

PROCESS EXCELLENCE



We strive to create a strong brand identity that involves building trust among stakeholders, including our valued customers, dealers and business partners, regulators, suppliers and investors. In our pursuit of excellence through the adoption of digital technologies, we uphold the highest standards of integrity while providing exceptional customer experience and cost-effective products and services. We also factor in Economic, Environmental and Social (EES) considerations across our supply chain management and operational processes.

Sustainable Development Goals



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FOCUS AREAS



Procurement and Supplier Management

Managing our supplier relationships efficiently and ethically, supporting local businesses whenever possible.



Digitalization

Promoting a data-driven culture by adopting digital processes to lower costs and enhance operational efficiency.



Customer Satisfaction

Enhancing customer experience and satisfaction by taking feedback into consideration to improve customers' overall experience with us and become an integral part of their digital lifestyle. Additionally, we strive to safeguard our customers' privacy, ensuring their personal information remains protected and secure.



Business Continuity

Reinforcing our governance by implementing measures to combat bribery and corruption, alongside enhancing risk management through employee training and effective communication of policies and procedures.

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CULTIVATING A CULTURE OF OPERATIONAL EXCELLENCE

An industry leader in **cybersecurity protections and safeguards** with **Information Security Management System - ISO/IEC 27001:2013**

Achieved **highest Net Promoter Score** among telcos

Promoted and supported collaborations with **local vendors**

Enhanced **governance and ethical awareness among stakeholders**

Anti-Bribery & Anti Corruption Program

We have zero tolerance for any form of bribery or corruption, as exemplified by our implementation of the T.R.U.S.T Principles. This program is validated by external consultants (EY and Trident Integrity Malaysia) to ensure its adequacy and effectiveness

Improved **SmartNas** app features for a better user experience

Leveraged the power of data analytics to **derive comprehensive customer insights to enhance overall customer satisfaction**



PROCUREMENT & SUPPLIER MANAGEMENT

We prioritize ethical practices and value environment preservation. Our suppliers are also expected to prioritize environmental protection, comply with all relevant environmental laws, regulations and standards and implement management systems to meet product-specific environmental requirements outlined in contracts.

Number of local suppliers	299 (equal to 74%)	Supplier Code of Conduct	337 vendors signed by
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Supplier Screening and Assessment

▶ To ensure suppliers' operations are aligned with our Economic, Environment and Social (EES) aspirations, suppliers are required to have an environmental policy and undergo assessments for child labor and forced labor.

97% of suppliers were screened using environmental and social criteria

Digitalizing and Modernizing Processes

At Smart, we are relentlessly exploring ways to simplify and digitalize processes to be more efficient:

- ▶ We studied the usage of the VITAL system to replace PDF requests and keep track of donations, sponsorships and other charitable transactions
- ▶ We have automated the due diligence Excel questionnaire within our supplier management system (Coupa). This system streamlines the supplier onboarding process, from assessment to the completion of supplier registration. It also automates the entry of information about our suppliers into the system

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CUSTOMER SATISFACTION

We are committed to delivering excellent customer experience by providing high-quality and user-friendly products and services to fulfill customers' digital needs. We implemented the following measures to boost overall customer experience and satisfaction:

Transactional Net Promotional Score (tNPS) survey in our call center, retail shops and web chats to maintain consistent customer satisfaction across all touchpoints

Established a **touchpoint service catalog** to keep on providing more services for everyone, everywhere

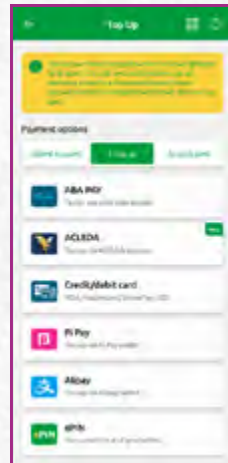
Initiated a **Customer Experience KPI Framework** to emphasize the importance of customer experience for all employees and to enhance overall customer experience

Customer Feedback and Complaints

- Emails requesting support from trusted external parties as well as complaints and feedback from customers are automatically converted into a ticket and assigned to relevant personnel for resolution
- Number of customer feedback comments received:

➤ **100,752** (primarily related to the discontinuation of the SmartLoan service and new plan migrations)

Customer Experience

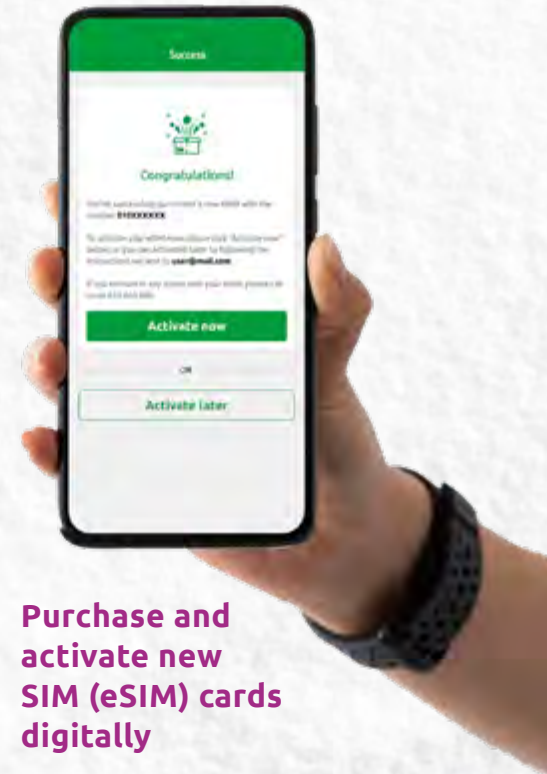


- Enabled **SmartNas eSIM purchase and user profile handling** to enhance customer experience

➤ **51.63%** of customers utilized Smart's online service solutions and sales platform

Our **NPS improved by 13.36% to 33.09%** compared to 2021, ranking Smart Axiata as the no.1 telco in Cambodia. Conducted by a third-party agency across the country, the survey covered **three major telecommunications companies** and analyzed an average monthly sampling of **1,350 responses**. The improved score was partly due to the following initiatives implemented in 2022:

- Implemented the tNPS platform as our main touchpoint, establishing it as the Customer Service KPI for Customer Service Agents
- Enabled customers total onboarding control in our SmartNas self-care app, allowing them to purchase and activate new SIM (eSIM) cards digitally
- Enhanced prepaid credit top up experience by launching campaigns to promote **digital top up, enabling saved payment options** for convenience



Purchase and activate new SIM (eSIM) cards digitally

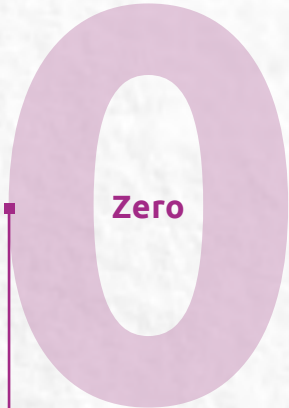
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DIGITALIZATION

Smart is the first telecommunications company in Cambodia to obtain Information Security Management ISO certification. We are committed to delivering excellent customer experience by providing high-quality and user-friendly products and services to fulfill customers' digital needs. In 2022, we implemented the following measures to boost overall customer experience and satisfaction:

Data Privacy



Complaints concerning breaches of customer privacy and losses of customer data

Data breaches

Affected customers

Regulatory actions for data protection violations

- ▶ Upheld digital rights through Smart's Data Privacy Policy and complied with the latest Cambodia Digital Economy and Society Policy and Framework 2021-2035
- ▶ Published a Transparency Report upon request from investigative authorities and government agencies in Cambodia. In 2022, we received requests from relevant law enforcement agencies to provide information on data subjects. We provided information on 2,369 data subjects

- ▶ Smart has been working to adopt AI governance under the guidance of Axiata Group. Our focus is on data privacy and security, with the aim of ensuring transparency, compliance and trustworthiness in all stages of data collection, model development, testing, deployment and monitoring



To protect the privacy of our data subjects, we ensure that we have implemented various physical, technical and administrative security measures. To raise privacy awareness and comply with Smart's Privacy Policy, we have implemented the following among our suppliers and employees:

Employee

- ▶ Data Privacy Day
- ▶ Monthly Data Privacy Awareness programs
- ▶ Mandatory training for all current and new employees
- ▶ Smart Guardian Newsletter
- ▶ Privacy Compliance Framework documents

Suppliers

- ▶ Third party disclosure procedure – Collective Brain
- ▶ Data Protection Impact Assessment (DPIA) conducted for all processes
- ▶ Rigorous due diligence on vendors

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DIGITALIZATION (CONTINUED)

Cybersecurity



Cybersecurity Protections and Safeguards

Smart has implemented various physical, technical and administrative security measures to protect personal data and our network from unauthorized access, using encryption protocols, access control and user authentication mechanisms and continuously monitoring our systems for suspicious activities. Furthermore, we have incorporated privacy by design into our systems to ensure that personal data is protected.

Smart regularly provides data protection training and awareness programs for our employees and vendors and also establishes legal agreements with third parties in order to protect data.

- ▶ We are the **first telco** in Cambodia to be **certified with ISO 27001:2013**, which is the most widely recognized and internationally accepted information security standard
- ▶ **Smart Axiata's compliance has been validated by an independent auditor**, after demonstrating a continuous and systematic approach to the management and protection of company, vendor and customer data
- ▶ We are **transforming into a digital lifestyle brand**, having introduced many innovative offerings and lifestyle entertainment value propositions while prioritizing security as a top concern
- ▶ Engaged an independent third-party vendor **to support, implement and assess the compliance of Information Security Management System – ISO/IEC 27001:2013**. This initiative also improved the maturity level of the National Institute of Standards and Technology (NIST)
- ▶ **Implemented the Web Application Firewall (WAF)** to protect all our public-facing applications
- ▶ **Implemented next generation anti-virus software, EDR and PAM** to protect our critical assets and systems
- ▶ **Conducted security exercises** (red teaming) to identify risk exposure and remediation opportunities, ensuring that we are safe and secure
- ▶ **Enhanced security control levels** by implementing the **Minimum Baseline Security Standard (MBSS 2.0)**
- ▶ **Expanded security event monitoring coverage** with **GSOC** for all **IT MCJ** and **CJ assets** and **Telco MCJ assets**, enhancing new use cases to increase the level of detection
- ▶ **Conducted security risk assessments** for both internal and third-party vendors **to identify the level of risk exposure and implement mitigation plans**

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BUSINESS CONTINUITY

We are committed to ethically delivering consistently excellent customer experiences by providing high-quality and user-friendly products and services to fulfil customers' digital needs. We implemented the following measures to boost overall resilience and process efficiency:

Risk and Compliance



Structured Governance

We have established the **Board Risk Management and Compliance Committee (BRCC)** and **Risk Management and Compliance Committee (RMCC)** to oversee Environment, Social and Governance (ESG), Compliance and Ethics, Data Privacy, Risk Management and Cybersecurity.



100%

**of the BoD, SLT and our employees
received the ABAC mandatory training**

Each committee is guided by clear Terms of Reference (ToR) in ensuring that Smart Axiata:

- ▶ Upholds the highest standards of conduct and acts lawfully and ethically
- ▶ Has robust and effective systematic risk management in place with respect to cybersecurity, anti-money laundering, anti-bribery and anti-corruption, data privacy and ESG
- ▶ Responds effectively and promptly to business disruptions, such as disasters and incidents, with the ultimate goal of keeping customers connected

Organized Policies & Procedures

We are guided by Axiata Group's policies:

- ▶ Anti-Bribery and Anti-Corruption (ABAC) Policy
- ▶ Gift, Donation and Sponsorship Policy
- ▶ Branding, Advertising, Marketing and Sponsorship (BAMS) Policy

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BUSINESS CONTINUITY (CONTINUED)

Risk and Compliance (Continued)



Risk Management and Incident Detection

The RMCC and BRCC have identified bribery and corruption as a significant risk factor to our operations.



Zero
confirmed incidents of
corruption

Communication and Awareness

Our policies and procedures on bribery and corruption have been communicated to:



Business Partners

- Email dissemination of our policy to vendors and partners
- Publicly accessible reading materials at smart.com.kh



Governing Bodies including Board Of Directors (BoD) and Senior Leadership Team (SLT)

- All principles and policies are discussed and endorsed by management and the BoD
- ABAC mandatory training sessions



Employees at all levels

- Newsletters
- Compliance Month at Smart
- ABAC mandatory training sessions

Business Continuity Management (BCM) Program

We have institutionalized the BCM program within our organization to minimize business disruptions during incidents or crises.

- We are implementing the BCM program based on the latest **ISO 22301:2019**
- Smart obtained a score of 4.09/5 in an assessment of the maturity of our BCM program, conducted by KPMG Malaysia
- We have conducted disaster-recovery testing on critical systems and applications