តាមរយៈសេវាកម្មដ៏ច្រើនសម្បូរបែប ក្នុងការជំរុញសក្តានុពលនៃក្រុមហ៊ុន របស់អ្នកកាន់តែរីកចម្រើនមួយជំហានទៀត

# ADVANCING

**DIGITAL SOCIETY** 

for BUSI ~ ESS

តាមរយៈសេវាកម្មដ៏ច្រើនសម្បូរបែប ក្នុងការជំរុញសក្តានុពលនៃក្រុមហ៊ុន របស់អ្នកកាន់តែរីកចម្រើនមួយជំហានទៀត

Amidst the swift expansion of the digital economy, Smart Axiata is cognizant of the enduring digital divide, often exacerbated by limited connectivity and skills gaps, and seeks to enable all to thrive in a digitally connected world. Despite the challenges, we are steadfast in our commitment to advancing digital inclusion. Our strategy is comprehensive, providing access to essential services such as healthcare and education, facilitating skills training, and championing entrepreneurs. We have various initiatives that are central to our mission of bridging the digital divide, providing digital, cutting-edge solutions and fostering a more equitable and sustainable future.

#### Sustainable Development Goals







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## **PILLAR 1 · ADVANCING DIGITAL SOCIETY**

## 🛞 Sustainable Business Growth

We are committed to promoting both direct and indirect value creation in our strategic investment decisions. This approach ensures sustainable growth for our business while enhancing benefits for local economic development, increasing stakeholders value, creating local employment opportunities, and improving the quality of life for our employees and the broader value chain.







## Sustainable Business Growth (Continued)

#### IMPACT STORIES: THE SUCCESSFUL STARTUPS

Smart Axiata Digital Innovation Fund (SADIF), in partnership with Mekong Strategic Capital, had invested 2.95 million USD in 10 high-growth startups by the end of 2023. These startups are at the forefront of driving digital transformation.

SADIF also provides additional support to startups through its LPs and network, co-investing with other venture capital firms.

While the SADIF has successfully invested in 10 high-growth startups, there is an opportunity to increase the fund's impact by focusing on startups founded by individuals from vulnerable groups. By promoting diversity and inclusivity, SADIF can contribute to a more equitable startup ecosystem.

In addition to financial support, SADIF offers startups access to Smart Axiata's subscriber base, network infrastructure, and the resources of Mekong Strategic Capital. This comprehensive approach empowers startups to scale and succeed.

## ldrackterender der Bereinen Sterender Bereinen B

Contributed to: SDG 1, SDG 5 and SDG 7



- Made significant strides in its mission, as evidenced by the increase in the number of people energized from 7,500+ in 2022 to 14,000+ in 2023.
- Powered 2,800+ households across four countries: Cambodia, the Philippines, Nigeria, and Haiti.



## nham24

- Acted as a catalyst for job creation and income generation, impacting 2,000+ driver partners.
- Successfully integrated **10,000+** taxi and tuk-tuk partners into its network.
- ▶ **45%** of its workforce are women.
- Streamlined the process of delivery and online ordering for a vast network of 23,000+ merchants.

## ٨ Morakot

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- Delivers core banking system and additional solutions to an expanding clientele in Cambodia and Myanmar, increasing from 41 customers in 2022 to 43 in 2023.
- Facilitates and manages approximately 300 million USD in loans.
- Serves 250,000+ borrowers.









## Network Quality and Connectivity

Smart is committed to enhancing network quality and connectivity using advanced technologies like 4G LTE, and the Internet of Things (IoT), thereby sustaining customer trust and maintaining market competitiveness. As a leader in mobile telecommunications, Smart's high-quality network and broad coverage have earned the trust of customers, partners, and communities.

#### Total number of customers 8.2 million

Technology deployed GSM/Edge/LTE/ LTE-A/eSIM

## Number of base stations 2G: 3,512 4G: 3,563

Network coverage (by population covered) 2G: 99.7% 4G: 93.1%

Provincial coverage 25 provinces In our commitment to sustainability and digital inclusion, we are launching initiatives to improve digital connectivity, bridge the digital divide, and expand access to highspeed data services.

Allocated a sizable portion of our Capital Expenditure (CAPEX) to extend coverage and deliver high-speed 4G connectivity to more people, supplemented by guidance from the Telecommunication Regulator of Cambodia to enhance service quality and coverage. Created a multiyear plan to enhance our service that involves the deployment of **357 new sites** in Phnom Penh. By the end of 2023, we had rolled out a total of **162 Quality of Service (QoS) sites** around the country.

Modernized fiber infrastructure, initiated a plan to strengthen capacity, and enhanced resilience for uninterrupted, seamless digital experiences.

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#### ELEVATING SERVICE QUALITY WITH THE GIGAGREEN RADIO SOLUTION

Responding to user demand, Smart expanded its network using innovative technology like the world's first Frequency Division Duplexing (FDD) Tri-Mid-Band, enhancing service quality and promoting sustainability.

# Our strategic objectives and targets:

- Elevating service quality and reducing network congestion to handle the surge in 4G traffic in high-density areas.
- Improving customer experience.
- Achieving energy savings and fostering energy efficiency.

#### The impact:

reduced.

 Speed has increased by 2.5 times and site traffic has surged by approximately 30%.
Energy consumption has been



Smart Axiata and Huawei deploy the world's first GigaGreen FDD Tri-Mid-Band 8T network

\* Network coverage by population refers to the percentage of people within a geographic area who have access to a specific level of mobile signal.





## 🕅 Customer Experience

Smart achieves sustainability by balancing business growth and customer satisfaction, delivering personalized experiences and meeting evolving customer needs. This approach fosters loyalty and market relevance while aligning market trends with our sustainability goals.

#### > INTEGRATION OF PRODUCTS AND SERVICES

**SmartNas**, a cutting-edge application developed by Smart, has expanded its services to encompass enterprise and hybrid users, driving towards a comprehensive digital experience and inclusive access. With a user base of **4,100,128** as of December 2023, SmartNas is committed to enhancing user experience. To further expand its reach, Smart is venturing into home internet through Fixed Wireless Broadband (FWBB) and Fiber to the X (FTTx) technologies, creating additional opportunities for growth and customer satisfaction.

#### SmartNas app with our FTTx services



In 2023, Smart identified a growth opportunity within the SME sector. To capitalize on this, we introduced Smart for Business, offering tailored solutions like fleet management. digital HR systems, communication tools, secure high-speed internet, and cloud storage. These services are designed to be easily adopted and managed by SMEs. By optimizing internal operations, we've ensured the long-term viability of this initiative and empowered SMEs with affordable business tools, diversified revenue streams, and drive digital transformation in Cambodia.

#### Impact:

A suite of nine potent and budgetfriendly tools has been launched by Smart to help Cambodian small and medium sized enterprises (SMEs) thrive in a digital-first world, enabling our partner SMEs to navigate and succeed in the digital economy.

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#### CheckinMe,

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a digital solution by Smart, automates attendance and sales tracking, fostering productivity and sustainability in enterprises by replacing paperbased systems.

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Impact:

Simplifies

Drocesses

and ensures

eco-friendly

practices by HR

SMEs, and sales

practitioners,

personnel.

#### by Smart offers a cloud-based productivity suite for businesses, enhancing collaboration and management while providing cost savings and security, all for a single monthly fee.

Google Workspace

V

Impact: Bolsters business efficiency and curtails operational costs.





## Customer Experience (Continued)



#### ADDRESSING CUSTOMER FEEDBACK

#### The feedback:

#### In 2023, customer feedback highlighted concerns about tariff plans, transparency, and charging mechanisms. By December, most tariffrelated inquiries were handled digitally. Feedback on network service quality was also acted upon.

#### The solution:

Undertook a comprehensive overhaul of our tariff system, making it more transparent and customer-friendly, and eased the subscription process. Introduced a new tariff plan with larger data packages to meet our customers' changing needs and upgraded our SmartNas app for better transparency and user experience. Enhanced our complaints management process which included a comprehensive internal overhaul and third-party involvement, to address customer feedback on network service quality. Implemented a performance tracking system across departments to monitor improvements, resulting in **98.97%** of complaints being resolved within a 24-hour window and **98.56%** within a 48-hour window.

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**Reporting period:** July to December 2023



To ensure our services meet the evolving needs of our customers, we conduct monthly customer satisfaction surveys facilitated by an independent third party. This ongoing feedback mechanism enables us to pinpoint areas for improvement and implement necessary adjustments. By actively listening to our customers, we reaffirm our commitment to delivering exceptional value and service.



In recognition of our outstanding contributions to telecommunications, Smart Axiata Co., Ltd. was awarded the Telecom Brand of the Year Company Cambodia 2023 by Global Banking & Finance Review.





## 🚔 Digital Inclusion

#### BUDGET-FRIENDLY PRODUCTS AND SERVICES

We are committed to empowering our clients and communities through innovative, cost-effective products and services, fostering digital growth. Aligned with national goals, we strive to enhance network access, ensuring digital inclusivity for all, particularly those in remote and vulnerable areas.

#### Smart for Business



- Offer tailored services and products based on SME needs to enhance operational efficiency and safety through technology.
- Allows SMEs to pay on the go, on a perusage basis, with no upfront payment required.

#### Smart Laor! Data 1.5



Acknowledging the increasing demand for data among our customers, Smart launched the Smart Laor! Data 1.5 tariff for heavy data users. This plan offers a generous package that consists of 15GB data, 100 SMS, and 100 minutes, specifically designed to meet the needs of those with higher online usage.

#### Smart Fiber+



Launched secure, high-speed fiber and wireless internet solutions customized for various business requirements.



- Smart's exclusive projects, Smart Laor! Data 6 and Smart Laor! Data 10, offer tailored monthly plans for high data users. These plans provide 60GB for 6 USD and 100GB for 10 USD.
- Smart Laor! is designed to cater to entertainment enthusiasts and business professionals. All plans include on-net minutes and SMS.

#### Smart Add-Ons

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- Offers data add-ons tailored to customers' needs and interests.
- Packages range from 2.5GB daily for 0.19 USD to 65GB monthly for 3.99 USD.
- Collaboration with AEON Specialized Bank to offer installment services for lowincome subscribers to enable them to afford devices at competitive interest rates and with flexible repayment options.





## Digital Inclusion (Continued)

#### > INITIATIVE CONTRIBUTED TO DIGITAL INCLUSION



In collaboration with Tech for Kids Academy, a **Kid-KATHON** was held with **120** participating students. They gained hands-on experience with technologies, notably Micro:bit, to create practical solutions aligned with SDG goals.



Alongside Cambodia Academy of Digital Technology (CADT), we organized **CODE-C 2023**, a tech expo that drew **3,500 participants** and focused on **cybersecurity** and **software development** trends.



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**Technovation Cambodia 2023** empowered **257 girls in Cambodia**, aged 8-18, through a comprehensive 12-week app development and business planning program. The program culminated in the Technovation National Event, where **19 teams** made global submissions.



Teaming up with Children's Future International, we hosted the **Future Tech Initiative** in Battambang Province. This involved donating computer equipment to a Children's Future International learning center and providing basic coding training to students and teachers. Our goal was to contribute to Cambodia's digital society and economy, enhance digital literacy nationwide, and equip **49 students** with the necessary digital skills for future success.





## PILLAR 1 · ADVANCING DIGITAL SOCIETY

## Digital Inclusion (Continued)

#### > DIGITALIZING ART AND CULTURE

We are committed to investing in the development of local content in Cambodia by supporting digitalization in media, art, and education through the Pleng app and various social media platforms. Our efforts include offering free music, enhancing our streaming service with over 3 million songs from more than 180 local artists, and celebrating artistic excellence through events like the Cambodia Pleng Music Awards, all aimed at fostering a vibrant and sustainable music industry.









"For us, D-man, working with Pleng has been an incredible journey for us as artists. Their support, whether as exclusive or non-exclusive partners, has been instrumental in our growth. From the beginning, **Pleng provided us with the platform and encouragement to pursue our musical dreams**. Their dedication to promoting local talent is evident in their efforts to showcase our music through various channels. The Pleng team's professionalism, coupled with their genuine passion for music, creates a collaborative environment that allows artists to thrive. We look forward to continuing our partnership and achieving even greater heights together."

#### **Testimonial of Suly Pheng**



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"My partnership with Pleng has been instrumental in my eight-year music career. The platform has allowed me to connect deeply with my fans and achieve remarkable success. I appreciate Pleng's dedication to supporting artists like me in expressing our culture and individuality through music. I look forward to many more fruitful collaborations in the future."





## Digital Inclusion (Continued)

#### > IMPACT STORY

#### **Basic Education Equivalency Programme (BEEP)**



In 2023, Smart continued its support for UNESCO's BEEP, an initiative providing alternative education and skills training to out-of-school youths in Cambodia through BEEP learning centers equipped with internet connectivity and digital devices for anytime access for learners. This commitment was reaffirmed by the signing of an MoU with UNESCO Cambodia, witnessed by the Ministry of Education, Youth and Sport, and the Ministry of Labour and Vocational Training. Contributions included 300 smartphones, 50 tablets, and internet services to 10 BEEP centers.

Since its inception in 2019, BEEP has expanded to 27 centers across 17 provinces, benefiting over 2,324 learners. In 2023 alone, 759 learners enrolled, 516 graduated, and over 256 furthered their skills at TVET institutions.

#### **Digital Talents: The Reality TV Show**



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Designed to foster digital literacy among high school students in grades 10 to 12, the program, which consists of 14 episodes, has received applications from 1,015 **students** across four provinces and the capital city, and has generated 6,977,100 views on Facebook.

### Participants

from across Cambodia are given the chance to learn through the competition:

Kampong Cham: 150 people

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Takeo:

Battambang: 138 people Siem Reap: 94 people

44 people

Phnom Penh: 536 people





## PILLAR 1 · ADVANCING DIGITAL SOCIETY

WINNER

#### 20 **Digital Inclusion (Continued)**

#### **IMPACT STORY (CONTINUED)**

#### **Digital Literacy Program**



- >>> Collaborated with Ministry of Education, >>>> Designed to equip high school students with Youth and Sport (MoEYS), Ministry of Post and Telecommunications (MPTC), TikTok, and Young SEAkers to drive the digital literacy initiative in Cambodia, a nation where basic digital skills are currently held by only **30%** of the population\*.
  - \* Source: Cambodia Digital Economy and Society Policy Framework 2021-2035
- digital tools, advocate for online safety, and cultivate responsible internet usage while concurrently developing content creators and trainers.
- Smart's Digital Literacy Program, a part of the 2023 EDISON Alliance initiative, was distinguished with the Digital Inclusion – Large Company Award from American Chamber of Commerce (AmCham) Cambodia.

#### **Training of Trainers**



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Concentrated training on high school students in four provinces and university students in Phnom Penh. The program involved recruiting university volunteers as trainers, training high school students, and organizing a video competition.

>> This initiative engaged 42 high school students and teachers and benefitted 1,440 individuals.





## PILLAR 1 · ADVANCING DIGITAL SOCIETY

## 📎 Digitalization and Innovation

In our quest for digital innovation leadership, we underscore technological enhancements that strengthen our operations. In this regard, Smart acknowledges the transformative power of digitalization and innovation in fostering business growth and achieving remarkable results.

#### EMPOWERING BUSINESSES



## Impact Story: The Cambodia Digital Awards 2023: A Beacon for Technological Advancement

The Cambodia Digital Awards 2023, organized by the Cambodia Academy of Digital Technology (CADT) with support from the Ministry of Post and Telecommunications, recognizes outstanding digital innovations in Cambodia. This annual event aims to inspire, motivate, and bridge the digital gap by celebrating the best in the industry.



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## 🛞 Digitalization and Innovation (Continued)

#### Digital Top Ups through SmartNas



#### Optimization of Retail Operations and Customer Service



- >> Deployment of an **electronic Know Your Customer (eKYC)** system, starting with Smart Shop Monivong and subsequently extending to other Smart Shops.
- >>> Upgraded data governance and sales strategies and polished routine procedures for Smart Shop agents.



#### REDEFINING CUSTOMERS' DIGITAL LIFESTYLES

Smart Axiata is evolving into a digital lifestyle brand. We continue to offer new and exciting solutions and entertainment options to enhance our customers' daily lives.

SmartNas empowers subscribers with convenient access to account information and services through a user-friendly interface. Features include all-in-one homescreen details, e-top up, subscription plan management, and transaction history. Compared to December 2022, there has been a **49.41%** increase in monthly active users, solidifying SmartNas' position as a preferred platform for managing mobile services.

**The SmartNas app** enabled customers to order and manage their home internet services (FWBB and FTTx).

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