

MESSAGE FROM OUR CEO

Dear Stakeholders,

It gives me great pleasure to present to you our Sustainability Highlights of 2018, especially as we celebrate 10 years of creating positive impact in Cambodia. As the leading mobile telecommunications operator in Cambodia, sustainability has always been key to our business philosophy, recognizing the immense responsibility we have to ensure that our business grows together with our stakeholders and communities.

Our sustainability framework, which adheres to that of Axiata Group's, guides Smart's sustainability efforts under four key pillars to ensure we manage our long-term impact on the triple bottom line of the economy, environment and society, as well as to address key material issues that have been identified as important to our business.



1.42B USD

to provide connectivity to Cambodians.



370M USD

in taxes, levies and regulatory fees.



>1%

of Smart's annual revenue allocated for CSR programs.



1.5M USD

MoU with MoEYS and MPTC to develop digital talents for the Kingdom.

Smart continues to play a significant role in the Kingdom's telecommunications and ICT sector. To date, Smart has invested over 1.42 billion USD to provide connectivity to 98.7% of Cambodians and paid over 370 million USD in taxes, levies and regulatory fees to the Royal Government of Cambodia. Our exemplary tax compliance and contribution resulted in Smart being the first telco to be presented with the Gold Award for Tax Compliance in 2018.

At Smart, we have always taken our national responsibilities very seriously. Besides contributing to national development funds and government income, more than 1% of Smart's annual revenue is allocated for CSR programs that make significant impact in the communities we operate in. One of the key milestones for us this year was the 1.5 million USD MoU with the Ministry of Education, Youth and Sport and the Ministry of Posts and Telecommunications to develop digital talents for the Kingdom. We also expanded our technopreneurship initiatives to drive startups while launching a program linked to the UN's Sustainable Development Goals, which targets social enterprises.

The year 2018 also saw the company expand its list of 'firsts' in the country by introducing the eSIM, VoWi-Fi and direct operator billing service for both Apple and Google ecosystems. Internally, we continue to drive our own digital transformation agenda across the value chain while investing considerable resources in developing talents within the company.

These, along with other highlights, reflect our long-term commitment to socio-economic sustainability in Cambodia. I would like to express my sincere gratitude to all stakeholders, including our employees, customers and ministry partners. I look forward to building on our achievements while creating further sustainable impact for the future.



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THOMAS HUNDT
Chief Executive Officer