Other Pension Plan Obligations [GRI 201-3]

A company's economic sustainability is supported in part by its ability to meet defined benefit and pension obligations for retiring employees. XLSMART has structured its employee benefits and pension policies in accordance with the Manpower Law. As stipulated in the Company Regulations and Collective Labour Agreement (CLA), the Company's statutory retirement age is 56 years old.

The Company provides employees with a comprehensive pension program consisting of:
1. **DPLK (Financial Institution Pension Fund)**, which is a defined-contribution plan in which the Company contributes of 7% of wages and employees contribute 3%.
2. **JP (Pension Guarantee)** from BPJAMSOSTEK in the form of a defined-contribution scheme amounting to 3% of wages, of which the Company contributes 2% and employees contribute 1%.

The Company adjusts the maximum wage limit periodically in accordance with Government Regulation (PP) No. 45 of 2015. XLSMART calculated the estimated actuarial liabilities as of 31 December 2025 and 2024 based on independent actuarial assessments issued in reports dated 5 February 2025, respectively.

As of 31 December 2025, the Company allocated Rp490,365 million to fund post-employment benefits, an increase from Rp252,541 million allocated in 2024. XLSMART recorded 4 (four) employees retiring during the reporting period and has fulfilled its defined contribution obligations for all retirees.

People Development Strategies Going Forward

Entering the next phase of integration, XLSMART human capital has become one of a critical enabler of sustainable growth, operational excellence, and long-term value creation. Building on the foundation established during the post-merger integration period, the Company's human capital strategy going forward is focused on strengthening organizational capability, accelerating digital readiness, and fostering a high-performance, inclusive, and future-ready workforce. With the new work culture, the Company initiate to continue the contribution to broader ESG objectives by promoting equal opportunity, ethical labor practices, and long-term employability.


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S
G

Shaping Inclusive and Sustainable Digital Future



Delivering Impact on Society [F.23] [F.25]

[GRI 413-1]



Gerakan Donasi Kuota at SMK Negeri 1 Cimahi, Jawa Barat

In 2025, XLSMART entered its first full year as one united company. The merger did more than combine networks and capabilities, it opened a greater mission to serve, empower, and uplift communities across Indonesia with wider reach and improved access to technology.

With broader reach comes greater responsibility, and XLSMART remains committed to ensuring that digital transformation is accessible, meaningful, and beneficial for all segments of society, including underserved populations, vulnerable groups, and communities outside major cities. Digital progress must translate into tangible benefits for those who rely on technology for education, income, services, and daily communication.

Our social performance is managed through a structured approach covering planning, implementation, monitoring, and evaluation to ensure measurable and sustainable outcomes. Focus areas are defined based on community needs, stakeholder expectations, and historical learning. XLSMART works with ministries, regional governments, NGOs, schools, libraries, and employee volunteers to expand reach and strengthen impact. Progress is monitored through participation data, assessments, and community feedback to support continuous improvement. [GRI 3-3]

Across Indonesia, our efforts are built on three priorities, based on the XLSMART CSR Tri Karsa:

XLSMART
Untuk Indonesia

TRI KARSA
XLSMART CSR

Philantrophy

XLSMART PEDULI

- Peduli Bencana
- Peduli Kesehatan
- Peduli Disabilitas

Related SDGs:





Women Empowerment

sisternet™ Powered by XLSMART

- Sisternet
- Female Future Leader
- Shelnspire
- Bunda Pintar

Related SDGs:





Education

TEMAN PINTAR INDONESIA

- Gerakan Donasi Kuota
- Content Creator Academy
- Pesantren Digital
- Kelas Cerdas Digital
- Teman UMKM

Related SDGs:





Community development and empowerment from and for all XLSMART CSR programs

Total CSR Funds Disbursed

2025

Rp28.10 billion

2024 Rp35.63 billion

2023 Rp20.73 billion

XLSMART PEDULI

Disaster Response and Emergency Aid

Under the XL Axiata Peduli program, XLSMART provided emergency relief aid to communities affected by natural disasters in West Halmahera, Bandar Lampung, and Pekalongan. The assistance was distributed directly to residents through XLSMART representatives and local partners, ensuring fast and targeted delivery on the ground.

In West Halmahera, assistance was provided to communities impacted by the eruption of Mount Ibu, including residents of Sangaji Nyeku Village in Tabaru District. Emergency relief packages included masks, blankets, drinking water, and basic necessities. In Bandar Lampung, XLSMART supported families affected by severe flooding in Way Lunik, Panjang District, providing essential food supplies, baby formula, and children's meals. Distribution was carried out by XLSMART's regional sales team to ensure direct delivery to evacuation areas. A similar initiative was carried out in Petungkriyono, Pekalongan Regency, where residents affected by flash floods received drinking water, bread, and daily necessities through the Company's local partners.

In parallel with aid distribution, technical teams were deployed to ensure that telecommunication services in all three locations remained operational. Most 4G services continued running during the disaster, enabling residents, first responders, and local authorities to stay connected in emergency conditions.

Clean Water Infrastructure by MTXLSMART

MTXLSMART also provides long-term infrastructure support to help underserved communities gain access to basic public facilities. One of the flagship initiatives in 2025 was the clean water infrastructure project in Nagakeo, East Nusa Tenggara (NTT). In this area, residents and students at Pondok Pesantren Al-Ummah Al-Islamiyah had limited access to clean water and were required to walk long distances to collect water for daily needs.

To address this, MTXLSMART funded and built a complete clean-water system consisting of a water tower, distribution pipelines and filtration systems. The project was carried out over four months and now supplies clean water for daily consumption, sanitation, and religious activities for approximately 550 students and surrounding residents. The facility is operated directly by local community managers, ensuring sustainability and continuous benefit to the village.

A similar initiative was implemented in Cianjur, West Java, where employee donations were used to build a small mosque equipped with a clean water facility that serves both religious activities and community access. The infrastructure allows residents to obtain water without relying on distant sources, reducing household burdens and improving hygiene for families in the area.

Both projects were funded through employee zakat and infaq collected and managed by MTXLSMART. By building permanent infrastructure rather than short-term assistance, XLSMART ensures that support remains beneficial for years to come. These efforts reflect the Company's commitment to strengthening community welfare, expanding access to basic needs, and uplifting vulnerable groups beyond gender-focused programs.

Digital Inclusion for People with Disabilities

XLSMART strengthened digital accessibility through Inklusi Disabilitas Berdaya 2025, a tailored digital-empowerment program for users with visual, hearing, and mobility impairments. Delivery combined online learning and onsite sessions supported by accessible materials, sign-language interpretation, and hands-on digital practice to help participants gain confidence and familiarity with technology.

Throughout the program, participants received practical digital-skills education, covering safe internet usage, content creation, social media promotion, and basic skills in online business development. Motivational sessions and peer discussions were included to strengthen self-confidence and encourage communication skills, particularly for participants preparing to enter the workforce or build small businesses from home.

Over 100 beneficiaries participated. Caregivers reported improved motivation and independence, with several participants beginning to promote products and services through social platforms with guidance from mentors. The program shows how inclusive digital tools expand opportunity.

Mass Circumcision for Children with Disabilities

Through the Majelis Taklim XLSMART (MTXLSMART), employees organized a series of mass circumcision programs for children with disabilities. The first was held in Medan at Rumah Difabel Khadijah Sharaswaty Indonesia, involving social partners and medical professionals. Sixty children with visual, hearing, physical, and intellectual disabilities received free circumcision, medical care, and gift packages.

The program is fully funded through employee zakat contributions managed by MTXLSMART, demonstrating employee-driven community solidarity. Similar activities were repeated in Banyumas and Tegal, benefited an additional 128 children with events designed to be child-friendly, safe, and inclusive. Beyond the medical process, XLSMART installed activity booths, distributed worship kits, and supported family connectivity through SIM registration services at the venue.



Sistenet Festival

SISTERNET

Women's empowerment has been one of XLSMART's longest-running social priorities. Through Sisternet, XLSMART provides digital learning, entrepreneurship development, financial literacy, and mentoring to strengthen women's access to future skills and economic independence. As of 2025, Sisternet had reached more than 1.3 million beneficiaries, including students, young professionals, micro entrepreneurs, and women in rural areas. The approach is built on nationwide access, hybrid learning models, and partnerships with ministries, universities, TBM communities, and women-led organizations.

Advancing Women's Digital Participation through #1JutaSisterDigital

Through Sisternet, XLSMART launched #1JutaSisterDigital, a national gender-inclusive digital acceleration program developed with the Ministry of Communication and Digital Affairs (Komdigi). The initiative was formalized during the BRAVO-500 Summit 2025 in Jakarta, marking one of Indonesia's largest public-private efforts to increase female participation in the digital economy.

The initiative integrates Sisternet's application with Komdigi's Learning Management System, enabling nationwide access to curated digital-literacy modules and technology modules directly on the Sisternet app. These modules cover cybersecurity, fintech, digital content creation, and responsible digital behavior.

A core component is the expansion of the Female Future Leader AI Bootcamp (FFL). Previously reaching 70,000 beneficiaries, the program will train over 100,000 Indonesian women in AI fundamentals through hybrid learning, combining digital bootcamps, campus-based workshops, and online mentoring. Around 20 universities and women-focused communities are involved, helping extend coverage to rural and remote areas.

To secure long-term impact, XLSMART positioned BRAVO-500 Summit as a platform to mobilize support from Indonesia's top 500 corporations, regulators, technology leaders, startups, and the media. The initiative encourages private-sector adoption of gender-inclusive technology ecosystems and safer digital spaces for women.

Currently, Sisternet has 1.3 million beneficiaries consisting of MSME women, students, professionals, and women in correctional facilities. With #1JutaSisterDigital running from September 2025 to December 2026, XLSMART targets to grow it to 2.4 million empowered women, one of the largest digital-empowerment movements in the nation.

This program directly supports national priorities, including Indonesia Emas 2045, SDG 5 (Gender Equality), SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), and SDG 9 (Industry, Innovation and Infrastructure).

Empowering Women in Correctional Institutions through SheInspire

XLSMART also delivers empowerment for women with limited access to formal education and economic opportunities: female inmates in correctional institutions.

Through Sisternet and the Ministry of Women Empowerment and Child Protection (KemenPPPA), XLSMART implemented SheInspire Sinergi Berdaya: Bersinar Bangkit Bersama across 10 female correctional institutions (Lapas Perempuan) in Indonesia, including Yogyakarta, Tangerang, Bandung, Lampung, Lombok, Kerobokan, Medan, Makassar, Denpasar and NTB.

The program focuses on economic empowerment and psychosocial recovery for women preparing for reintegrate into society. Training consists of:

Soft-skill Training (online)
- Public speaking;
- Entrepreneurship and financial literacy;
- Mental-wellness and confidence development.

Hard-skill Training (onsite)
- Bread and pastry production;
- Tufting and textile-based craftwork; and
- Product marketing.

Each Lapas is supported by a local mentor providing post-training guidance, business incubation, and psychosocial support post-release. The program aims to reduce social stigma, strengthen self-esteem, and help former inmates re-enter the workforce with a marketable skill set.

Key results from the first implementation phase:
- 500 women trained across 10 cities;
- 98% reported improved emotional management;
- 100% reported increased confidence in communication; and
- Inmate-run micro-businesses saw a 5% sales increase during the program period.

In July 2025, the closing ceremony for the 2024–2025 cycle was held at Lapas Perempuan Kelas III Mataram, NTB, attended by KemenPPPA and senior leadership from XLSMART. Following a positive evaluation, XLSMART and KemenPPPA announced an expansion plan through 2026, including:
- Extended post-release mentoring;
- Digital marketing support;
- Product photography training;
- Access to e-commerce channels; and
- Collaboration with Balai Pemasyarakatan for reintegration support.

Through SheInspire, XLSMART goes beyond one-time training, building an ecosystem for long-term independence and second chances. Support continues after release through mentoring and access to online marketplaces, helping women earn independent income and reduce vulnerability during reintegration into society.

Strengthening Community Resilience and Supporting Local Livelihoods

Ramadan Social Programs: Semarak Ramadhan 1446H

During the holy month of Ramadan, MTXL Axiata carried out the Semarak Ramadhan 1446H program through "Berbagi Kebaikan", an employee-led initiative that distributes essential food packages to communities in need across Sumatra. The assistance reached orphans, the elderly, Islamic teachers, converts, bilal, and mosque caretakers, and economically vulnerable families in Palembang, Medan, and Pekanbaru.

In Palembang, MTXL Axiata collaborated with Taman Pendidikan Al-Qur'an Griya Mutiara to distribute 33 packages at the XL Axiata Palembang office. In Medan, more than 300 packages were delivered at Masjid Taqwa Kampung Dadap through a collaboration with Lazismu, Bank Indonesia, Pimpinan Cabang Muhammadiyah Kampung Dadap, and Pimpinan Cabang 'Aisyiyah. In Pekanbaru, 33 packages were distributed directly at the XL Axiata Pekanbaru office.

The program was fully funded by monthly zakat and infaq contributions voluntarily collected from employees and management, managed transparently by MTXL Axiata. Beyond seasonal charity, these funds also support long-term community initiatives. Over the years, MTXL Axiata has helped build bridges, clean water facilities, village electricity access, houses of worship, local roads, home renovations, and the construction of community water depots to ensure clean water availability. The initiative also includes blood donation drives, mass circumcision programs for both general and disabled children, and other social support activities carried out regularly in multiple cities.

Mudik Bareng: Safe Travel Access for Retailers and Employees

XLSMART held the annual Mudik Bareng Gratis program for retail partners and employees in the Jabodetabek area. A total of 600 participants traveled to destinations across West Java, Central Java, Yogyakarta, and East Java. The Company prepared 12 large buses, 5 Innova, and 5 Alphard units to support the trip.

To ensure comfort and safety, participants received souvenirs, allowances, and travel insurance throughout the trip. Premium travel services were provided for 40 top-performing retailers, who won the Sales Racing Competition, earning a trip home using Innova and Alphard units. Winners represented 10 retail outlets across Depok, Bogor, East Jakarta, South Jakarta, North Jakarta, Kabupaten Bekasi, Kota Bekasi, and Kabupaten Tangerang.

In addition to retailer support, XLSMART also organized a separate Mudik Bareng program for employees and their families, covering destinations in West Java, Central Java, Yogyakarta, East Java, and Sumatra. Approximately 135 employees and family members joined the departure from the Company's Head Office in Jakarta using 3 dedicated buses.

The program is part of XLSMART's effort to support safe and affordable homecoming trips while strengthening traditional distribution channels and partner motivation. This initiative also expresses the Company's appreciation for its partners and contributes to national traffic management efforts by providing safe and organized travel alternatives during the peak holiday season.

Gebyar Muharram 1447H: Nationwide Employee-Led Philanthropy

Beyond Ramadan, XLSMART employees also continued their social contribution through the annual Gebyar Muharram 1447H, implementing the theme #GebyarBerbagi and #BersamaDiMuharram. The program distributed food packages, school supplies, financial assistance and access-to-education support in more than ten cities across Indonesia, including Jakarta, Pekanbaru, Bandung, Palembang, Pontianak, Banjarmasin, Surabaya, Makassar, and Banten.

A key component of the program was a mass circumcision held simultaneously at:

- XLSMART Tower, South Jakarta;
- XLSMART Sabang, Central Jakarta; and
- Cirebon, supported by trained medical professionals from Lembaga Inisiatif Zakat Indonesia and DT Peduli Cirebon.

More than 100 children benefited from this event, which included hygiene facilities, medical support, and post-procedure recovery. Additional community activities included:

- Movie day for orphaned children;
- MuharRUN (charity run);
- Charity rally;
- Archery for children;
- "Belanja Bareng" (Shopping with orphans); and
- Installation of clean water and community bridges.

The program was entirely funded by monthly employee zakat and sedekah contributions managed by Majelis Ta'lim XLSMART (MTXLSMART). Over the years, MTXLSMART has gradually expanded its role from short-term charity to tangible infrastructure development, which includes building:



Bridges



Clean water installations



Community electricity access infrastructure



Public roads



Houses of worship

Community Donations to Orphanages

Separately, XLSMART also provided operational and living support to Panti Asuhan Putri Tunas Harapan Aisyiyah in Pontianak. Senior leadership conducted a direct visit, distributing staple goods, educational supplies, and support to foster children and caregivers. The donation was part of the wider XLSMART Berbagi initiative.

Another donation initiative was implemented in Karo, North Sumatera, where XLSMART distributed school supplies, Qur'an, Mukena, and Iqro learning books for children at the foothills of Mount Sinabung. The event included coordination with local community leaders, religious educators, and academic representatives.

Strengthening Digital Inclusion and National Connectivity

Participation in UN CSW69: Global Advocacy on Gender and Digital Inclusion

To elevate Indonesia's position in the global gender equality movement, XL Axiata participated in the 69th Commission on the Status of Women (CSW69) at the United Nations Headquarters in New York.

Through a side event titled "Shaping an Inclusive Digital Economy: Indonesia & India's Leadership and ASEAN's Collaborative Vision", XL Axiata presented Indonesia's initiatives to create safe, equitable digital access for women, especially MSME owners and vulnerable groups. The engagement strengthened XLSMART's role as a regional advocate for digital equality in Southeast Asia. [GRI 413-1]

Key highlights included:

- 1+ million women trained through Sisternet since 2015;
- Improved access to digital education and financial literacy for women; and
- Internal Diversity & Inclusion policy with 33% of managerial positions held by women, above industry average.

Participation in CSW69 aligned with Indonesia's commitment to:

- Reduce gender-based online harassment and cyber-violence;
- Expand access to digital skills development for women;
- Advance inclusion for rural and low-income women; and
- Accelerate progress toward SDG 5 and Indonesia Emas 2045.

Support for National Events: 2025 Pacu Jalur Festival

Ahead of the internationally-recognized Festival Pacu Jalur in Riau, XLSMART upgraded over 41 BTS and added 2 new sites specifically to support event traffic. Across Riau province, more than 700 BTS were upgraded to improve network reliability and throughput. Enhanced network reliability supports tourism activity, digital content sharing, MSME transactions, and media coverage, boosting cultural visibility and strengthening economic potential for Kuansing and surrounding regions.

Measuring Our Social Impact and Value Creation

Each of our programs is designed to leave a sustainable impact. A woman who once felt limited now has the confidence to build her own income. A student in a small town can study with reliable internet access. A family affected by a disaster can call for help because the network remains active. These are the real changes we are committed to creating.

To evaluate impact meaningfully, XLSMART uses the Social Return on Investment (SROI) method, which measures intangible outcomes such as confidence, emotional well-being, employability, and community preparedness. SROI helps quantify how the Company resources translate into tangible benefits for society.

In 2025, XLSMART reached thousands of beneficiaries across Indonesia through the XLSMART CSR Trikarsa programs. Total beneficiaries reached 232,696 people across multiple regions in Indonesia. To deliver these efforts, the Company allocated Rp28.10 billion, including non-financial contributions monetized into Rupiah for reporting purposes.

SROI assessments were applied to flagship programs including Sisternet, XLSMART Peduli, Pesantren Digital, Gerakan Donasi Kuota, Kelas Cerdas Digital, Bunda Pintar and Teman Pintar.

We have calculated the investment deployed through several community empowerment programs. Based on the Social Return on Investment analysis, the program recorded a ratio of 1:2.54. This means that for every Rp1 invested by the Company, the program generated Rp2.54 in social value for stakeholders. This outcome affirms the Company's commitment to delivering social investments that are effective, well-targeted, and capable of generating a positive multiplier effect on community welfare.

XLSMART also identifies, monitors, and minimize potential adverse impacts during program execution. All activities are implemented in line with national and international standards to ensure that beneficiaries are treated with respect, safety, and dignity. Continuous feedback from communities and program partners informs our approach, ensuring each cycle becomes more impactful and inclusive. Monitoring results, including coordination with local authorities, safety protocols, and post- activity evaluations indicated no significant negative impacts were recorded throughout the execution of XLSMART's programs, and no public complaints were recorded related to their implementation. [GRI 413-2] [F.24]

XLSMART is committed to ensuring that its operational activities respect and support the interests of surrounding communities. We strive to maintain safe, orderly, and considerate operations, especially in areas located close to residential neighborhoods or public facilities.

XLSMART wants communities to feel heard and supported at all times. To ensure that communities can reach us easily whenever needed, XLSMART provides dedicated communication channels that can be used for inquiries, feedback, or operational concerns. The following contacts are available for public communication and coordination.

Corporate Governance
corpsec@xlsmart.co.id

Corporate Communication & Sustainability Program
corpcomm@xlsmart.co.id

Investor Related
ir@xlsmart.co.id

Product Inquiries, Complaints or Network-Related

XL
customerservice@xlsmart.co.id

AXIS
cs@axis.co.id

SMARTFREN
customercare@smartfren.com

Contribution to Sustainable Development Goals (SDGs)

Program	Coverage	Impact	Contribution to SDGs
Sisternet	Nationwide	Empowering women everywhere in Indonesia to develop and increase their welfare through use of internet and technologies, thus preparing them for 4.0 industry.	
Bunda Pintar	Nationwide	The Bunda Pintar Program empowers women by improving digital access and literacy through free internet and hybrid digital literacy training, enabling them to use the internet productively, safely, and sustainably while strengthening their role as digital change agents in families and communities.	
Gerakan Donasi Kuota (GDK)	Nationwide	Improving the quality of education nationwide through the increasing participation of XLSMART's service users and the public at large to voluntarily donate their quota to be further distributed to schools across the country.	
Content Creator Academy	Nationwide	Nurtures students' creativity and introduces opportunities in the digital and creative economy, equipping them with mentorship and hands-on experience to explore future careers in the digital industry.	
Teman UMKM	Nationwide	The program strengthened sustainable business literacy, expanded networks among MSMEs and youth communities, and fostered a community-based growth ecosystem. Its impact goes beyond improving skills and digital exposure, contributing to local economic empowerment and promoting an inclusive, sustainable community development model aligned with the company's ESG social commitments.	

Program	Coverage	Impact	Contribution to SDGs
Kelas Cerdas Digital	Nationwide	Strengthens youth digital literacy by equipping students with essential digital skills and safety awareness, empowering them to use technology responsibly while fostering a positive and inclusive digital environment in schools.	
Pesantren Digital	Nationwide	Enhancing knowledge of Santri/Santriwati through AI Digital Workshop for education, business and philanthropy.	
XLSMART Peduli Bencana	Nationwide	Providing social supports to the victims of natural disasters through distribution of emergency assistance programs.	
XLSMART Peduli Disabilitas	Nationwide	Upscaling Digital Capacity of Disabilities through AI Digital Workshop for education, business and philanthropy.	





Ensuring Responsible and Ethical Business



Post-Merger Improvements to Customer Experience

The 2025 merger not only integrated governance and operations, but also delivered significant improvements to the customer experience across networks, services, and digital channels. XLSMART now brings together the well-established XL, AXIS, and Smartfren brands under one ecosystem, supported by shared resources, integrated infrastructure, and unified service standards. Key initiatives introduced during the first year of the merger include:

- Integration of the Customer Experience & Service Operation Center (CE & SOC) into a single national command center in BSD. The facility consolidates two previously separate Network Operation Centers (NOCs) and enables real-time monitoring, faster escalation, and coordinated issue resolution across business units.
- Expansion of 4G LTE and VoLTE coverage through the For Smartfren brand, reaching new areas including Aceh, Gianyar, Klungkung, Karangasem, and Kupang City-strengthening network reliability and ensuring faster, more stable data access in both urban and regional areas.
- Launch of "Sarah," a Generative AI–powered virtual assistant, enabling faster, more personalized, and solution-oriented customer interactions across Smartfren Care digital platforms.
- Introduction of Credit Control, a feature that allows prepaid customers to lock their balance and prevent unauthorized deductions for paid SMS, subscription content, or out-of-plan data usage, providing greater transparency and control.
- Implementation of SIM card registration using facial recognition, integrated with the national population database to enhance accuracy, prevent identity misuse, and support the government's digital-transformation agenda.
- Strategic partnerships with Huawei and ZTE, strengthening nationwide network operations and enhancing employee capabilities in digital innovation and technology.
- For enterprise clients, XLSMART for Business expanded digital and connectivity through platforms such as ESTA and partnerships with technology providers, supporting digital transformation and operational efficiency across multiple industries.

Collectively, these initiatives demonstrate how the merger is translating into tangible service improvements for customers, supported by a stronger brand ecosystem, enhanced network reliability, improved protection features, and more modern digital care.

Customer Protection, Engagement and Satisfaction

XLSMART serves millions of customers from across diverse regions, demographics, digital-literacy levels, and purchasing power segments. In such a varied landscape, customer relationships must be built on three foundations: protection, engagement, and satisfaction. XLSMART ensures that customers receive safe, transparent, equitable, and responsive service through a structured approach that integrates governance, analytics, and intelligent service operations. [F.17]

Customer Data Privacy and Security [GRI 418-1]

Digital trust begins with privacy. XLSMART manages personal information responsibly and strictly within boundaries of the law. The Company's Privacy Information Management System is anchored in ISO 27701 and ISO 27001 certifications and has been consolidated into a single framework following the merger.

XLSMART also applies a Privacy by Design and Default principle, ensuring that every new digital feature undergoes privacy risk assessments, encryption validation, and cybersecurity reviews prior to. Key initiatives in 2025 include:

- Strengthened biometric SIM registration supported by secure integration with the national population database;
- Multi-factor authentication and AI-based anomaly detection to prevent unauthorized access;
- Annual independent privacy audits;
- Mandatory employee certification on personal data ethics;
- Launch of the Data Transparency Portal, enabling customers to manage their data permissions in real time.

Customer Protection and Fair Treatment

The Company complies with the Consumer Protection Law and adopts clear terms of service, transparent pricing, and secure data-handling practices. Customer protection is reinforced through:

- Standard Operating Procedures for inquiry and complaint handling;
- Secure verification for all customer interactions;
- Data privacy safeguards aligned with national regulations;
- Real-time service monitoring to minimize service disruptions;
- Accessible service channels through call centers, chat, and digital platforms;

These measures ensure that customers receive transparent, reliable, and safe services throughout their digital journey.

To protect users from fraud, XLSMART continuously educates customers not to share personal information with unknown parties and to verify suspicious communications through the 24-hour Customer Service Center. As of 2025, there were no confirmed data breaches or violations of privacy policies. This outcome reaffirms the effectiveness of XLSMART's responsible data governance practices.

Protection from Spam and Fraud Calls

Beyond customer education, XLSMART prevents spam calls, spoofed caller identities, and fraudulent messages. The Company uses automated detection and blocking systems capable of monitoring unusual call and messaging patterns and restricting numbers that show high-risk activity in accordance with Komdigi's guidelines. Suspicious numbers may be limited, blocked, or escalated to regulators for further action, helping prevent identity misuse and financial fraud.

The urgency of these efforts is underscroed by national data. A public study covered in Tempo reported that Indonesians receive an average of 16 spam calls per month, and around 89 percent of calls from unknown numbers identified as spam. Indonesia ranks second in the Asia-Pacific region, behind Hong Kong. ANTARA News, referencing the Global Call Threat Q4 2024 report, also noted that Indonesia remains among the countries with the highest spam exposure in Asia-Pacific, averaging 14 spam calls per person per month and approximately 86 percent of unknown incoming numbers categorized as spam. Regulator enforcement is increasing. According to a statement covered by Selular.id, the Ministry of Communication and Digital Affairs (Komdigi) blocked approximately 1.3 million phone numbers in 2024 due to suspected fraudulent or spam activities.

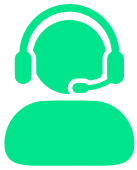
Building on XL Axiata's previous fraud-prevention systems—which limited SMS misuse and enabled reporting of scam messages, XLSMART continues to strengthen its detection and filtering capabilities. While spam remains an industry wide challenge, the Company actively collaborates with regulators and employs data-based monitoring to limit high-risk numbers and enhance user protection. Customers may report suspicious calls via call centers, WhatsApp, or the MyXL application for immediate handling.

Customer Engagement

Customer engagement at XLSMART is driven by data, research, and continuous feedback from millions of users to ensure services remain relevant, reliable, and accessible. The Company assesses customer behavior, product performance, and service interactions to identify priorities, monitor satisfaction, and optimize digital journeys. Engagement activities include:

- Product, pricing, and digital journey benchmarking against peer operators
- Market insight studies to understand perception, purchasing power, and emerging user trends
- Digital sentiment monitoring through social media and applications
- Regular satisfaction surveys supported by TNPS analytics

To facilitate direct communication, XLSMART provides a 24/7 Integrated Customer Service managed by the Service Management Directorate. Customers can access support anytime through:



Call Centers
- 817 via XL Number (Customer Regular)
- (021) 57959817 via non-XL Number
- 818 via XL Number (Customer Priorities)
- 820 via Nomor XL (Customer Home)
- 08170123442 via non-XL Number (Customer Home)



Digital Channels
- Live chat via MyXL App
- Live chat Priorities via MyXL Prioritas apps
- Live chat via web xl.co.id
- Social media via Facebook (@myxlcare)
- Correspondence via email customerservice@xl.co.id
- Live chat via Axisnet App
- Live chat via Axis web axis.co.id
- Live chat via MyXL Home App
- Social media via Facebook @XLhomeid (XL Satu)
- Correspondence via email to xlhomecs@ xl.co.id (XL Satu)
- Messenger via Whatsapp 08170010820 (XL Satu)
- Live chat via web xlaxiata.co.id



Physical Service Points
- 93 XL Centers, including XLC Online nationwide
- 51 Smartfren Galleries
- 7 Smartfren Mini Gallery Corporate

Customer Satisfaction

Satisfaction is assessed through service quality, responsiveness, and issue resolution. The establishment of Customer Experience & Service Operation Center (CE & SOC) marks a major post-merger milestone. The center consolidates two previously separate Network Operation Centers (NOCs), formerly located at the XL Axiata Tower in Kuningan and the Smartfren facility in BSD, into a single integrated hub at the XLSMART Building in Bumi Serpong Damai (BSD) City, South Tangerang. Fully operational integrated since July 2025 the CE & SOC prioritizes nationwide network stability, operational efficiency, and service effectiveness.

Through real-time dashboards, machine-powered alarms, and predictive analytics, the CE & SOC enables earlier detection of network anomalies, faster escalation processes, and coordinated cross-unit resolution. This integrated system also provides a single national view of customer-service performance, significantly strengthening XLSMART's ability to maintain service reliability and enhance customer satisfaction.

The CE & SOC functions not only as a command center, but also as a strategic hub that supports predictive and preventive operations. Its key functions and advantages are outlined below:

Function	Advantage
Serve as an integrated center for monitoring service quality. To support this function, the Company developed has developed a unified monitoring room that consolidates 4 NOCs (Network Operation Centers): Telco Network, IT Infrastructure, IT apps, and Billing.	Built with network elements consisting of hundreds of thousands of alarms powered by machines, rather than manually, thus successfully increasing the speed and accuracy of services.
Facilitate coordinated handling of potential issues related to network performance and service quality.	Can anticipate future needs, especially regarding network development plans and the adoption of the latest technology.
Monitor service dynamics comprehensively, the utilization of customer service channels and facilities.	

Service Performance and Complaint Resolution

To always improve the quality of Integrated Customer Service, XLSMART conducts regular evaluations based on the categories established in the Total Complaints criteria, following the Complaint Topic Standards set by Komdigi. The criteria are as follows:

Report on Service Performance

Service Performance	Parameter	Komdigi Standards	2025	2024	2023
Customer Complaint Handling Standards	Percentage of customer complaints resolved	≥ 95%	99.59%	97.86%	98.99%
Standard Service	Number of service interruption reports per 1,000 customers	≤ 2%	0.3	0.5	0.6

The evaluation results indicate that reports on service interruptions improved from 0.5% in 2024 to 0.3% in 2025, reflecting the Company's commitment to enhancing customer experience and strengthening post-merger network integration.

XLSMART also manages multiple communication channels to monitor public complaints and reports. The Company uses this public feedback to improve the quality of its products and services. [F.24]

Report on Public Complaints based on Report Status

Report Status	2025		2024		2023	
	Total	%	Total	%	Total	%
Resolved	1,343,312	99.99	1,635,365	99.99	1,181,139	99.93
In Process	1,498	0.01	233	0.01	882	0.07
Unresolved	0	0	0	0	0	0
Total	**1,344,810**	**100.00**	**1,635,598**	**100.00**	**1,182,021**	**100.00**

Public Complaint Reports based on Complaint Mechanism

Report Mechanism	2025		2024		2023	
	Total	%	Total	%	Total	%
WBS	N/A	N/A	N/A	N/A	N/A	N/A
Email	452,728	33.70	109,091	12.78	274,835	23.25
By phone (hotline), digital, or walk in	892,082	66.30	1,426,507	87.22	907,186	76.75
Total	**1,344,810**	**100.00**	**1,635,598**	**100.00**	**1,182,021**	**100.00**

Total Complaints based on Topics

Complaint Topic	Resolved		In Process		Unresolved		Total
	Total	%	Total	%	Total	%	
Mobile Internet	167,096	12.44	70	4.67	0	0	167,166
Charging	212,679	15.83	254	16.96	0	0	212,933
Registration	253,820	18.90	248	16.56	0	0	254,068
Others	709,717	52.83	926	61.82	0	0	710,643
Total	**1,343,312**	**100.00**	**1,498**	**100.00**	**0**	**0**	**1,344,810**

Customer Satisfaction Surveys [F.30]
XLSMART strives to strengthen customer satisfaction to ensure that service quality and overall experience remain consistent throughout the integration process. Customer feedback continues to be collected, primarily through the daily Net Promoter Survey (NPS). This survey aims to capture information on customer perceptions of XLSMART's brand and service quality, identify factors that affect customer satisfaction and improve the customer experience. Insights from these surveys are used to identify key drivers of satisfaction and inform improvement initiatives across the merged platforms, enabling the Company to refine digital journeys, enhance response times, and elevate the end-to-end customer experience. In 2025, TNPS results showed an increase from 2024 to 2025 by 21%.

Labelling and Marketing [GRI 417-1]

XLSMART ensures that every product label and marketing material provides accurate, complete, and truthful information regarding product features, usage terms, pricing, and benefits. Transparent communication is essential for building customer trust, particularly in a diverse market with varying levels of digital literacy.

To ensure compliance, all promotional materials-across digital, print, broadcast, and influencer-based channels-undergo a multi-layered internal approval process. This review includes verification on tariff clarity, service limitations, auto-renewal mechanisms, and potential risks associated with third-party content or subscription services. Marketing teams are required to follow ethical guidelines and ensure that visuals, taglines, and calls-to-action do not mislead or create false expectations.

XLSMART adheres to the Consumer Protection Law, Komdigi's marketing and advertising standards, and internal communication policies. The Company also applies clear disclosures on internet speed limits, fair usage policies, subscription terms, and any potential additional fees to ensure transparency for customers. For services with auto-renewal features, reminder notifications are provided, and customers have full control to activate or deactivate the service through accessible digital channels. Customer feedback obtained from call centers, social media, and complaint channels is continuously used to refine communication materials and prevent recurring misunderstandings, particularly for value-added services and promotional offerings. [GRI 3-3]

In 2025, XLSMART recorded no incidents of non-compliance related to product labeling, misleading promotions, or marketing activities. This outcome reflects the effectiveness of the Company's preventive controls, ethical marketing practices, and commitment to responsible communication. [GRI 417-2] [GRI 417-3]

Digital Responsibilities, Inclusion and Rights [F.28]

XLSMART envisions a digital ecosystem where technological progress is inclusive, responsible, and protective of users from online harm. To support this vision, the Company continues to implement initiatives that expand access for underserved communities, enhance digital literacy, and promote responsible online behaviour, through programs such as:

- Smart Connectivity for All, supporting affordable internet access in remote and rural areas;
- Digital literacy and cyber-awareness programs for youth, women, and MSMEs;
- Credit Control, a feature to prevent unintended data deductions for prepaid users;
- "Sarah", a Generative AI-powered virtual assistant, enabling customers-including those in remote regions or with limited access to physical centers- to receive personalized, real-time support;
- Facial recognition-based SIM registration, securely integrated with the national population database; and
- ESTA (Enterprise Smart Technology & Automation) enabling business clients to optimize digital operations safely and efficiently.

XLSMART's policies are aligned with international standards, including GSMA Principles for Responsible Mobile Connectivity and OECD Digital Ethics, which emphasize fairness, accountability, and respect for user rights in the digital ecosystem. [GRI 3-3]

Product and Service Quality, Safety and Impact

[GRI 416-1] [GRI 416-2] [F.27] [F.29]

Through network convergence, XLSMART is enhancing its agility and adaptability to support mobile, home internet and enterprise services. By integrating the network assets of XL Axiata and Smartfren into a unified infrastructure of 225,649 BTS stations, the Company optimizes spectrum allocation, expands VoLTE coverage and improves service stability in high-traffic areas. This strengthened network foundation positions, the Company to meet evolving customers needs with broader coverage and superior reliability.

To uphold product and service quality, XLSMART applies a security framework known as Governance-Protection-Operations (GPO). This framework helps the Company identify gaps, prioritize improvements, and strengthen overall security readiness. Improvements include the completion of IT security policies, deployment of enhanced protection systems, and continuous monitoring to detect and mitigate attempted breaches or vulnerabilities.

Aligned with the Company's commitment to ensuring the benefits and safety of its service solutions, XLSMART conducts periodic reviews to assess product impact and quality both before and after public release. A dedicated team ensures that:

1. Each product design meets aligns with actual market needs.
2. All products and features pass rigorous quality assurance testing before launch.
3. Customer journeys are supported by procedures, policies and systems that safeguard customer data from registration and activation through purchase, payment, and deactivation.

As part of this assessment process, XLSMART adopts three key approaches: rationalization, simplification and automation. These include establishing an Enterprise Product Catalog with standardized structures across product lines to support seamless integration with the Order Management System. The Company also develops artificial intelligence and digital automation to support decision-making, convergence and personalization, enabling more accurate and customer-centric product offerings.

XLSMART further optimizes parameter settings to support future product development and lifecycle maintenance. The internal IT team conducts quality control for every product-both pre-launch and for those already in the market. Product assessment are carried out with the following objectives:

Enterprise Product Catalog		
Rationalization	**Simplification**	**Automation**
• Reduce product variants from 17,000 to 12,000 • Structure the product portfolio into a maximum of 13 product family templates	Reduce unnecessary API Interaction	• Reduce turnaround time by 50% from 7 days to 3 days • Implement automated testing

Meanwhile, to anticipate any negative impact resulting from its operations, XLSMART has established a dedicated complaint center. As part of its response to customer reports, the Company applies the following measures:

1. Providing prompt responses, for first-level complaint handling and implementing an internal escalation system;
2. Conducting regular evaluations;
3. Maintaining openness to feedback;
4. Facilitating dialogue and providing compensation when service issues cause inconvenience to customers.

In 2025, XLSMART's products and services were evaluated for safety and impact. Based on this review, the Company recorded:

- No incidents of non-compliance related to health and safety impacts;
- No violations of customer data privacy policies;
- No product recalls;
- No health or safety incidents related to XLSMART's services.

These results reflect the Company's commitment to delivering safe, secure and high-quality products and services for customers across Indonesia.

Integrating Sustainability Into Innovations [F.26] [F.27] [GRI 416-1] [GRI 416-2]

Innovation at XLSMART is designed to create solutions that are safe, efficient and meaningful for customers and society. Every idea is evaluated not only for its technical performance, but also for its environmental, social and governance impact.

Following the 2025 merger, XLSMART continues to build a stronger innovation ecosystem grounded in responsibility and purpose. Ideas developed through XCamp Labs IoT and the ESTA platform are assessed for customer value, accessibility, safety and long-term environmental impact as part of the Company's sustainability-led approach to innovation. This ensures each solution from concept to commercialization. In this way, innovation becomes more than technology. It becomes a pathway to inclusive, secure, and future-ready progress for Indonesia.

XCamp Labs IoT functions as the Company's innovation hub for prototyping Internet of Things solutions, automation tools, and smart connectivity use cases. The lab provides a collaborative environment for product developers, engineers, and data specialists to test, refine, and validate ideas before scaling.

At the enterprise level, XLSMART has ESTA (Enterprise Smart Technology & Automation) serves as a unified digital platform that supports business clients in improving operational efficiency and cyber resilience. ESTA was formally introduced during the BRAVO 500 SUMMIT in July 2025, an industry forum hosted by XLSMART that brought around 500 companies, 1,500 executives and more than 30 expert speakers to discuss the role of Artificial Intelligence and Cybersecurity across key sectors. These initiatives reflect that innovation at XLSMART is not only technology-driven, but also aligned with responsible and secure digital development.

As XLSMART strengthens its post-merger innovation pipeline, sustainability principles guide product planning and solution development. These principles help ensure that new solutions remain efficient, safe and relevant for customers. XLSMART is still harmonizing the innovation processes of XL Axiata and Smartfren. During this transition, sustainability considerations are integrated into planning, testing, and refinement to ensure new solutions deliver customer value with responsible resource use and ethical technology practices.

Our Innovations in 2025

Two flagship innovations demonstrate how sustainability and innovation move together at XLSMART:

1. **Autonomous Drone for Goods Delivery**
   Developed in collaboration with ASTRAtech, this innovation supports more efficient and safer logistics by reducing dependence on conventional transport and shortening delivery time, particularly in remote areas. It aligns with national digital transformation goals and contributes to smarter supply chain operations.

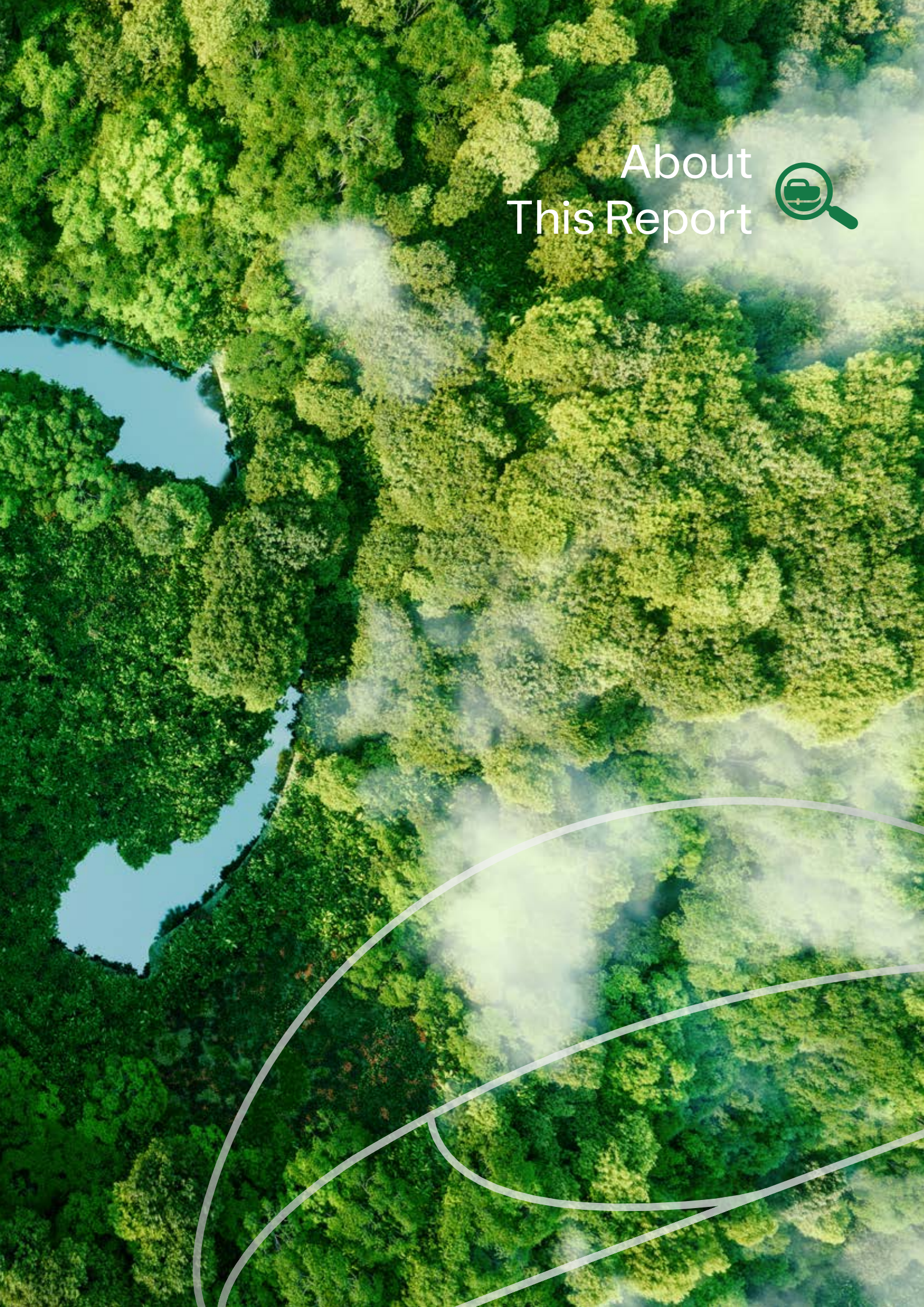
2. **Generative AI-powered "Sarah"**
   "Sarah" provides fast, personalized assistance through digital platforms, helping customers resolve issues without waiting for manual intervention. The solution improves accessibility for customers in remote areas, supports users with limited mobility, and reduces dependence on physical service centers.

3. **Credit Control Feature**
   XLSMART introduced Credit Control feature to help prepaid customers protect their balance from unintended deductions for SMS, subscription content, or out-of-plan data usage. This feature enhances transparency, prevents accidental charges, and supports responsible digital consumption.

4. **Facial Recognition for SIM Registration**
   To strengthen customer protection and reduce identity misuse, XLSMART implemented facial recognition for SIM registration, integrated with the national population database. The system enhances data accuracy while supporting the government's digital transformation agenda.

5. **ESTA-Enterprise Smart Technology & Automation**
   Through XLSMART for Business, the Company launched ESTA, a unified digital platform that enables secure and efficient enterprise operations. ESTA enhances automation, digital processes management, and cybersecurity readiness. The platform was introduced during the BRAVO 500 SUMMIT to industry stakeholders representing 500 companies, 1,500 senior executives, and more than 30 expert speakers.





About This Report

About This Report [GRI 2-2] [GRI 2-3]

PT XLSMART Telecom Sejahtera Tbk prepares and publishes a Sustainability Report on a consistent basis as a key communication medium for stakeholders, presenting the Company's sustainability performance, commitments, and progress. This report represents the first full-year sustainability disclosure of XLSMART as a unified entity following the merger and reflects the integration of sustainability performance, governance, and data across the combined organisation. The report discloses XLSMART's economic, environmental, social, and governance (ESG) performance for the period from 1 January to 31 December 2025, unless otherwise stated.

The financial information presented in this Sustainability Report forms part of the consolidated data of the Company and its subsidiaries and has been audited by an independent Public Accounting Firm in accordance with applicable auditing standards. Non-financial information, including policies, programmes, and environmental and social performance, is presented based on clearly defined reporting boundaries, whether covering all entities or specific operational units, as relevant.

The Sustainability Report is released as an integrated component of XLSMART's Annual Report, which is published as a separate document. The sustainability reporting period is aligned with the Company's financial reporting period. The report was released in 14 April 2026 or within the timeframe stipulated by the Financial Services Authority (OJK) for the submission of Sustainability Report. The previous Report was published in March 3, 2025.

The preparation of this report refers to the following regulatory frameworks and standards:

- OJK Regulation No. 51/POJK.03/2017 on the Implementation of Sustainable Finance;
- SEOJK No. 16/SEOJK.04/2021 on the Form and Content of Annual Reports;
- Global Reporting Initiative (GRI) Standards 2021 with the "with reference" option.

The content indexes for each applicable framework are presented at the end of this report to enhance traceability, credibility, and transparency of the disclosed information.

Reporting Principles

To ensure the quality, consistency, and credibility of the disclosed information, this Sustainability Report has been prepared in accordance with the following principles:

- **Accuracy**
- **Clarity**
- **Completeness**
- **Timeliness**
- **Balance**
- **Comparability**
- **Sustainability Context**
- **Verifiability**

These principles guide the determination of report content, scope, measurement methodologies, and presentation, ensuring that the information fairly, transparently, and comprehensively reflects the Company's sustainability performance.

Reporting Scope and Boundaries

The scope of this report covers the sustainability performance of PT XLSMART Telecom Sejahtera Tbk and its subsidiaries, encompassing economic, environmental, social, and governance aspects. The reporting boundaries follow the Company's consolidated structure following the merger, reflecting the integration of entities and operations within the XLSMART Group, and are aligned with the consolidation applied in the Company's financial statements, unless otherwise specified for certain disclosures.

The scope of topics and disclosures is determined based on the results of the Double Materiality Assessment, which identifies priority sustainability issues according to their financial significance to the Company as well as their impacts on society and the environment. The assessment serves as the basis for determining the focus area and depth of reporting in this Sustainability Report. There were no restatements of information in this report. [GRI 2-4]

External Assurance [G.1] [GRI 2-5] [GRI 2-14]

For the current reporting year, the Company did not engage an external assurance provider to independently verify this Sustainability Report. Nevertheless, internal verification and control processes were implemented to ensure the accuracy, consistency, and reliability of the disclosed information.

The highest governance body, comprising the Board of Commissioners, the Board of Directors, and the Sustainability Unit, is responsible for overseeing the accuracy and transparency of sustainability information, including the validation of material topics and key disclosures. Sustainability data and reporting progress are reviewed on a quarterly basis through the BRCC and RBCC, with final approval granted in 14 April 2026.

Feedback from Stakeholders [G.3] [GRI 2-26]

XLSMART welcomes feedback and input from stakeholders as part of its commitment to continuous improvement in sustainability performance and reporting quality. As of the submission of this Sustainability Report, the Company did not receive any feedback related to the previous year's report.

For further information or inquiries regarding this Sustainability Report, please contact:

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Feedback From [G.2]

Thank you to you for reading the 2025 Sustainability Report of PT XLSMART Telecom Sejahtera Tbk. To improve the content of the Sustainability Report in the coming years, we hope that you will be willing to fill out this Feedback Form by circling one of the answers and filling in the available points.

1. The Sustainability Report is interesting and easy to understand:
   a. Agree b. Disagree c. Don't Know

2. This report already describes the Company's performance in supporting the realization of sustainable development:
   a. Agree b. Disagree c. Don't Know

3. This report increases your confidence in the sustainability of the Company.
   a. Agree b. Disagree c. Don't Know

4. The materials and data in this Sustainability Report are quite complete.
   a. Agree b. Disagree c. Don't Know

5. Are the designs, layouts, graphics and photographs in this Sustainability Report good?
   a. Agree b. Disagree c. Don't Know

6. What material topics are most important to you?

   _____
   _____
   _____

7. What material topics are least important to you?

   _____
   _____
   _____

8. What information is considered to be lacking from this Sustainability Report and needs to be added to future Sustainability Reports?

   _____
   _____
   _____
   _____

Identity of Sender:

Name :

E-mail :

Identify by stakeholder category:

a. Shareholder
b. Government/Regulator
c. Community
d. Customer
e. Employee
f. Business Partners
g. Mass Media
h. NGO
i. Others, please state .....

GRI Universal Standard Index - 2021

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	2-3 Reporting period, frequency and contact point	162				
	2-4 Restatements of information	163				
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	2-13 Delegation of responsibility for managing impacts	78				
	2-14 Role of the highest governance body in sustainability reporting	78				
	2-15 Conflicts of interest	87				
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	2-18 Evaluation of the performance of the highest governance body	79				
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	2-24 Embedding policy commitments	43-44				

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	201-2 Financial implications and other risks and opportunities due to climate change	116-117				
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GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	88				
	205-2 Communication and training about anti-corruption policies and procedures	88				
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	302-3 Energy intensity	99				
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	305-2 Energy indirect (Scope 2) GHG emissions	100				
	305-3 Other indirect (Scope 3) GHG emissions	100				
	305-4 GHG emissions intensity	100				
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Sustainability Report

2025

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