

PLANET AND SOCIETY



As Cambodia's leading mobile telecommunications operator, our goal is to connect people and enhance their lives. We accomplish this through significant initiatives that protect the planet while addressing the needs of our people. We contribute to society and the planet by reducing our carbon footprint, minimizing environmental impacts and empowering communities through diverse programs focused on securing a sustainable future.

Sustainable Development Goals



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FOCUS AREAS



Climate Action

We remain steadfast in our dedication to reducing carbon emissions and actively employ advanced technologies to minimize our carbon footprint.



Contribution to Society

We strongly believe in giving back to society and supporting the growth of young Cambodians. As part of our commitment, we actively engage in various education and sports programs, empowering youths with the necessary skills and resources to thrive.



Tech Innovation

We support various programs that promote technological development and innovation. These initiatives encourage creativity, push the boundaries of innovation and foster technological advancement in Cambodia.



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CREATING LONG-TERM VALUE THROUGH OUR INVESTMENTS

Gasoline for mobile generators, motorbikes and cars **decreased by**

2% compared to 2021

Diesel for cars **increased by**

11% compared to 2021

Average fuel usage per site per month **dropped by**

18%

Solar power deployed at

242 new sites

Total sites solar power:

1,080 in 2022

Total sites with solar power:
838 in 2021



CLIMATE ACTION

Internal controls and monitoring mechanisms to manage environmental impacts.

Smart is guided by the Axiata Net-Zero Carbon Roadmap in mitigating energy and emissions. Our targets are:



45%
carbon emission
reduction by 2030

**Zero
carbon
emissions by 2050**

Energy Consumption

Reducing Environmental Impact through Responsible Practices



▶ Average fuel usage per site per month

254L compared to 310L in 2021

Growth of Renewable Energy

- ▶ Solar power deployed at **242 sites**
- ▶ Out of all the sites, **32% was equipped with solar power**. This marks a **7% increase** compared to the numbers recorded in 2021
- ▶ In 2023, **280 sites are planned to be equipped** with solar power

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CLIMATE ACTION (CONTINUED)

We remain steadfast in our dedication to reducing carbon emissions, actively employing advanced technologies to minimize our carbon footprint.

Climate-related risks and opportunities

- ▶ To protect the best interests of our stakeholders and communities, a robust Enterprise Risk Management (ERM) system has been implemented at Smart
- ▶ Smart evaluates the internal and external environment through a 360-degree view
- ▶ to identify potential and emerging risks
- ▶ Aligned with research papers from world-class institutions, as well as reports from the World, Smart has recognized extreme climate change/weather as an emerging risk and closely monitors it



▶ A series of actions have been taken, including but not limited to:

Responsive Actions:

- ▶ Established the business continuity management (BCM) program to respond to any incidents/business disruption, especially those related to climate change

Preventive Actions:

- ▶ Renewable energy technology
- ▶ Encourage our partners, suppliers/vendors to start taking necessary actions concerning climate risks by requiring them to acknowledge their commitment to our Supplier Code of Conduct

Resource and waste management

We are steadfast in our commitment to fostering a circular economy within our operations and extending sustainable solutions to our customers and supply chain for waste management in our efforts to secure a sustainable future for the next generation.

Waste Management

Our initiatives in 2022 included:

- ▶ **Digital control stock**
A digital tool on our Intranet's "Service Desk" that monitors and reduces paper and plastic stationery consumption
- ▶ **Reusing plastic containers**
Purchased products from Just Good Refills using refillable containers to avoid single-use plastics
- ▶ **Reducing face masks for employees**
Decreased the number of face masks given out daily to reduce environmental impact
- ▶ **EcoBatt-Energy**
Internal battery-recycling project was initiated in collaboration with EcoBatt-Energy with the aim of helping our employees to recycle their used batteries and enhance the circular economy and responsible consumption



Water Consumption

Motion-Sensor Faucets

We utilize motion-sensor faucets for all our taps in restrooms

Educational Posters

Delivering responsible water-usage messages to employees

IMPACT STORY

At our headquarters, we participated in the Cambodia Energy Efficiency initiative to raise awareness of energy consumption.

Various initiatives were rolled out to encourage and educate our employees, helping them to use energy more efficiently. As a result, our employees became more accustomed to switching off the lights and air conditioning (AC) system in the office. Some of the highlights of the initiative include:

Energy consumption improvements

Our monthly energy consumption improvements led to a consistently better savings record.

Engagement via awareness campaigns and activities

We believe that our technical team alone cannot achieve Smart Axiata's energy efficiency goal. Thus, we actively engaged employees through activities and awareness campaigns about energy efficiency. Our employees recognized their role in this collective journey and enthusiastically participated in driving this initiative to enhance our corporate sustainability.

Enhanced energy efficiency

As our initiative advances, we observe positive changes in employee behavior. They willingly volunteer to enhance energy efficiency in the office i.e. turning off lights during lunch break.

Establishment of Green Team

The Green Team enhances the implementation of initiatives and engages employees. Our team at Smart emerged as the best Green Team amongst all participating Cambodian companies.

Awareness stickers

Creative stickers were placed on every floor of our main office with call-to-action messages.

Energy-sharing sessions

Monthly sharing sessions with our employees during lunchtime for in-depth discussions on energy efficiency.

Monthly quiz

Questions on energy efficiency were posted on Yammer and winners were awarded with prizes and recognition.

Smart Energy Hero

A group of volunteers who encouraged colleagues to use energy in the office efficiently. They advocated the message that "Every Smart employee can be an Energy Hero".

Energy efficiency competition

We conducted a video competition among our employees, encouraging them to share their methods for using energy efficiently. Three winning groups were selected, and they were awarded prizes and recognition by our CEO and Head of Human Resources.



At our technical sites, we have implemented various initiatives to reduce energy consumption. However, we recognize that there have been some inefficient practices in the placement of AC units. We are planning to address these issues to enhance energy efficiency in the upcoming financial year.

- Relocation of hardware – nearly half of our hardware has been moved to optimize cooling and improve Power Usage Effectiveness.
- Enabled scheduled power-off for VMware nodes – these nodes are not required during off-peak hours
- Deactivation of some third-party oversized CDN deployments – this was executed in the Toul Kork (TKK) data center without an adverse effect on generated traffic
- Centralized our AC at our office via a web portal – ensures room temperatures are no lower than 25 degrees Celsius

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CONTRIBUTION TO CULTURE AND SOCIETY

We strongly believe in giving back to society and supporting the growth of young Cambodians. As part of our commitment, we actively engage in various education and sports programs, empowering the youths with the necessary skills and resources to thrive.

Smart is guided by Environmental, Social and Governance (ESG) elements, anchored on our vision to become The Next Generation Digital Champion under Axiata.



Education, culture and community sports



Environment



Tech innovation and tech-related entrepreneurship



Safer Internet Day with Action Pour Les Enfants (APLE) Cambodia

A program aimed at educating children and youths on the safe and responsible use of digital technology.

- Organized in partnership with the National Committee for Counter Trafficking (NCCT), Ministry of Education, Youth and Sport (MoEYS), Cambodian Red Cross, Pour un Sourire d'Enfant (PSE) and Indochina Starfish Foundation (ISF)
- A total of **374** participated in the program



National Youth Debate with the Ministry of Environment (MoE)

- A knowledge-sharing initiative to educate youths and create awareness on environmental issues, conservation, environmental protection and sustainability, encouraging students to research topics related to the environment
- 253 youths** from Preah Sihanouk province participated in the program, which was organized in collaboration with the MoE



Run with Sai

- The "Run with Sai" campaign aimed aimed to raise funds for the Angkor Hospital for Children.
- In this campaign, artist Oun Batham (Sai) covered 303 kilometers in nine days, taking 400,000 steps from Phnom Penh to Siem Reap for his 32nd birthday celebration and charity fundraising. We contributed to the cause by raising awareness donating 15,000 USD and facilitating subscriber donations through USSD codes and mobile banking as part of our ongoing commitment to community support

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CONTRIBUTION TO CULTURE AND SOCIETY (CONTINUED)

iGoPleng2.0 and Pleng Music Awards



Pleng by Smart is Cambodia's leading music streaming app, providing free and unlimited access to over 1 million songs from more than 10,000 local and international artists.

Last year, we launched the #iGoPleng2.0 concert to introduce the app's enhanced features, including a new user interface and engaging content like music videos, podcasts and in-app stories, fostering stronger connections between artists and fans nationwide. The app promotes local Khmer artists and their growing fanbase, cultivating a deeper appreciation for Cambodian music.

In addition, we also organized the Pleng Music Awards 2022, the first ever music award in Cambodia, to recognize and support Cambodian singers, songwriters and producers. The new "Content Creator of the Year 2022" category was created to raise funds for the Cambodia Kantha Bopha Foundation and Angkor Hospital for Children.

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CONTRIBUTION TO CULTURE AND SOCIETY (CONTINUED)



Digital Literacy Workshop with Ministry of Education, Youth and Sports

- A three-day workshop provided to high school students aimed at enhancing the digital literacy of students, creating an inclusive digital society and economy, at the same time helping them to safeguard themselves while using digital tools
- **1,080 students** from three provinces participated in the workshop and 25 trainers attended the training
- Those who participated came from Kampong Cham, Kampong Chhnang and Kampong Thom



PEP Talk with IDEA Consulting Company

- Cambodia's first empathy-driven and holistic workforce forum to address skill gaps, reluctance to upskill and limitations in the workplace
- **More than 500** participated in physical and virtual workshops and forums
- We contributed via conducting SMS blast campaigns and posting on social media



SmartEdu University Student Development Program (USDP)

- Nurtured and equipped **48 young Cambodians** with the values, critical competencies and skills needed to become resilient corporate digital leaders of the future
- 360-degree evaluation, co-led feedback and post-program surveys were conducted to evaluate effectiveness



Mobile Library with Sipar

- Benefited **5,000 children** through reading-related activities including story-telling, free reading, educational games, puppet sequences and book-lending services in 20 targeted locations
- Gained feedback through post-event surveys



SmartEdu Scholarship

- Covered tuition fees and provided a monthly stipend to **34 scholars**
- Organized a grand graduation ceremony for our first three cohorts of scholars
- Conducted a one-night induction camp to foster bonding and capacity building among the scholars



National Literacy Day

- Jointly supported by MoEYS to celebrate the National Literacy Day under the theme "Literacy is the foundation of lifelong learning". The initiative reached **1,600 people**



Junior Chamber International (JCI) Cambodia

- Aimed to support the younger generation in becoming leaders
- Effectively raised awareness of community issues through diverse initiatives in the areas of business, entrepreneurship and community development, impacting a total of **8,487 individuals**, including both young people and local business owners

PLANET AND SOCIETY



CONTRIBUTION TO CULTURE AND SOCIETY (CONTINUED)



Movers Workshop

Movers Program 2022 is part of a regional volunteer movement that focuses on grassroots training to raise awareness about SDGs, foster entrepreneurial mindsets and develop 21st-century skills. The program employs a training-of-trainers approach and partners with communities to reach marginalized groups and support Cambodian youths.

- Approximately **4,889 youths** were trained and educated in sustainability, entrepreneurship and 21st-century skills
- A total of **136 workshops** were conducted in partnership with Impact Hub Phnom Penh



Cambodia Climate Changes Summit 2022 (CCCS22)

Smart reaffirmed its commitment to sustainability and environmental preservation by supporting the CCCS22 with the Mekong Future Initiative. The three-day event saw experts, practitioners, civil society groups and business organizations showcase Cambodia's efforts towards sustainability and mitigating the impacts of climate change.

The aim of the event was to advance the national discourse on climate-related issues in Cambodia and improve coordination between climate change professionals. Topics such as renewable energy, green finance/climate financing, SDGs and environmental technological innovations were discussed at the CCCS22. During the event, Smart also showcased other initiatives to reduce carbon emissions through our products and services via the launch of the eSIM. Additionally, there was a knowledge-sharing

initiative to educate youths and create awareness of environmental issues, conservation, environmental protection and sustainability.

- Together with the Mekong Future Initiative and MoE, an annual conference for the public and private sectors were organized to discuss potential solutions and initiatives to combat climate change
- Approximately 150 participants from local and international organizations attended the three-day event in Siem Reap
- The event marked the launch of the first CCCS Sustainable Solutions EXPO, which featured 20 vendors
- A Youth Summit was also held, comprising youth groups and participants from Siem Reap universities

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CONTRIBUTION TO CULTURE AND SOCIETY (CONTINUED)



Project R with Cambodia Rural Students Trust (CRST)



29 secondary schools and high schools in Siem Reap engaged

17,334 students educated

145 Plastic Education for Future Leaders books given to schools

10 environment programs with ambassadors established

17,961 eco-bags provided to students and teachers

1,333 students and teachers participated in Clean-Up Day activities

- During the two-day trip, we donated caps, tote bags, tumblers and study materials to students and planted a total of 100 trees at Kean Sangke High School
- Supported by Smart Axiata and other key partners, CRST executed Project R, aiming to establish a lasting transformation and a "new normal" within the Siem Reap communities. The project targeted 17,334 high school students, addressing issues associated with the use and disposal of single-use plastics



Earth Hour Campaign

Aimed to inspire and empower individuals, communities, businesses and organizations to take action on climate change and sustainability approaches for a brighter future



- Approximately 40 of our Monduliri-based employees actively participated in initiative to increase awareness of the consequences of excessive energy consumption
- Enhanced campaign awareness via Facebook posts and videos, reaching 938,790 people and generating a total of 62,990 engagements

IMPACT STORY

IMPACT+ by World Vision



An initiative dedicated to equipping children and the youths in rural Cambodia with essential life skills and education and providing them the chance to spearhead community projects. Organized in collaboration with World Vision International Cambodia, the program sought to make an impact on 20,000 young Cambodians.

Program outcomes:

- ▶ 169 IMPACT+ clubs formed
- ▶ 495 youth leaders equipped with life skills
- ▶ 4,607 youths participated in training courses and engaged in experiential learning
- ▶ 232 community service learning projects executed by IMPACT+ club members and leaders
- ▶ 9,820 local children and youths engaged in community service-learning projects
- ▶ 12 public schools became IMPACT+ partners

IMPACT STORY

Employee Volunteerism

Our employees contribute to society through volunteerism. We believe that providing opportunities for our employees to create positive change in communities for various causes gives them a sense of purpose in their work. Additionally, volunteerism enables Smart Axiata to directly connect with local communities and building relationships with our stakeholders. This, in turn, bolsters our reputation as an organization that prioritizes the well-being and needs of its people.



Program outcomes:

- Project R (employee engagement program with CRST)
- Career Forum (employee engagement program with Sipar)
- Earth Hour (employee engagement program with WWF)
- SmartEdu USDP
- SmartStart YIP
- SmartSpark
- SmartStart ULP
- Movers
- Kid-KATHON
- IMPACT+ with World Vision
- BEEP-UNESCO
- JCI
- Techno Pre-Incubation Program by ITC
- National Online Business Youth/Cambodia Entrepreneurship Day (ILO and MoEYS)
- SmartEdu Scholarship and Induction Camp

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TECH INNOVATION

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STEM Fair in Banteay Meanchey

Introduced STEM subjects to students and teachers to promote excellence and improve STEM teaching methods. The program also aimed to provide better career prospects for youths and prepare Banteay Meanchey students to compete nationally.

- 6,125 students from 15 Banteay Meanchey schools participated in the program organized in partnership with Samaritan's Purse
- A post-event survey was conducted to measure the effectiveness of the initiative



Kid-KATHON

This was a one-a-half-day, sprint-like event for students who are 12-15 years old. They are given the opportunity to collaborate, sharpen their critical-thinking skills and increase their awareness of global issues. The program also serves as a platform for children to express their passion through technology and innovation, developing their problem-solving skills. Throughout the program, all participants had hands-on experience with micro:bit, the chosen tool for prototype development.

- 108 children benefited from the program organized in partnership with Tech for Kids Academy

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TECH INNOVATION (CONTINUED)



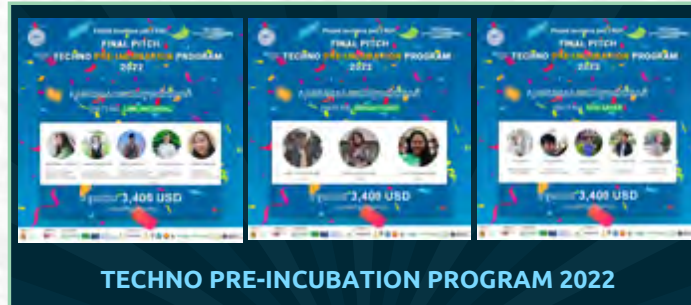
Cambodia 2022 Tech Expo (CTX 2022)

As Cambodia's largest tech expo and conference, the theme for the year was "A.C.T: Addressing Challenges Together through Tech Talents"

- Activities included dialogs, talks, exhibitions and presentations
- 15,000 individuals participated in this program organized in partnership with the Ministry of Industry, Science, Technology and Innovation (MISTI)



Techno Pre-Incubation Program



TECHNO PRE-INCUBATION PROGRAM 2022

- A competition program in collaboration with the Institute of Technology of Cambodia (ITC) for university students to design, build and pitch innovative STEM-based solutions
- The program benefited 157 students



Cambodia Entrepreneurship Day

- ILO and MoEYS collaborated on an annual initiative that offers entrepreneurship training
- Approximately 5,000 youths from 25 provinces and municipalities participated in training with SMEs who shared knowledge and provided mentorships



SmartStart Young Innovator Program (Cycle 5)

- Aimed at inspiring and enabling young Cambodian talents to develop innovative technology and ideas with Smart Axiata and Impact Hub Phnom Penh
- About 86 university students benefited from mentorships
- The program received positive feedback from participants, resulting in a high NPS score of 85

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TECH INNOVATION (CONTINUED)



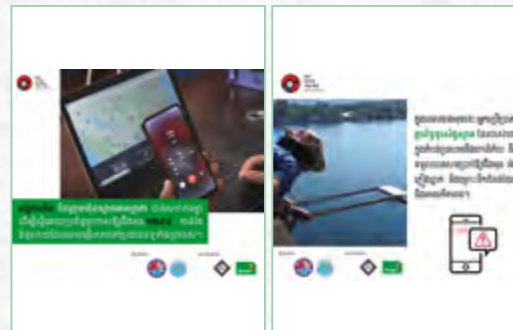
SmartSpark

- A startup program in partnership with Impact Hub Phnom Penh, SmartSpark supports youths with innovative ideas on tackling Cambodia's social and environmental issues
- The 10-week incubation program aims to help youths transform their creative ideas into viable businesses and solutions, benefiting 27 participants in 2022
- SmartSpark achieved an overall NPS score of 69



Cambodia Digital Awards 2022

- Partnered with the Cambodia Academy of Digital Technology (CADT) on an initiative to recognize and award the five best digital innovations in Cambodia
- Winners were chosen from a pool of 172 companies based on aspects such as innovation, creativity, impact and sustainability



Disaster Response Preparedness

- In 2022, we spearheaded the "1294 Early Warning System" with humanitarian relief NGO, People in Need, an early warning system for disasters. We aim to create an API in 2023 for the National Committee for Disaster Management (NCDM) and humanitarian People in Need to send SMS alerts to communities in disaster-prone areas
- The program is currently in its testing phase



SmartStart Unipreneur Learning Platform (ULP)



- A collaborative effort with Impact Hub Phnom Penh, SmartStart ULP develops technical skills and entrepreneurial mindsets among university students
- Beneficiaries:
 - Student hackathon – **41**
 - Lecturer hackathon – **25** (the program received positive feedback from lecturers, resulting in a high NPS score of 70)
 - Training of Trainers – **14**
 - Students engaged in ULP courses at universities – **611**

IMPACT STORY

Basic Education Equivalency Program (BEEP) in Partnership with UNESCO

Objective

A joint initiative between Cambodia’s Ministry of Education, Youth and Sport and the Ministry of Labour and Vocational Training with support from UNESCO to provide alternative education access for out-of-school youths to complete lower secondary/basic education through flexible learning.



Smart’s contribution:



Additional tablet devices

with SIMs to be used at learning centers



Free Internet packages

for BEEP learners to access the learning platform



Continued collaboration

for Phase III, slated for the next two years until 2024



50,000 USD in-kind support

In 2022, BEEP’s milestones included:

- **22** existing BEEP learning centers fully operational in **11** provinces/cities
- **4** new BEEP learning centers established in **3** more provinces/cities
- **8** more facilitators recruited and trained
- **601** new learners (33% female)
- **299** successfully graduated (30% female)
- **Career counseling and Training of Trainers manuals** for facilitators developed and printed
- **Inter-ministerial** working group established comprising all relevant departments