



SUPPORTING THE NATION FOR SUSTAINABLE GROWTH

Sustainability Report 2021



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We innovate.

We challenge.

We succeed as one.



COVER RATIONALE

Supporting the Nation for Sustainable Growth

At Smart Axiata, sustainability is a key component of our business philosophy. And in our business of connecting the people of Cambodia, we have found that the most meaningful way to create value for Smart and all its stakeholders is by supporting the nation. This is why we are driven to support the Kingdom's nation-building efforts by uplifting entire communities, be it through digital inclusion, creating opportunities to become entrepreneurs or advocating education. We are all about creating long-term and sustainable value as we continue Supporting the Nation for Sustainable Growth.



ABOUT AXIATA GROUP

As a regional mobile telecommunications and digital conglomerate, Axiata Group is in a prime position to empower entire societies across our footprint of 11 countries in ASEAN and South Asia to seize the opportunities of the digital age. Our role is integral in helping Consumers, Homes and Enterprises navigate the new normal towards a more sustainable future. We have developed differentiated and segmented offerings across our three core businesses of Digital Telcos, Digital Businesses and Infrastructure based on our deep insights into our customers' needs.



Digital Telcos



Our Digital Telcos are leveraging the digital ecosystem to provide differentiated and segmented digital products and solutions for Consumers, Homes and Enterprises. They are answering Consumers' need for unlimited and nomadic digital mobility, providing digital and technological convergence solutions as Homes shift to become the new centre of gravity, and enabling Enterprises to digitally transform in their quest to drive their growth.

Digital Businesses



Our full spectrum fintech player in Malaysia, with a growing presence in the Indonesia market, is helping grow the digital economy by advancing digital and financial inclusion for micro-SMEs via fully digitized financing, payments and insurance based on rich transaction data.



Our Data and Artificial Intelligence company designs and executes integrated digital, analytics, marketing and eCommerce solutions, and is helping brands drive their digital and data maturity towards achieving their business goals.

Infrastructure



As at the end of 2021, edotco is the 7th largest TowerCo globally. Named the "2021 Asia Pacific Telecoms Tower Company of the Year" by Frost & Sullivan for the fifth consecutive year, it is acknowledged by Credit Suisse as one of three Malaysia-based ASEAN unicorns.

edotco is championing regional connectivity and bridging the digital divide in eight countries through next generation technology to provide seamless connectivity and contributing to the climate change agenda through green tower designs and renewable energy use.

WE ARE SMART AXIATA

Smart Axiata Co., Ltd. is part of Axiata Group Berhad, one of the largest telecommunications groups in Asia and leads Cambodia's mobile technology advancement.

Sustainability is central to Smart's business decision making and activities, enabling us to keep creating long-term positive impacts for our planet, our community and our business. Guided by our robust Sustainability Framework and that of Axiata Group, we will continue to create value and contribute towards a sustainable future for all, ensuring no one is left behind.

VISION

To be the **#1** and most loved communication tech brand in Cambodia by 2022.

MISSION

We Connect.
We Make Lives Better.

VALUES

We are **open and honest** (UI).
We **win big, as a team** (EP).
We are **courageous**.
We are **passionate**.
We are **attentive to details** to achieve simplicity.



AWARDS AND RECOGNITION



**Frost & Sullivan
Asia Pacific
Best Practices
Awards 2021**

- The Cambodian Mobile Service Industry Excellence in Best Practices
- The Cambodian Mobile Data Industry Excellence in Best Practices

Global Banking and Finance Review 2021

- Best CSR Company Cambodia 2021
- Best Telecommunication Company Cambodia 2021
- Leading Company in Building Community Resilience Cambodia 2021

MESSAGE FROM OUR CEO



Dear Stakeholders,

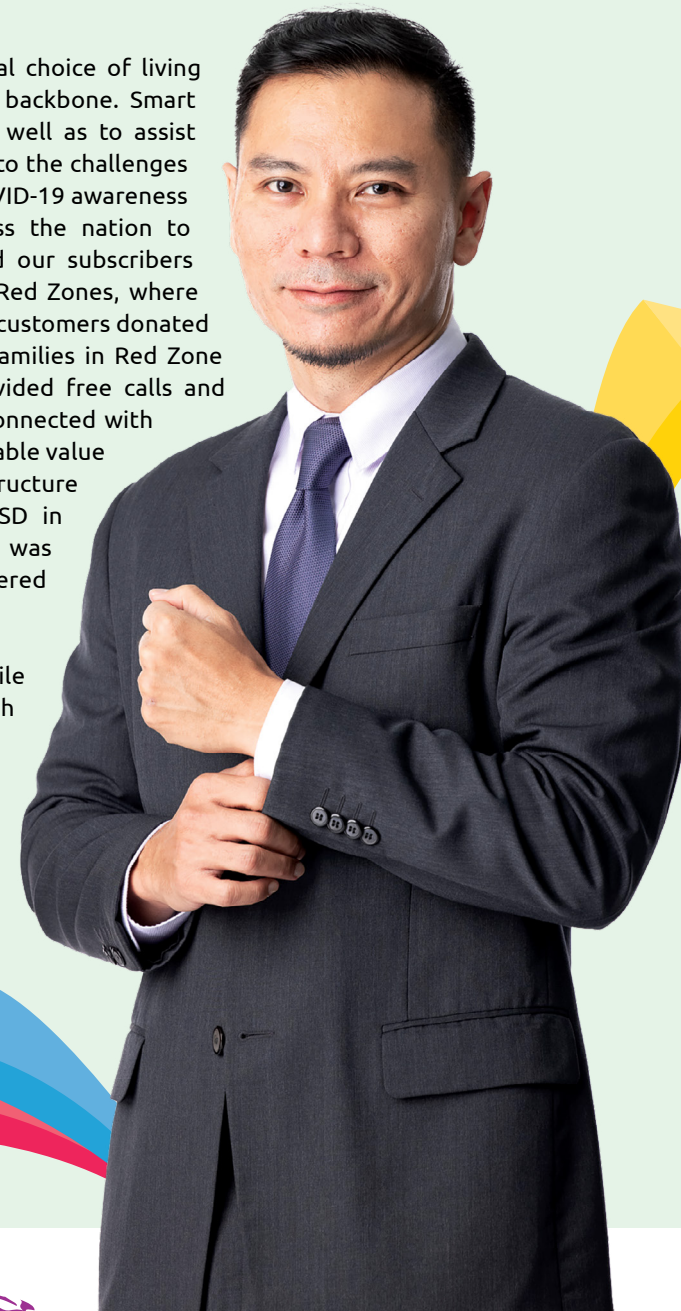
In what has been another challenging year as the world continued to grapple with the effects of the pandemic, Smart Axiata has remained steadfast in connecting people, being an enabler and supporting the Kingdom's efforts to bolster, protect and develop the economy and its citizens in a sustainable way."

FEIRUZ IKHWAN

Acting Chief Executive Officer

In 2021, Cambodia, like many other nations, made the difficult but logical choice of living with the pandemic. During COVID-19, connectivity evolved into society's backbone. Smart was there every step of the way to provide continuous connectivity, as well as to assist frontliners, vulnerable communities, employees and customers in adapting to the challenges of this path. Throughout the year, we have supported the government's COVID-19 awareness campaign by broadcasting messages to our 8 million subscribers across the nation to encourage the public to adhere to health guidelines. Smart also helped our subscribers and communities both in cash and kind, especially those confined within Red Zones, where mobility was severely limited. For instance, we launched a relief fund where customers donated cash for the purchase of food and essential supplies for 300 vulnerable families in Red Zone communities in Banteay Meanchey province. For our customers, we provided free calls and data for a period of 25 days during the pandemic for subscribers to stay connected with family and friends. Beyond the pandemic, Smart continued to create sustainable value and generated a positive impact in the Kingdom via our business, infrastructure and connectivity initiatives. Smart invested approximately 81 million USD in the Kingdom's development, while our contribution to public finances was 103 million USD. As of the end of 2021, 95.7% of the Kingdom is covered by 4G.

We are also firmly focused on prioritizing digital inclusion and literacy, while ensuring we play a significant role in empowering Cambodia's youth through the implementation of robust educational, entrepreneurship and tech innovation programs. In this context, we worked with development partners such as Sipar, World Vision International, the Institute of Technology Cambodia and various government agencies to develop and implement impactful programs that have uplifted the people of Cambodia.

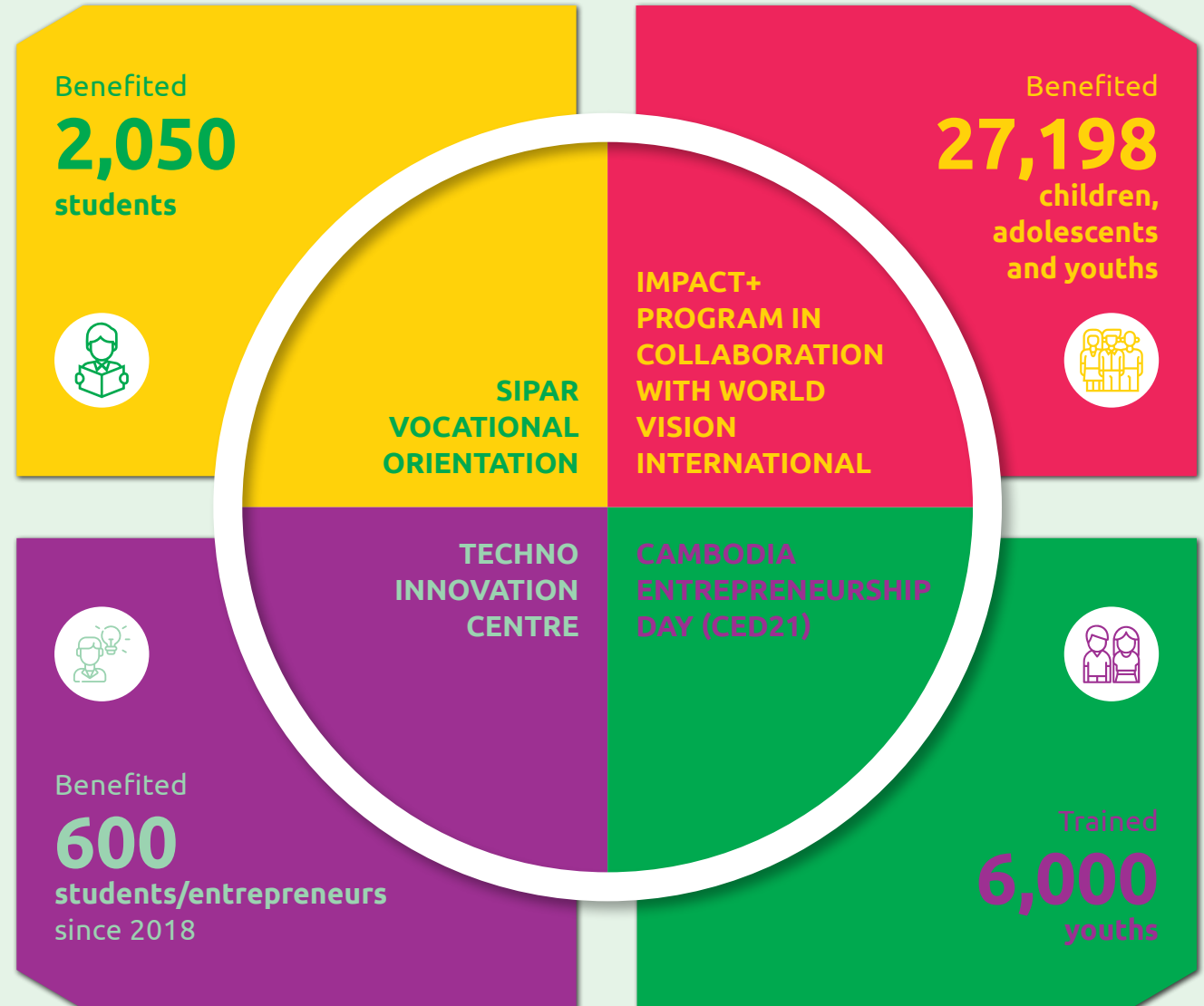


MESSAGE FROM OUR CEO

Smart's aspiration to develop entrepreneurs as a means of spurring Cambodia's economy forward continues to be reflected through the progress of investee companies under our Smart Axiata Digital Innovation Fund (SADIF). Almost 3 million USD has been invested in 10 digital startups since the fund was conceived in 2017, which has helped to create jobs and fulfill the needs of the economy.

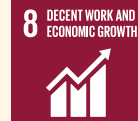
Looking ahead, we are striving to better position ourselves to ensure that we are meeting the growing sustainability concerns of the government, investors and public. Our aim is to engage all internal and external stakeholders to play an active role in what would be a more integrated sustainability journey that will benefit all parties. In the coming year, we will continue contributing to the development of Cambodia through various digital and environmental initiatives while delivering programs that ensure the most vulnerable pockets of society will not be left behind as the economy progresses.

In closing, I would like to thank the team at Smart Axiata for their dedication and effort in making the Smart family a leading digital citizen. We continue to meet global standards, and as employees, each and every one of you should be proud of this achievement. We remain committed to further improving on the positive impacts we are creating every day and will continue working closely with the government and all our stakeholders.



BEYOND SHORT-TERM PROFITS

Sustainable Development Goals



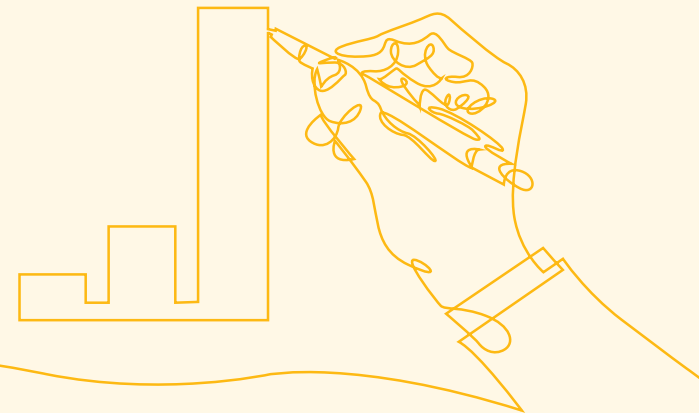
8 DECENT WORK AND
ECONOMIC GROWTH



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AND INFRASTRUCTURE



17 PARTNERSHIPS
FOR THE GOALS



BEYOND SHORT-TERM PROFITS

Local Economy



As a leading mobile network provider, we seek to create value for our stakeholders and the community in which we serve. Through our business activities, products and services, we help the community to thrive and leave long-lasting positive impacts by contributing to the local economy, investing in infrastructure and promoting digital inclusion.



Investment in Infrastructure



Digital Inclusion



FOCUS AREAS



Providing funds to digital startups and contributing to organizations that support local technopreneurs to boost the local economy.

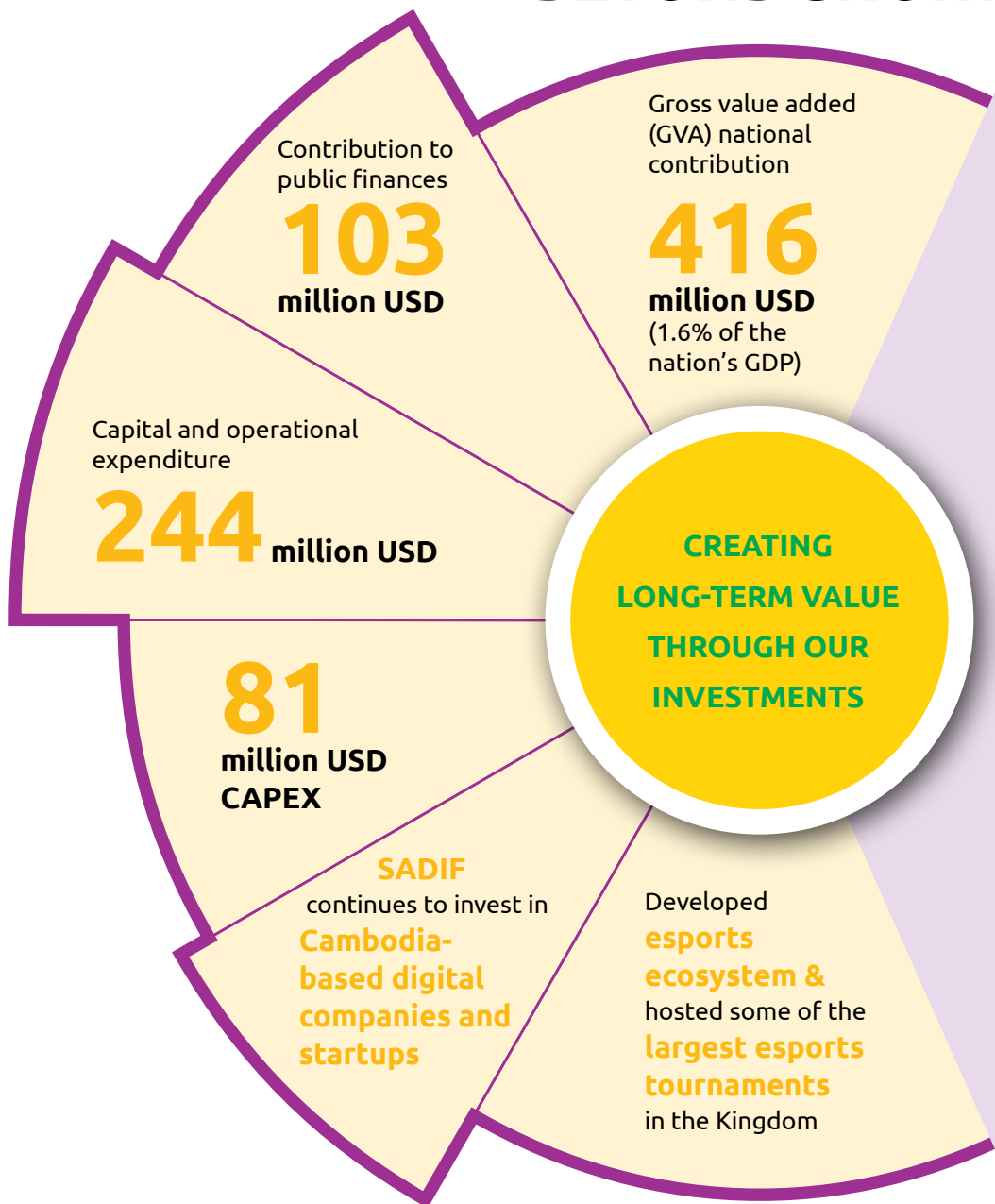


Contributing to the economy through significant investments in advanced network infrastructure and, therefore, supporting the needs of a developing nation.



Ensuring sufficient coverage through additional base stations as we strive to expand access to affordable digital services.

BEYOND SHORT-TERM PROFITS



LOCAL ECONOMY



Gross value added (GVA) national contribution **416 million USD** (1.6% of the nation's GDP)



Capital and operational expenditure **244 million USD**



Contribution to public finances of **103 million USD**, which accounts for **2%** of the Kingdom's **total tax revenue**, excluding regulatory fees, levies and payments.



EMPOWERING BUSINESSES

Smart Axiata Digital Innovation Fund

Smart Digital Innovation Fund

is a **5 million USD** venture capital fund to invest in Cambodia-based, digital service companies and startups and aims to **spur the digital ecosystem** in the country. Launched in March 2017, SADIF was the **first venture capital fund** in the Kingdom.



To date, almost **3 million USD** has been invested in **10 startups**.

ADA Reach Cambodia Powered By Smart Axiata



Advertising service based on user profile demographics that utilizes mass SMS, targeted SMS and the Pleng app.

BEYOND SHORT-TERM PROFITS



EMPOWERING BUSINESSES (CONT.)

Smart Sponsored Data



Enables businesses to **sponsor data usage** for customers using their **applications or websites** for worry-free browsing and transactions.



Helps **improve the market presence** of the business and **reduce consumer data expenses**.



Currently used by **three popular local online businesses**: **Nham24**, **LMCAR** and **True Money**.



INVESTMENT IN INFRASTRUCTURE



Network coverage (number of base stations)

2G	<div style="width: 100%;"></div>	3,211 sites
3G *	<div style="width: 60%;"></div>	1,962 sites
4G	<div style="width: 100%;"></div>	3,255 sites

* 3G upgraded to 4G sites for better data experience for our customers.



Network coverage (by population)

2G	<div style="width: 100%;"></div>	99.6%
3G	<div style="width: 65%;"></div>	63.5%
4G	<div style="width: 100%;"></div>	95.7%



2% of **total annual service revenue** contributed to **Universal Service Obligation Fund** to bridge the digital divide.



385 newly **4G coverage sites** across **21 provinces**.



1% of **total annual service revenue** is contributed to the **Capacity Building Research and Development Fund** to **develop ICT resources**.

Improving Connectivity and Coverage



Improved **4G network quality of service** at **747 sites** (1,084 sectors) **across 24 provinces**.



All new locations are fully equipped with **LTE technology**.

BEYOND SHORT-TERM PROFITS



DIGITAL INCLUSION

Affordability



We **prioritize the needs** of our customers at all times and **celebrated the most meaningful times** of the year by rewarding them with chances to **win prizes and airtime bonuses**, as well as **discounts and promotions**.



Organized campaigns to make it affordable to **get and stay connected**, such as offering SIM card discounts, data top up promotions and device trade-in programs.



During the pandemic, we **provided free calls and data** for a period of **25 days** for subscribers to stay connected with family and friends.

Development of E-Sports in the Kingdom



By enabling digital payments under the SmartPay umbrella, subscribers can use their Smart main balance to buy digital content from Google Play, the App Store and other merchants, including Razer. SmartPay also seamlessly links subscribers to the e-sports ecosystem, where they can purchase game vouchers via SmartNas.



Established **partnerships with Technineir and DirexPlay**, allowing subscribers **access to new games**, such as Smart Game Hero Season 2, and tournaments in the Leng Arena.



Launched the **third season of the regional Axiata Game Hero**, a PUBG Mobile tournament organized by Axiata featuring teams from all around Asia.



IMPACT STORIES

SADIF

SADIF is a **5 million USD** venture capital fund by Smart Axiata in partnership with **Mekong Strategic Partners (MSP)** to support digital companies and startups in Cambodia. In 2021, SADIF provided follow-on funding to support companies, with three investees closing seven-figure amounts of follow-on funding. These investees have used the funds to **expand their business** and **develop their products**.



Nham24

Morakot Technology



Cambodia's **first local super e-commerce company** for food, groceries and packages, as well as taxi services.



Extended its service coverage across **16 major cities**.



Established in 2016, Nham24 **simplifies the ordering process** and **provides various services and options** to restaurant merchants, drivers and customers.



Increased its gross merchandise volume (GMV) **8 fold over 2019's GMV**.



Created jobs for **176 Cambodians** and over **2,000 Cambodian driving partners**.



Cambodia's **core banking system** for microfinance institutions, banks and other financial institutions.



Expanded to **39 clients** in Cambodia and Myanmar.



Comprised **270 million+ USD** total loan portfolio and **>260,000** end users.



Gained traction through upselling its **CIFRS modules** and **Loan Origination System** to existing financial institutions.



To launch **enterprise resource planning software** in 2022.



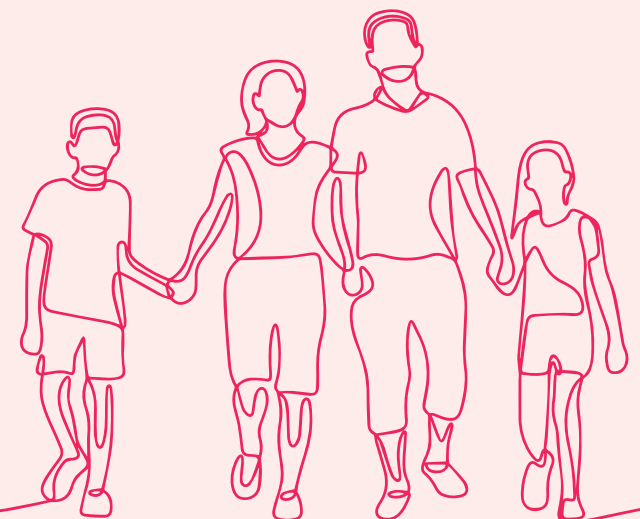
Created jobs for **36 Cambodians**.

Other investee expansions included:

- ▶ The amplification of gaming platform to **28 countries** by **GoGames**.
- ▶ The upgrading of software to deliver **off-grid solar power** to Cambodia, the Philippines, Nigeria and Haiti by **Okra Solar**.
- ▶ The launch of the beta version of **Banhji 2.0**, an upgraded accounting platform with **dual currency reporting** and **tax-filing features** by **Banhji**.
- ▶ The roll-out of a **student mobile app** to assist students in their university application process by **Sala Tech**.

NURTURING PEOPLE

Sustainable Development Goals



NURTURING PEOPLE

FOCUS AREAS



The company respects and values the unique perspectives and opportunities of having a diverse workforce. We aim to provide a work environment where diversity is embraced, where people are hired based on merit and where people treat each other with respect and dignity. The company will operate a zero-tolerance approach to unfair discrimination.



We strongly believe in upskilling our workforce through training to not only improve productivity but also create a strong pipeline of talented individuals for our business needs.



Protecting the wellbeing and safety of our employees while supporting their aspirations is critical to the long-term sustainability of the business. As such, we fully engage with our employees at all times to better understand their needs and concerns, facilitate their career growth and pay close attention to their health and safety.

Fair Employment and Welfare

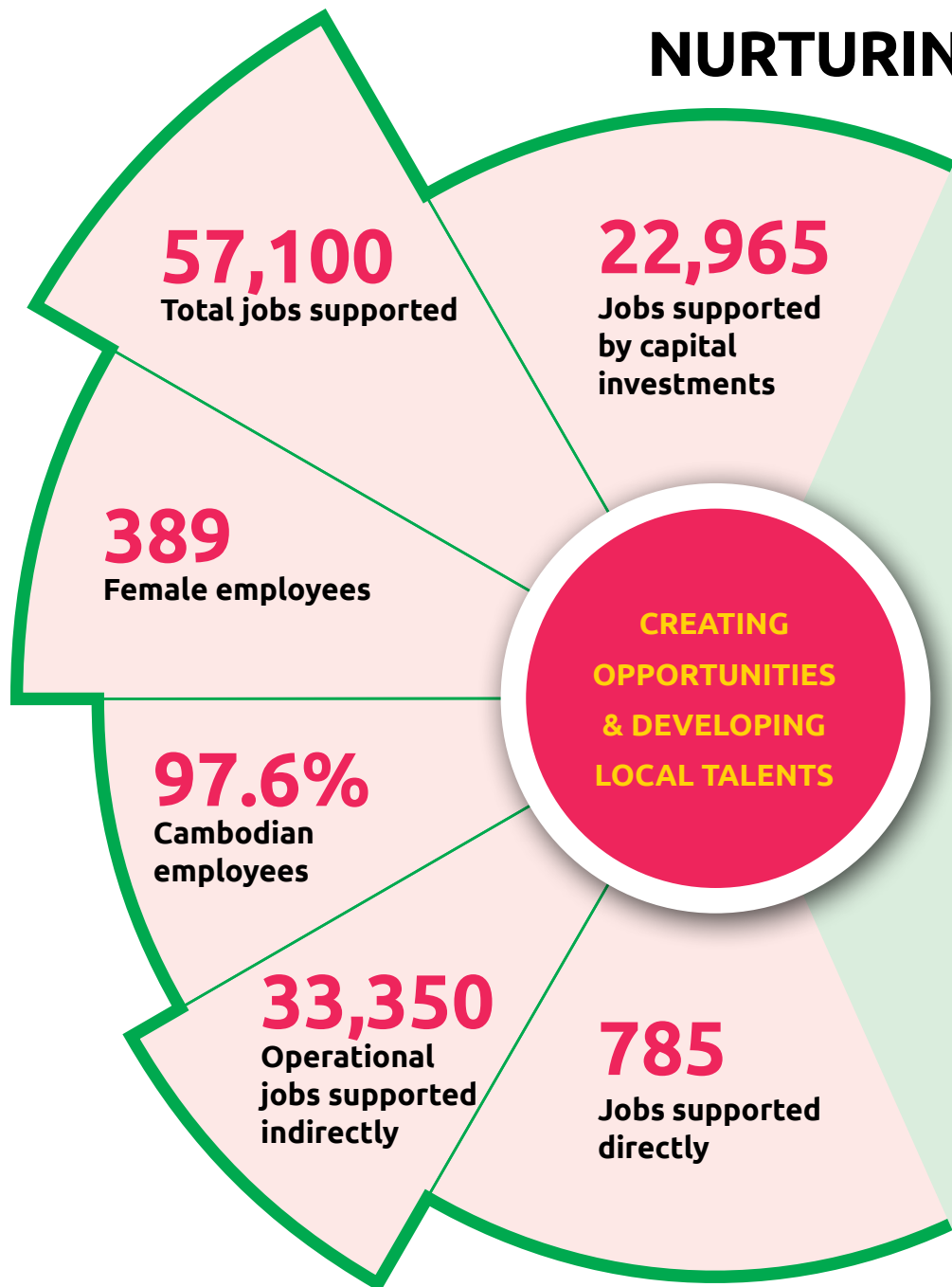
Talent Development

Employee Health, Safety and Wellbeing

We believe that when we take care of our people, they will take care of the sustainable growth of our business. As such, we strive to protect our people's welfare and wellbeing by providing a safe, healthy work environment, promoting diversity, investing in their leadership and development, engaging with them on a regular basis to understand their needs and ensuring job satisfaction to retain our talent.



NURTURING PEOPLE



FAIR EMPLOYMENT AND WELFARE

Fair Employment Practices that Cultivate Diversity and Equal Opportunity



Guided by **Smart Axiata's Recruitment Playbook**.



10 Brand Ambassador Program.



Provided work benefits to all full-time and part-time employees.

➤ **Digital Internship Program**
➤ **>15** interns underwent the program and **3** became **full-time employees**.

➤ International Women's Day.

➤ **Employment opportunities** for people with disabilities at our call center.

Inculcated a Culture of Integrity through Various Programs and Initiatives

➤ **Smart Values Mobile App** for employees to **learn about Smart's Core Values**.

➤ **Gratitude Card** for employees to express their appreciation for one another.

➤ Smart Identity training.

➤ Distributed **Rise Together kits**: includes Core Values card, Core Values shirt and Smart Identity booklet.

➤ Senior Leadership Team Step-Back Moment Session.

➤ Situational Judgement Test & Senior Leadership Team Norming Session.

➤ Masterclass 1 with Senior Leadership Team & Smart L2 leaders.

➤ CxO Team Development Session.

NURTURING PEOPLE



TALENT DEVELOPMENT



Offered various learning and development programs, including language course, to employees.



Total number of employees received training: **1,039 employees**.



Total number of training hours: **43,530.52 hours**.



Conducted an **annual performance review** of all our employees.



EMPLOYEE HEALTH, SAFETY AND WELLBEING



Sustainable Engagement Score



Rolled Out Various Employee Engagement Programs and Initiatives to Understand and Meet Employee Needs



Enhanced onboarding guidelines for line managers and newly recruited employees. This includes sending a welcome email on the first day and conducting employee inductions and various checkpoints to **understand employee experiences**.



Enhanced communication between SLT team and employees via engagement initiatives.

Social distancing



Employees' Snacks & Drinks



NURTURING PEOPLE



EMPLOYEE HEALTH, SAFETY AND WELLBEING (CONT.)

Actively Engaged with Employees



Yammer, emails and online platforms, such as Microsoft Teams.



Supported employees during lockdown periods, including by **delivering food to employees** and those in quarantine, and **checked on the health of employees** via weekly calls and a healthcare app. We also **conducted contact tracing** to identify potential risks to our employees and their families.



Organized small workshops for departments with low Sustainable Engagement scores to **understand their needs and issues**.



Held **Smart Identity Workshop** to **raise awareness** of and **encourage commitment** to Smart's mission, vision and core values.



Recognized and rewarded employees by:

- ▶ **Organizing Appreciation Week** to allow employees to **exchange gratitude cards**.
- ▶ **Giving On Spot Awards** to those who **demonstrated Smart's core values** and **showed dedication and commitment** in challenging projects.



Employee volunteer programs, such as **tree planting events**.













Provided a safe and healthy work environment by complying with all local and national occupational health and safety laws and regulations.

Senior Leadership Team's card to employees during COVID-19



IMPACT STORY

At Smart Axiata, we take pride in the dedication and commitment of our employees. We do all we can to support our employees in their career progression and enable them to achieve their professional aspirations. Thus, our robust learning and development programs include leadership and technical training, as well as language courses, to upskill our employees and ensure job satisfaction. Allowing our employees to grow will also enable us to retain the best talent and shape a high-performing workforce. In 2021, we recorded an average of 42 hours of training per employee through training and development programs that were conducted physically and virtually by both internal and external trainers.

Learning and Development Programs			
Name	Details	Name	Details
 Smart Accelerated Development Program (SADP)	<ul style="list-style-type: none"> ▶ A leadership training program ▶ Conducted virtually by Leadernomics 	 Training Needs Analysis 2021	<ul style="list-style-type: none"> ▶ Involved three external and internal training programs for nominated employees
 Good2Great Journey	<ul style="list-style-type: none"> ▶ Culture training to inculcate Smart Axiata's corporate values ▶ Conducted virtually by internal and external trainers 	 Problem Solving	<ul style="list-style-type: none"> ▶ To upskill employees on a set of other competencies, such as logic, creativity, resilience, imagination, lateral thinking and determination
 Smart Leaders Program (FLM)	<ul style="list-style-type: none"> ▶ A leadership program for heads of department and people managers ▶ Conducted virtually by ODI Asia 	 Microsoft Office - PowerPoint & Excel	<ul style="list-style-type: none"> ▶ Understand how to use both tools more effectively ▶ Increase employees' productivity by enabling them to complete routine tasks in a shorter amount of time
 CIO/CTO Competency Training	<ul style="list-style-type: none"> ▶ Technical training for CIO/CTO division ▶ Conducted virtually by Orbitage 	 BI Interview Training	<ul style="list-style-type: none"> ▶ For recruiters and hiring managers to ask better questions or specific questions to understand more about the candidate's behavior and skills
 English Capability Development Program	<ul style="list-style-type: none"> ▶ An English language proficiency course ▶ Conducted virtually by Royal Elite E-learning Center (CamASEAN) 	 Effective Coalition Building	<ul style="list-style-type: none"> ▶ Utilizing key interventions for dramatic improvements in individuals' skills and the company culture
 Mandatory Courses on LinkedIn Learning	<ul style="list-style-type: none"> ▶ An educational e-learning program by LinkedIn Learning 	 Strategic Thinking	<ul style="list-style-type: none"> ▶ Instil a systems-thinking approach
 Mandatory Courses on Smart' e-Learning Platform	<ul style="list-style-type: none"> ▶ An internal e-learning program for all employees 	 Digital Academy	<ul style="list-style-type: none"> ▶ To upskill Analytics team in data engineering, data analytics, data science and other areas through Coursera
 Onboarding Program	<ul style="list-style-type: none"> ▶ An on-boarding program for HQ employees ▶ Included on-the-job training for front office agents and job-related training for contact center agents ▶ Conducted physically and virtually 	 Smart Sponsorship Program	<ul style="list-style-type: none"> ▶ Enhance expertise, capabilities and performance of employees ▶ Ensures greater retention of key employees
 TOTAL PARTICIPANTS: 2,643			

PROCESS EXCELLENCE

Sustainable Development Goals



PROCESS EXCELLENCE

FOCUS AREAS

Procurement and Supplier Management



We manage our relationships with our suppliers in an ethical and cost-effective manner while supporting local businesses as much as possible.

Customer Satisfaction



We ensure our customers are satisfied, as it is critical to our business success.

Digitalization



We cultivate a data-driven culture to deliver digital processes that bring about greater cost and operational efficiencies.

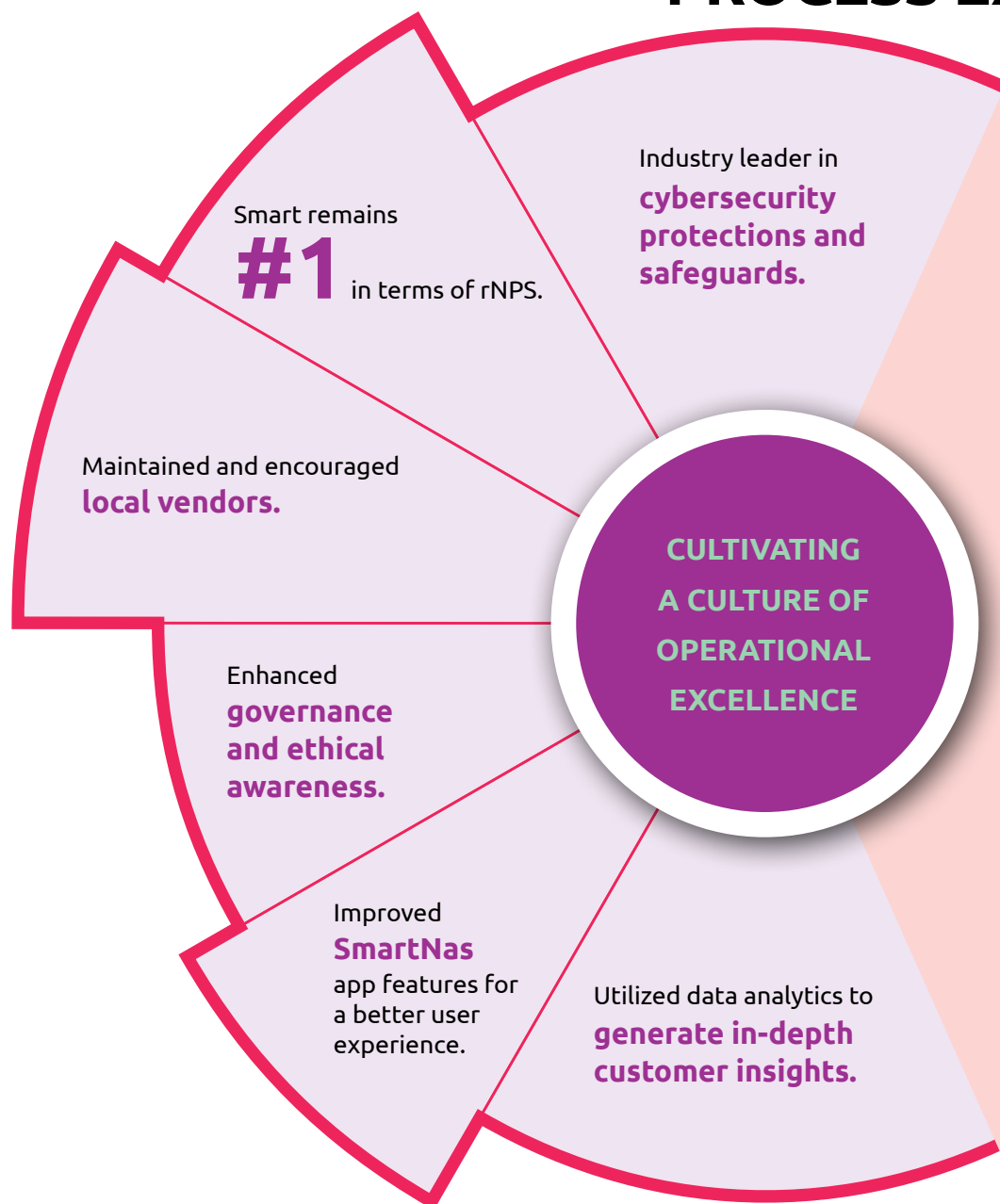
Business Continuity



We are proactive in building business resilience to ensure uninterrupted business operations and continuity.

Establishing a strong brand and image requires several key components that are impactful. We believe in building trust and good relationships with our stakeholders such as customers, dealers and suppliers. Above all, we uphold integrity in all our activities and stay committed to delivering excellence through digitalization.

PROCESS EXCELLENCE

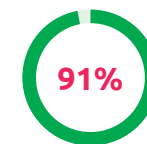


PROCUREMENT AND SUPPLIER MANAGEMENT

Number of Local Suppliers

234 local suppliers which is equivalent to **67%** of our total suppliers.

Supplier Code of Conduct



297 of our vendors **signed the Supplier Code of Conduct**.



CUSTOMER SATISFACTION

SmartNas App Updated and Enhanced



Focus on **customer transactions** and **account management**.



Improved **charging history** and **top up history**.



Enhanced **top up experience**.

Improved Customer Service



Upgraded **billing system**.



Language preference for all customer interaction channels.



Unified **customer service experience**.

PROCESS EXCELLENCE

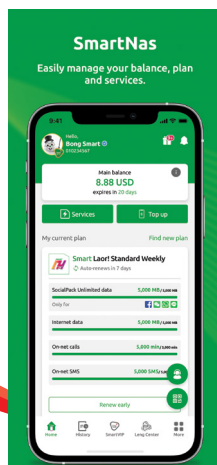


CUSTOMER SATISFACTION (CONT.)

Festive Season/Holiday Campaigns



Prizes for **customer engagement** during Chinese New Year, Vea Ka'om, Bos Bay Ben, Oum Touk and New Year.



DIGITALIZATION

e-Business Platform



The e-Business Platform was developed by our vendor to **reduce manual work** and **introduce paperless documentation** to speed up the processes involved in purchasing and billing for **suppliers' equipment and services**.

Strong Commitment to Data Privacy and Protection



Implemented **data privacy policy** and **privacy notices**.



Adopted the **National Institute of Standards and Technology (NIST) framework** and in the process of obtaining **ISO 27001 certification**.



Training for new employees and refresher training for existing employees and vendors.



Enhancing security control level with the implementation of **Minimum Baseline Security Standard (MBSS 2.0)**.



BUSINESS CONTINUITY

Established Board Risk Management and Compliance Committee (BRCC) & Risk Management and Compliance Committee (RMCC)



The committee's responsibility is to ensure that Smart Axiata:

- ▶ upholds the highest standard of conduct and acts lawfully and ethically.
- ▶ has robust and effective systematic risk management in place with respect to cybersecurity, AML, bribery and corruption and data privacy.
- ▶ responds effectively and promptly to business disruptions, such as disasters and incidents, with the ultimate goal of keeping customers connected.

Established Gift, Donation and Sponsorship Committee (GDSC)



The committee oversees both incoming and outgoing gifts, donations, sponsorships and CSR transactions.

IMPACT STORY

Developing Stronger Working Relationships with Our Vendors

In 2021, Smart Axiata introduced a system to enhance and speed up the procurement and payment process when purchasing equipment and services.

The **control and tracking** of the **Bill of Quantities (BoQ)**



Review and approval of **Proof of Delivery (PoD)**



Jointly **developed e-business platform** with vendors that has **eliminated manual work and paper documentation** by moving a range of processes online



Ability to **view payment status online** and to **extract purchase order** and **billing reports**



The **implementation of the e-business platform** has greatly improved turnaround times and helped with online document archiving, Cloud data storage and other benefits



PLANET AND SOCIETY

Sustainable Development Goals



PLANET AND SOCIETY

FOCUS AREAS

Climate Change



We are committed to reducing our carbon emissions and continue to employ technologies to reduce our carbon footprint.

We are always contributing to the planet and society in all that we do. We focus on managing and reducing our carbon footprint, minimizing negative environmental impacts in our operations. As we strive to contribute to a sustainable future for all, we do our best to empower Cambodians in all aspects – education, tech innovation, community sports and the environment – through various enriching community programs to ensure that no one is left behind.

Contribution to Society



We give back to society and support various education and sports programs to empower young Cambodians.

Tech Innovation



We organize and support numerous programs that encourage technological development and innovation.

PLANET AND SOCIETY

MITIGATING ENVIRONMENTAL IMPACTS AND EMPOWERING CAMBODIAN SOCIETY

Diesel for cars dropped by
29%
compared to 2020

Average fuel usage per site per month dropped by

15%

240 more sites
will be deployed with
solar power by 2022

Gasoline for mobile generators and motorbikes decreased by

79%
compared to 2020

Solar energy was utilized

2021: **615** sites

2020: **223** sites



CLIMATE CHANGE

Environmental Management and Environmental Advocacy



As part of our internal program to reduce our reliance on single-use plastics, we adopted the Green Guiding Principle and Commitments and Most Impact, Least Expenditure (MILE) Action Plan.



Participated in the **Cambodia Energy Efficiency Competition**:
► **Formed internal Green Team** to drive **energy-saving initiatives** and **raise awareness** among employees.



Held **internal workshops** on **Exploring Cambodia's Energy's Future**.



Reduced energy consumption through impactful initiatives.

- **Utilized solar systems** to power base stations
- Introduced AI to identify **energy savings**
- Modernized equipment
- Reduced energy loss

In 2022, **40%** of our base stations were **utilizing solar systems** that generate an average of **320 Mwh** per month. Our use of solar power is expected to increase by **9%** in 2023.



PLANET AND SOCIETY



CONTRIBUTION TO SOCIETY

Bridging the Digital Skills Gap



Digital literacy program

- Organized a series of **talk shows** on '**Online Safety and Protection for Adolescents in the Digital Age**' with the Ministry of Post and Telecommunications, Ministry of Education, Youth and Sports, UNICEF, Action Pour Le Enfants (APLE) and Improving Cambodia's Society through Skillful Parenting (ICS-SP).
 - To **increase awareness on online safety**, as well as the opportunities and risks of using digital tools, among parents and children.
 - Talk-show videos** were shared online to further **promote the cause**.



Guidebook on digital literacy

- A **comic-style guidebook** was illustrated and developed by local artists to **raise online safety awareness** among high school students.



90 Second Social Facebook campaign

- Promoted internet safety through a partnership with **Facebook** and **Sabay Digital Plus**.



PLANET AND SOCIETY



CONTRIBUTION TO SOCIETY (CONT.)

Empowering Diverse Communities

Krousar Thmey

- ▶ Promoted Krousar Thmey's '**Words and Pictures**' mobile application that allows children, including those with a hearing or speech impairment, to **learn Khmer, Cambodian sign language and English**.
- ▶ Reached out to youths via **2,000 SMS** to promote the app.

Basic Education Equivalency Program

- ▶ **Provided flexible alternative education/blended classes** to Cambodians who did not finish school so that they could **continue their classes** and **graduate with a secondary school equivalent certification** within **5 months**.

Mobile library

- ▶ Provided **12,000 books** to children in **20 target locations**.
- ▶ Benefited **2,885 children** who borrowed books from the library.

Community development

- ▶ **Empowered community members** to make **positive social changes** through **17 projects**.
- ▶ **Supported basic needs** in different locations and **taught necessary life skills** to people to help them survive during the pandemic.
- ▶ Equipped rural schools with **solar panels** to enable learning to continue.
- ▶ Benefited **3,265 participants** through online and offline engagement.



PLANET AND SOCIETY



CONTRIBUTION TO SOCIETY (CONT.)

IMPACT+

IMPACT+ is a program that shapes adolescents and youths in the rural areas of Cambodia into active citizens empowered with competencies, values, confidence and social connectedness. Developed by World Vision International Cambodia's IMPACT+, the program is based on education, mentorship and sports and is supported by Smart Axiata.

As of 2021, the program had impacted the lives of **18,150 children, adolescents and youths**. Among the outcomes of the program:

- ▶ **Delivered dynamic life skills** through experiential learning to **3,300 of the most vulnerable adolescents and youths**.
- ▶ **165 community service projects** developed and implemented by young people to resolve community issues and contribute to community development.



Districts covered included:

1. Boribo District, Kampong Chhnang
2. Sa Ang District, Kandal
3. Samrong District, Takeo
4. Kirivong District, Takeo
5. Phnom Prek District, Battambang
6. Chikreng District, Siem Reap
7. Tbeng Meanchey District, Preah Vihear
8. Kulen District, Preah Vihear

Going forward, **120 new IMPACT+ clubs** will be formed and led by **360 youth leaders** who will be trained on **leadership and facilitation skills**. The implementation of the clubs will be supported by about **40 local community volunteers**, while **24 specially trained teachers** will help to **establish the IMPACT+ clubs** in **12 public schools** through a **partnership with the Ministry of Education, Youth and Sports**.

PLANET AND SOCIETY



TECH INNOVATION

Community Development and Empowerment

National Eco-School Award

- ▶ Partnered the Ministry of Education, Youth and Sports and the Ministry of Environment in the National Eco-School Award.
- ▶ Awarded **three primary schools** and **three secondary schools** for their effort in **promoting environmental sustainability**.

Smart Good Citizen Award

- ▶ Part of Smart Axiata's **Rise Together campaign** and aims to **recognize selfless individuals** who have contributed significantly to their nation, village or province. The winners are nominated by Cambodians and judged by a panel of three judges.

▶ Winner of Smart Good Citizen Award

Lonh Neang, retired school principal, 60

- Awarded for raising funds for his local community in Krang Yov commune, Sa Ang district, Kandal province, to make sure that underprivileged children and orphans can stay in school.

▶ Winner of Smart Good Citizen People's Choice Award

Soeung Sothary, founder of Eco-Bin

- Awarded for helping to organize rubbish collection and creating eco-friendly bins from old tires, as well as helping the elderly and resolving community issues.



Earth Hour

- ▶ Collaborated with WWF Cambodia to raise awareness about **responsible consumption, environmental protection and sustainability for the planet**.
- ▶ Reached out to **5 million people** via SMS:
> 3 million people via social media.
> 1.6 million impressions on social media.



Tree planting

- ▶ **80 Smart Axiata employees** planted **2,021 mangrove seedlings** in Kampot's Trapaeng Sangkae.



Smile Charity Concert

- ▶ Organized a concert with local celebrities to raise funds for **Kantha Bopha Hospital** and **Angkor Hospital for Children**.
- ▶ The video was streamed over **1 million times** and raised **100,000 USD**.

Disaster Response during the Pandemic



Food support program

- ▶ Launched a relief fund for Smart Axiata subscribers to donate cash, which was used to **buy food and essential emergency response kits** for Red Zone communities during lockdowns.
- ▶ The initiative benefited **300 vulnerable families** in Banteay Meanchey province.



Free data, calls and lifecycle extension

- ▶ In April and May 2021, we provided **free calls** of up to **60 minutes** per day for up to **25 days** to Smart Axiata subscribers to help them **stay connected with family and friends**. We also provided free data of **60MB** per day for up to **19 days** and **extended the lifecycle** of all prepaid numbers in Red Zones.
- ▶ Supported the government's COVID-19 awareness campaign by **playing automated messages during dialing** and sending SMS to our **8 million subscribers** across the nation to encourage people to **adhere to public health guidelines**.

PLANET AND SOCIETY



TECH INNOVATION (CONT.)

Community Development and Empowerment (Cont.)

SmartStart

Unipreneur Learning Platform

- ▶ **Cambodia's first local entrepreneurship program** to equip university students with an **entrepreneurial mindset** and **technical capabilities**. Consisting of online and in-person lessons, **ULP comprises global startup theories** that are suitable for the Cambodian market and local entrepreneurs. In 2021, Smart Axiata and Impact Hub Phnom Penh signed a **Memorandum of Understanding (MoU)** with **10 Cambodian universities** to provide the ULP. The program has benefitted about **750 students**.

SmartEdu

UNIVERSITY STUDENT DEVELOPMENT PROGRAM

- ▶ Shaped **48** young Cambodians into **future digital leaders**.
- ▶ A **13-day stay-in Bootcamp** that provided **theoretical, experiential, personal** and **relational development opportunities** through **learning-by-doing**.
- ▶ Awarded **8 students** with a **2-month internship** at Axiata Group in Malaysia in 2022.

SmartEdu

SCHOLARSHIP PROGRAM

- ▶ Encourages lower-income Cambodians to **pursue tertiary education**.
- ▶ **20 students** selected from various backgrounds to **pursue their studies** at five universities.

Vocational orientation with Sipar Cambodia

- ▶ Prepares high school students to enter the job market via **vocational training**.
- ▶ **Provides a mobile library with resources** to **support the creation of a computerized library** equipped with multimedia digital tools.

Cambodia Entrepreneurship Day (CED 21)

- ▶ Trained **240 participants** in every province, a total of **6,000 young people**.
- ▶ **1,000 groups** have developed their own business ideas and plans.
- ▶ **CED21** reached more than **27,000 people** in a day via Facebook live.

SmartStart

Young Innovator Program

- ▶ Enables young talents to **develop innovative tech and digital ideas** with Smart Axiata and Impact Hub Phnom Penh.
- ▶ **120 participants** were shortlisted to join the various stages of the program, including Hatch, Digithon, Bootcamp, Final Pitch and Incubation.
- ▶ The winning teams in the Grand Final Pitch **won cash prizes** and a **regional tech trip**.

SmartStart

High School Edition

- ▶ An initiative to equip high school students with **entrepreneurial skills**.
- ▶ **180 students** will be given an opportunity to **participate in a digital business** and **entrepreneurship bootcamp**.

SmartSpark

- ▶ An intensive **10-week program** to shape young Cambodians into entrepreneurs.
- ▶ Provided a cash prize of **3,000 USD** to the winning team to **aid the continued development** of their startup.

IMPACT STORY

Techno Innovation Centre

To promote students' innovation and make the best use of their skills, Smart Axiata developed the Techno Innovation Centre with the Institute of Technology of Cambodia (ITC) to provide facilities and pre-incubation activities to support the development of students' entrepreneurial skills. The centre also aims to develop an entrepreneurial culture and practices among students by commercializing innovative ideas and ensuring that they are marketable and profitable. In addition, the centre links universities with industries through products and services from the students.



Techno Incubation Centre



Benefitted **600 students/entrepreneurs** since its establishment in 2018, **promoting entrepreneurial skills** among university students and startups in STEM (science, technology, engineering and mathematics) fields and **supporting business ideas**.



A STEM competition by ITC to allow students to **develop innovative prototypes** through customer interviews and business research in areas such as agriculture and food transformation, mechatronics and robotics, energy management and information and communications technology.



3 winning teams and **3 runner-up teams** won cash prizes totaling **7,000 USD**.



Pre-incubation Program: A pre-incubation period of **six months** that aims to help the three winning teams from the Tech Innovation Challenge to **upgrade their business plan**, which they developed during a **10-week training stint**.



The three teams were given access to the **Techno Pre-Incubation Space** for free during the incubation period with further support from business and technical mentors. The mentors guided the winners and **provided technical support** to help them **prepare their prototypes**, as well as gave them **business plan training** that covered commercial, technical and financial aspects of a business plan.



The winning teams submitted their **Action Plan and Budget Plan** to ITC and **introduced their product/service** to the market.

The programs offered by the Techno Innovation Centre were co-funded by Smart Axiata

Techno Innovation Challenge Cambodia

IMPACT STORY

Cambodia ICT Awards

The Cambodian ICT Awards is the **largest national ICT award** and aims to **recognize digital innovation** in Cambodia. Since its inception in 2015, the competition, co-sponsored by Smart Axiata, has inspired many Cambodian entrepreneurs, including VIREAK BUNTHAM EXPRESS, QR CODE STOP COVID, MOEYS APP, DataU of Mekong Big Data and PillTech Solutions Co., Ltd.



The Cambodia ICT Awards provide the opportunity for tech companies to promote their brand, product and solution to customers and investors. In the category of Best Research and Development, our prototype is exposed to the public, funding partners and government to further support."

ARROWDOT

Winner of Cambodia ICT Award 2021,
Best Research and Development



The Awards recognized **4 women** in 2020 for their **contributions to various areas of ICT**:



Cambodia Woman Entrepreneur Award:

Mrs. KOUNG Sorita,
Founder of Ocean
Technology Co., Ltd.



Cambodia Woman ICT Engineer Award:

Dr. Prum Sophea
(A Phea Soso),
Head of Products at
Soramitsu Khmer



Cambodia Woman ICT For Community Award:

Ms. VONEAT Pen,
Co-Founder of
606 Digital



Creative Digital Contents Award:

Ms. LOMORPICH Rithy,
Founder of Plerng Kob
and BonnPhum

GRI CONTENT INDEX

This Report has been prepared with reference to GRI Standards: Core Option. This Report should be read together with Axiata Group Berhad Sustainability & National Contribution Report (SNCR) 2021.

GRI Standard	Disclosure	Disclosure Title	Page Number/ Remarks
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016			
Organizational Profile	102-1	Name of the organization	1, 2
	102-2	Activities, brands, products, and services	1
	102-3	Location of headquarters	Phnom Penh, Cambodia
	102-4	Location of operations	Cambodia
	102-5	Ownership and legal form	1, 2
	102-6	Markets served	1, 2
	102-7	Scale of the organization	13
	102-8	Information on employees and other workers	13
	102-9	Supply chain	Refer to Axiata Group Berhad SNCR 2021
	102-10	Significant changes to the organization and its supply chain	Refer to Axiata Group Berhad SNCR 2021
	102-11	Precautionary Principle or approach	Refer Axiata Group Berhad Integrated Annual Report 2021
	102-12	External initiatives	UN Sustainable Development Goals
	102-13	Membership of associations	Refer to Axiata Group Berhad SNCR 2021
Strategy	102-14	Statement from senior decision-maker	3 - 4
Ethics and Integrity	102-16	Values, principles, standards, and norms of behaviour	2 Refer also to Axiata Group Berhad SNCR 2021
Governance	102-18	Governance structure	Refer also to Axiata Group Berhad SNCR 2021
Stakeholder Engagement	102-40	List of stakeholder groups	Refer also to Axiata Group Berhad SNCR 2021
	102-41	Collective bargaining agreements	Refer also to Axiata Group Berhad SNCR 2021
	102-42	Identifying and selecting stakeholders	Refer also to Axiata Group Berhad SNCR 2021
	102-43	Approach to stakeholder engagement	Refer also to Axiata Group Berhad SNCR 2021
	102-44	Key topics and concerns raised	Refer also to Axiata Group Berhad SNCR 2021

GRI Standard	Disclosure	Disclosure Title	Page Number/ Remarks
GENERAL DISCLOSURES			
GRI 102: General Disclosures 2016			
Reporting Practice	102-45	Entities included in the consolidated financial statements	Refer Axiata Group Berhad Integrated Annual Report 2021
	102-46	Defining report content and topic Boundaries	Refer also to Axiata Group Berhad SNCR 2021
	102-47	List of material topics	Refer also to Axiata Group Berhad SNCR 2021
	102-48	Restatements of information	No restatements in the year under review
	102-49	Changes in reporting	No changes in reporting
	102-50	Reporting period	1 January 2021 – 31 December 2021
	102-51	Date of most recent report	15 November 2021
	102-52	Reporting cycle	Annually
	102-53	Contact point for questions regarding the report	Refer also to Axiata Group Berhad SNCR 2021
	102-54	Claims of reporting in accordance with the GRI Standards	32
	102-55	GRI content index	32
	102-56	External assurance	This Report has not been externally assured

TOPIC SPECIFIC DISCLOSURES

BEYOND SHORT-TERM PROFITS

Focus Area: Local Economy

GRI 103: Management Approach 2016	103	Management approach	7 - 8
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Focus Area: Investment in Infrastructure

GRI 103: Management Approach 2016	103	Management approach	8
GRI 203: Indirect Economic Impacts 2016	203-1	Infrastructure investments and services supported	8

BEYOND SHORT-TERM PROFITS

Focus Area: Digital Inclusion

GRI 103: Management Approach 2016	103	Management approach	9
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Focus Area: Digital Inclusion

GRI 203: Indirect Economic Impacts 2016	203-2	Significant indirect economic impacts	All our sustainability initiatives and programs are developed and driven to create significant indirect economic and social impacts to build a sustainable future for our communities in Cambodia. The impacts of our initiatives and programs are reported across this Report.
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NURTURING PEOPLE

Focus Area: Fair Employment and Welfare

GRI 103: Management Approach 2016	103	Management approach	13
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Focus Area: Talent Development

GRI 103: Management Approach	103	Management approach	14
GRI 404: Training and Education 2016	404-1	Average hours of training per year per employee	16
	404-2	Programs for upgrading employee skills and transition assistance programs	16
	404-3	Percentage of employees receiving regular performance and career development reviews	14

Focus Area: Employee Health, Safety and Wellbeing

GRI 103: Management Approach 2016	103	Management approach	14, 15
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PROCESS EXCELLENCE

Focus Area: Procurement and Supplier Management

GRI 103: Management Approach 2016	103	Management approach	19, 21
GRI 204: Procurement Practices	204-1	Proportion of spending on local suppliers	19

Focus Area: Customer Satisfaction

GRI 103: Management Approach 2016	103	Management approach	19, 20
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Focus Area: Business Continuity

GRI 103: Management Approach	103	Management approach	20
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Focus Area: Digitalization

GRI 103: Management Approach 2016	103	Management approach	20
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PLANET AND SOCIETY

Focus Area: Climate Change

GRI 103: Management Approach 2016	103	Management approach	24
GRI 302: Energy 2016	302-1	Energy consumption within the organization	24

Focus Area: Contribution to Society

GRI 103: Management Approach 2016	103-1	Explanation of the material topic and its boundaries	25, 27
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Focus Area: Tech Innovation

GRI 103: Management Approach 2016	103	Management approach	28 - 31
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