

## About Efforts in Growing Markets

### Policies

### KDDI Group

#### KDDI's Approach (About Efforts in Growing Markets)

In emerging countries, the proliferation of information and communications services leads to the solving of various social issues. KDDI has set the active deployment of our business around the globe as one of our business strategies. Our goal is to supply emerging countries with the experience, expertise and technology of telecommunications services that KDDI has accumulated in Japan and abroad, and deliver stable communication quality in the hope that our efforts will help to develop the economy in these countries, and improve the quality of life of the people. In addition, the KDDI Foundation is also supporting the establishment of the communication infrastructure in developing countries where we have not deployed our business.

### Activity

### KDDI

#### Business Expansion and CSR Activities in Myanmar

KDDI is working together with Sumitomo Corporation and Myanma Posts & Telecommunications (MPT) in a joint venture aimed at establishing a comfortable communication environment in Myanmar, where there is an urgent need to improve the communication infrastructure. The mobile phone adoption rate in Myanmar, which was 13% before the launch of the joint venture, has reached approximately 101%, and the number of MPT mobile phone subscribers reached 23 million in June 2017. In May 2017, LTE started in Yangon, Mandalay, Naypyidaw, and by late September 2017, this service will be expanded to some 30 cities throughout Myanmar.

	Before joint venture started	As of March 2017
Mobile phone adoption rate in Myanmar	13%	101%*

\* Population is based on figures published by the Myanmar Ministry of Immigration and Population (September 2014). The number of mobile phone subscribers is calculated using figures published by various companies.

#### ■ Digital Skills to Go Forward

MPT launched Digital Skills to Go Forward, a program to improve the digital literacy of young people. It donated 200 laptops and MPT Wi-Fi routers, and dispatched trainers to vocational training schools in the Yangon Region and Mon State under the NLD Education Network. Furthermore, MPT produced a promotion video on the Digital Skills to Go Forward program with the aim of increasing recognition of the program through the video, and at the same time, creating employment opportunities for young people, and narrowing the digital divide with rural regions.

#### ■ MPT Launched Myanmar's First Charitable Donation Platform

MPT has launched "LoTaYa Helping Hands", Myanmar's first charitable donation platform. Buddhism is the dominant religion in Myanmar which is known as a country with the most active donation activities in the world. Through the donation site "LoTaYa Helping Hands", MPT customers are now able to donate conveniently and safely using the prepaid balance on their mobile phones. "LoTaYa Helping Hands" is a free service, and all donations received from customers are directed in full to the charitable organizations of their choice to be used in various charitable activities.

#### ■ Donation of Solar Lanterns to Monastic Schools in Myanmar

2,000 solar lanterns were donated to 632 monastic schools in Myanmar where there are many regions that do not have access to electricity. In such regions, there is a severe problem in the learning

environment for students who have to rely on candle light to study. Through this donation, about 58,000 students are now able to study with the help of electricity at night.

### Activity

### KDDI Group

#### Business Expansion and CSR Activities in Mongolia

MobiCom Corporation LLC (MobiCom), a consolidated subsidiary of KDDI, launched a 4G LTE high-speed telecommunications service in Mongolia in May 2016. Using this opportunity, MobiCom aims to achieve business growth, and contribute to further development of the telecommunications environment in Mongolia.

#### ■ W.A.S.H Project

In Mongolia, it is difficult to secure safe and clean water supply, and only 35% of the population is said to have access to safe and clean water. In cooperation with local governing bodies and NGO World Vision Mongolia, MobiCom constructed clean waterworks and toilets in primary schools, and contributed to improving public hygiene for about 35,000 children in 35 villages across 12 provinces. The "W.A.S.H Project" was selected as the Best CSR Project in Mongolia, and has made an impact on policy formulation in the country with further efforts being made to build clean waterworks and toilets in kindergartens and secondary schools in collaboration with the Minister of Health, the Minister of Education, Culture, Science and Sports, and the Minister of Construction and Urban Planning.

#### ■ Child Helpline 108

Since 2014 MobiCom has been participating in "Child Helpline 108" in Mongolia by providing free calls that can be connected 24 hours a day, 365 days a year from children, parents, teachers and social

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welfare workers. MobiCom has received more than 5,000 calls so far, and contributed to solving problems related to child abuse.

### Activity

KDDI Group

### Efforts of KDDI Foundation

#### ■ Data Standardization of Ambulance Transport System in Thailand

The KDDI Foundation conducted joint research in Ubon Ratchathani Province to standardize emergency transport related information, and to build a prototype ambulance transport system that makes use of such information in an effort to reduce the number of people who die while being transported in an ambulance, which can be as high as 60,000 per year in Thailand. Going forward, the KDDI Foundation will continue with the joint research to put the prototype system into operation.

#### ■ Development and Testing of an Agriculture Mobile App in Bangladesh

In Bangladesh, more than half of the population is engaged in farming, and the use of ICT in the agricultural field is highly anticipated. The KDDI Foundation established a cooperative system with the local Ministry of Telecommunications and the Ministry of Agriculture to develop a mobile app to support farmers, and a ceremony to mark completion of the project was held in April 2017.

#### ■ Making Use of Cloud Servers to Create a Network in Universities Specializing in Computer Studies in Myanmar

By installing cloud servers in the University of Information Technology and connecting 6 universities specializing in computer studies in Yangon, Mandalay, Taunggyi and Dawei through a network, it is now possible for universities to share applications for higher education, and conduct training in virtual cloud technology. Efforts will be made

to connect more universities to the network.

#### ■ Implementation of Overseas Training for Technicians from APT\* Member Countries

KDDI conducted technical training on telecommunications in cyber security and rural regions for technicians from APT member countries.

\* Asia-Pacific Telecommunity

#### ■ Providing International ODA Technical Consulting

Project	Details of operations and scale
Greater Mekong telecommunication backbone network project in Cambodia (CP-P5)	Consulting service agreement regarding the Telecommunications Backbone Network Project in Greater Mekong
	Implementation period December 2007 to October 2017 (expected completion)
	Yen loan 3.029 billion yen
Dispatch of support personnel for consulting service concerning the communications network development project for major cities in Iraq (IQ-P17)	Consulting service on increasing the installation of IP related devices such as IMS-core equipment, Edge-router and PON
	Implementation period December 2013 to May 2017 (completed)
	Yen loan 11.674 billion yen
Preparatory study of plan to develop an emergency telecommunications system in Bhutan	Preparatory study mainly to investigate the development of stronger telecommunications facilities for mobile phones in response to disasters
	Implementation period December 2016~December 2017 (scheduled)
	Yen loan None (free)

### Results

KDDI Group

### Evaluation of Our Efforts in Growing Markets

Evaluation	Subject
<ul style="list-style-type: none"> <li>First place in the 2016 TOP 10 Entrepreneur award organized by the Mongolian Chamber of Commerce and Industry</li> <li>Recognized for efforts to create a friendly workplace environment and given the very first Best Employer of Mongolia award</li> </ul>	MobiCom
Selected as "The Most Loved Brand" in Myanmar in the BrandZ Spotlight brand ranking by Millward Brown, a research agency under the WPP Group, a British advertising company	MPT