

Environmental and social sustainability

Environmental and social sustainability Mission Statement

SATHAPANA Limited is committed to the principle of sustainable development. In this section we address relevant sustainability issues, both social and ecological, arising from SATHAPANA Limited's operation. Management is implementing an Environmental and social sustainability management system (ESS), and strives to continually improve its operations to protect the range of economic, social and environmental options open to future generations.

SATHAPANA Limited will take care in its operations to not only adhere to these specific guidelines, but to act in a manner consistent with the spirit in which they were written. SATHAPANA Limited will seek to implement and encourage measures that will have positive environmental impacts.

The purpose of ESS

The purpose of ESS is to provide a framework of guidelines within which SATHAPANA Limited can operate in a sustainable manner, so that it can impact on the environment and society in which it is operating in a responsible way. The following paragraphs describe the principles and commitments we have set for ourselves, as well as our sustainability performance.

Environment

SATHAPANA Limited has an obligation to shareholders and the community at large to operate as efficiently as possible to reduce its environmental impact. The Fund should not be knowingly and intentionally used to finance enterprises which are (or plan to be) engaged in activities which are forbidden under the law of Cambodia, including: exploitative forms of forced or child labor, trade in weapons and munitions, gambling casinos, brothels, regulated wildlife products and production or trade in radioactive materials or significant volumes of hazardous chemicals.

Environmental performance Indicators

Energy

Electricity consumption in full-time equivalent was increased by 0.47% in 2010, because of the use of technology by increasing the number of employees and many branches are built to the standard office. Gasoline consumption per full-time equivalent was reduced by 3.06% compared to 2009 because of the opening of new offices closer to our customers, which reduced the need for travel. Diesel and lubricant consumption per full-time equivalent was cut down by around

2.08% and 1.06%. The total emissions of CO2 increase in 2010 as a result of the overall growth of organization.

Energy Consumption:	2008	2009	2010
Electricity in kwh/FTE	420	425	427
Gas in kwh/FTE	110	98	95
Diesel in l/FTE	23	24	23.5
Lubricant in l/FTE	3.01	2.83	2.80

**Green House Gas Emission of Co2
(Equivalents – in thousands of Kg)**

Electricity	134	141	143
Gasoline	153	159	163
Diesel	37	45	48

Paper

Paper using in 2010 was increased by 0.23% per employee because we disburse more loans and need more paper to process. Moreover, we have been trained staff to use two side printing and to recycle single side.

Paper in kg/FTE	15	13	13.03
Tissue in kg/FTE	0.6	0.8	0.85
Waste paper in kg/FTE	1.8	1.74	1.8

Water

Water resources are being implemented with storage and recycling of rain water, bores and river water.

Environment

Staff

SATHAPANA Limited conscientiously sets an example in good employment practices. It provides medical, pension and other welfare benefits, such as staff loan fund for all staff who have served with for at least 2 years. Employees can elect among themselves to be the shop steward and feel free for working. SATHAPANA Limited practices equal opportunity in all its dealings with the public at large, its customers in particular and its staff via recruitment and development.

Co-workers	2008	2009	2010
Number of Staff	653	747	965
Number of Staff (FTE)	582	710	871
Male	456	525	668
Female	197	222	297

Training and Education

SATHAPANA Limited values its staff as precious human assets possessing intellectual property that contributes to the high quality performance of the firm. In the year 2010 SATHAPANA has

provided training to its staff for developing the capacity building and technical skill in practicing of daily response. As well as also give the chance and train to the internship students.

	2008	2009	2010
Training new recruits – Orientation program:	223	132	365
Training – Career development and refreshment courses:	653	856	232
Training to external student – Local internships	88	170	126

Occupational Health and Safety

SATHAPANA Limited has in place social policy covering, Human Resource Management, Code of Conduct and Health & Safety. These policies help to monitor and advise management, with the aim of improving performance.

Society

SATHAPANA Limited firmly believes in its responsibility to support the communities in which it operates-our “Good Health” and prosperity are mutually interdependent.

It can best achieve this by:

- Ensuring these activities conform to the needs of the community by providing appropriate products and services carefully selected and developed for the particular needs of Cambodia society.
- Expanse outreach: Opening up other services to new communities in new locations by expanding our network in the provinces and extending services to mobilizing saving, and focus on particular activities which improve local living standard.
- Continuing the extension of transfer services to more and more districts, which assist families to support each other by sending fund home.

SATHAPANA Limited practices a “Zero Tolerance” Policy on corruption both internal and external and transgressions are dealt with summarily. We conduct training course to all staff about risk analysis to prevent corruption.

SATHAPANA Limited does not ally itself to any particular political parties but seek for cooperate and work in harmony with the elected government today.

Product and services

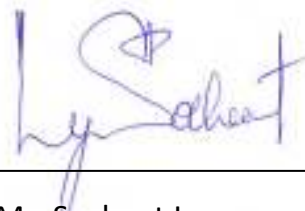
Our policies are strictly against overselling or encouraging customer to over commit themselves or buy in appropriate products or services. On the other hand, our employees give suggestion on risks of sectors our customers are active in and discuss possible improvement that can be made by customers. Before loan approval we discuss with the customers the environmental and social issues and evaluate possible improvement, following the method of:

- Observing what activities the client is involve in
- Analyzing if there is a risk
- Explaining what is important
- Suggesting the client makes improvements

For this we use and maintain a dedicated set of factor Factsheets.

Transparency in advertising is strictly enforced when promoting and selling our products and services with detail information provide through brochures, leaflets, newsletters, magazines, newspapers, banner, website, radio, TV, door to door and other promotional materials.

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Mr. Socheat Ly
Environmental Manager