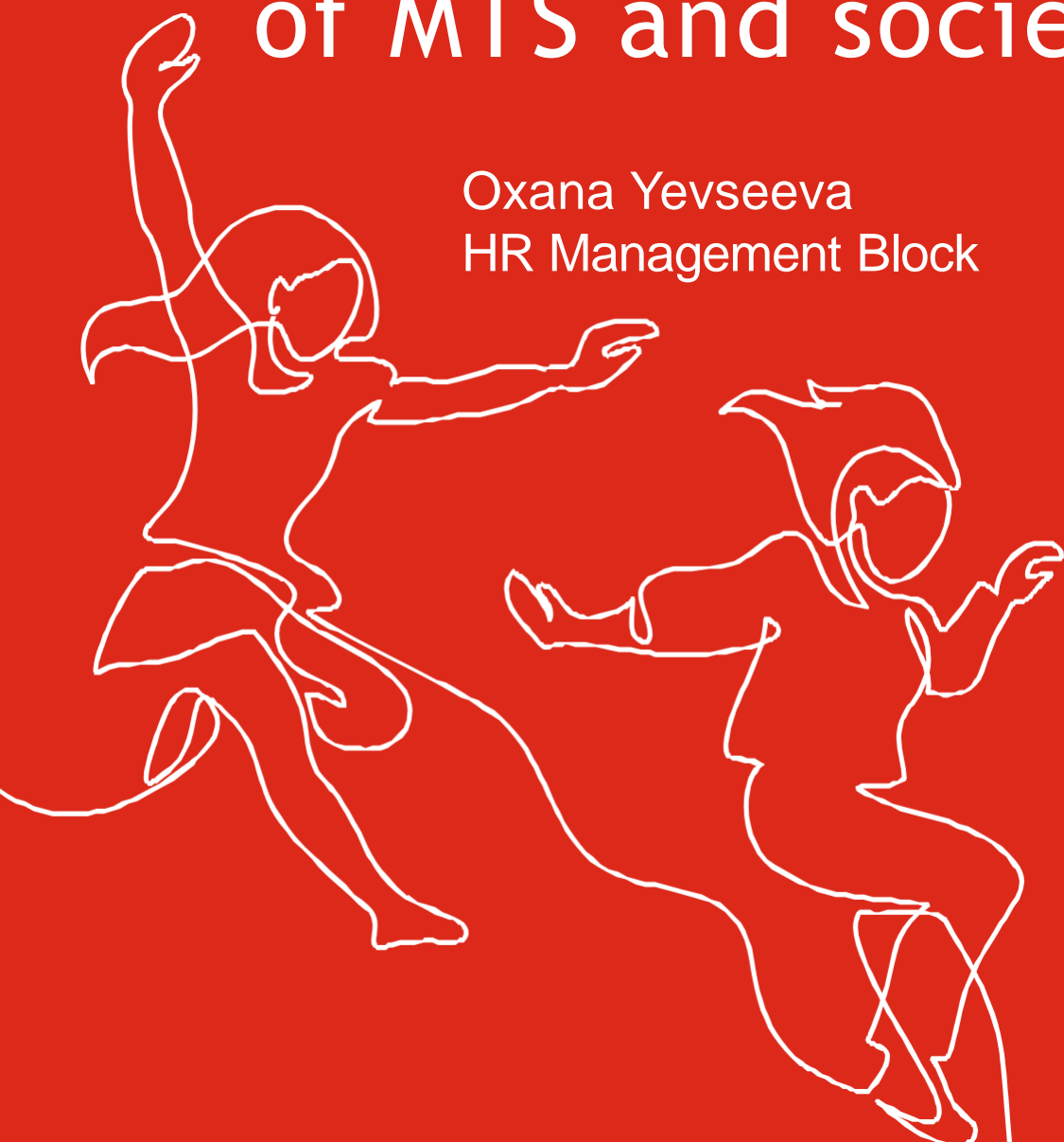




Corporate social responsibility: help in sustainable development of MTS and society

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HR Management Block



 To be better day by day

MTS today

>480

billion rubles of the
consolidated sales
proceeds

781.6

mln rub.
expenditures on
charitable and social
projects

PRESENCE:



RUSSIA



ARMENIA



UKRAINE



BELARUS

>105

mln subscribers

>16

mln users of the
MTS apps

> 40

mln users of the
onlineshop

6

thousand.
MTS sales offices

>65

thousand
employees

38.3

average age of
the employees

>7

thousand volunteers

>115

agile-teams



MTS strategy in the field of CSR

MTS activities in the field of CSR embraces social, economic and environmental directions and supports implementation of the UN 13 goals for the sustainable development

STRATEGIC GOAL OF MTS IN THE SPHERE OF SOCIAL RESPONSIBILITY

1. Increase of life quality and safety of a person and the community, including by means of innovations development and provision of a wide range of state-of-art services
2. Creation of conditions for Sustainable Development of business

BUSINESS AREA



- Bridging of the digital gap
- Extension of services range by means of increase of the share of community-focused products and services, and services
- Synergy between CSR practices and the creation of common values
- Development of regions, territories of presence and local communities
- Responsible business conduct

SOCIAL AREA



- Improving the quality of life of subscribers
- Caring of employees and their development
- Corporate volunteering
- Charity

ENVIRONMENTAL AREA



- Development of services that increase environmental sustainability
- Environmental protection measures

Bridging of the digital gap

Bridging of the digital gap by infrastructure and feature spectrum:

- Expansion of networks coverage
- Provision of communication services to the inhabitants of remote and arduous areas

SATELLITE TV*

- 200 channels
- 40 channels in HD/UHD-quality
- Satellite TV viewing grid from MTS includes a number of channels providing broadcasting in national languages of people of Russia and neighboring countries.

EDUCATIONAL SESSION “MOBILE ACADEMY” FOR THE ELDERLY*

It allows to make the capabilities of mobile devices really clear and available for the people of the “silver” age, to raise their self-esteem and to integrate them into the modern pace of life.

>4,000 persons
>20 regions of

TELEHEALTHCARE

SmartMed app allows to receive MEDSI doctor recommendations over the videocall or by chat, while being in any place of the World, to call the doctor for the home visit, make appointments at MEDSI

Application was installed **100** K users
 Included into Optional medical insurance **23** Insurance companies

MY MTS*

With My MTS a user no longer has to visit operator's outlets on most of the issues arising from subscribers

33.5 million devices
14.1 mln users per month in 2018
9.5 mln users per month in 2017
TOP-20 the best free apps of the Russian App Store in 2018

Innovations and social responsibility

In 2018 MTS had signed 13 agreements with the administrations of the cities and regions of RF for digitalization of the economy, industry and social spheres of the regions

#TELECOMIDEA2018 #SOCIALIDEA2019

Search, selection and support to the social projects, using digital technologies, which contribute to the positive changes in the society

Competition nominations:

Social Mobile: mobile technologies in the social sphere

Social BigData: big data in social sphere

Social Smart City: smart city in the social sphere

CORPORATE ACCELERATOR MTS STARTUP HUB

A tool for work with young innovators and expansion of possibilities for talents

SMART UNIVERSITY

- Interactive educational platform
- Preparation for the USE on English and mathematics

17.5

hours audio records with the native speakers from the USA, Canada and the UK

8.5

mln printed characters – scope of the unique interactive textbook

2.2

thous. exercises on grammar, lexis, listening comprehension, reading, writing, speaking

MTS SEARCH

Allows to see location of your child and receive notifications about leaving of the set geozone in real time, parental control

PROJECT ODYSSEUS (WITH BF SISTEMA)

Search of technical solutions for detection of lost people without communication source

PROJECT “CHILDREN ON THE INTERNET”*

Project on potential risks during use of the Internet for parents, teachers and school children

7
years

40
regions of

> 400
thousand pupils

PROJECT “DIGITAL TWIN OF VLADIVOSTOK”* (TOGETHER WITH DVFU)

Creation of geo-informational model of Vladivostok, which allows to significantly change the approach to organization of many processes of state administration

MTS —a company for all

Videoclip "Company for all ages"

<https://yadi.sk/i/oMPK0K4iQLgoCg>



MTS —a company for all

MTS – A COMPANY FOR ALL AGES

- Shortage of high-quality resources
- Recruitment, adaptation and retention of 40+ employees
- Increase of X Generation clients flow
- Increase of X Generation clients loyalty to the company
- Growing social responsibility (Pension reform)



The indicators are presented as of 31 December 2018

MTS INTERNSHIPS*

Perfect start to commence career path

MTC Flash

For business directions (2 months)

MTC Start

For IT (3 months)

400
interns

50
regions of Russia



Care about employees

HUMAN RIGHTS

“Human rights” — is a new section of the CSR policy and educational project

ADDITIONAL LEAVES FOR ADOPTING PARENTS

MTS introduced additional leaves for the staff:

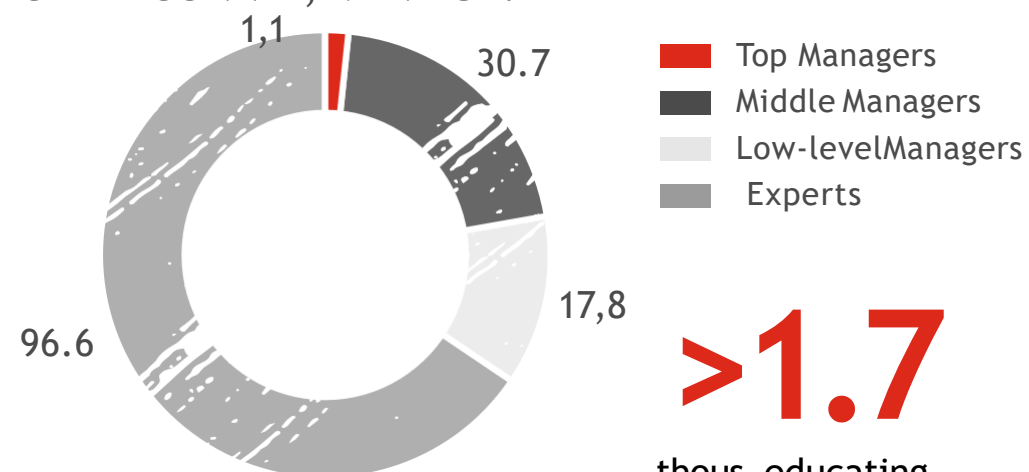
- who are planning to become adopting parents, caregivers or trustees
- for employees that already have taken a child into their family



The indicators are presented as of 31 December 2018

CORPORATE UNIVERSITY

COSTS FOR CORPORATE EDUCATION OF THE EMPLOYEES OF MTS PJSC IN 2018 IN THE BREAK-DOWN BY CATEGORIES OF PERSONNEL, MLN RUB.



>1.7
thous. educating programs

TRAINING AND STAFF SKILLS ENHANCEMENT ISSUES

Ensuring staff complex development by key competencies

Integrating training for the new employees and upon implementation of a new normative document / process



Enhancement of professional qualification

Training of candidates pool and preparation of successors for the key positions

Volunteering



**3 additional
paid days offs**

for the staff participation
in volunteering programs

TOP-5 UP-TO-DATE VOLUNTEERING INITIATIVES

- Environment
- Support of the children
- Donorship
- Intellectual volunteer services
- Sporting volunteering

>7 000

volunteers

>700

events

>10^{million people}

coverage

> 40

Regions of
Russia

SUPPORT OF THE VETERANS OF LABOR AND WWII*

- Tango of Victory
- War buddies
- Poplar of Victory

>50

regions of

>10,000

participants

GREEN EXPRESS*

Targeted support of kid's social
services:

- Professional orientation classes
- Master-classes
- Collection of office supplies and books
- Cultural and sports events

MOBILE THEATRE OF FAIRYTALES OF MTS

- more than 80 employees-actors
- 10 existing theatre companies in Moscow, Krasnodar, Saint-Petersburg, Ulyanovsk

8,000

spectators

80

events

DONOR'S DAY*

During the campaign
(since 2011) **>800** employees
became participants

CULTURAL CODE

Preservation and support
of culture values and
initiatives unique for the
territory

18

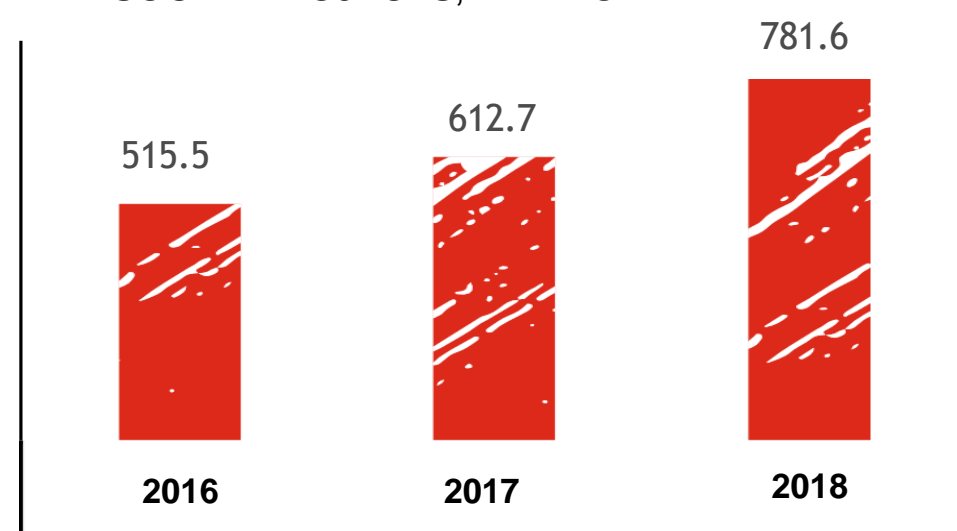
Regions of
Russia

1,500

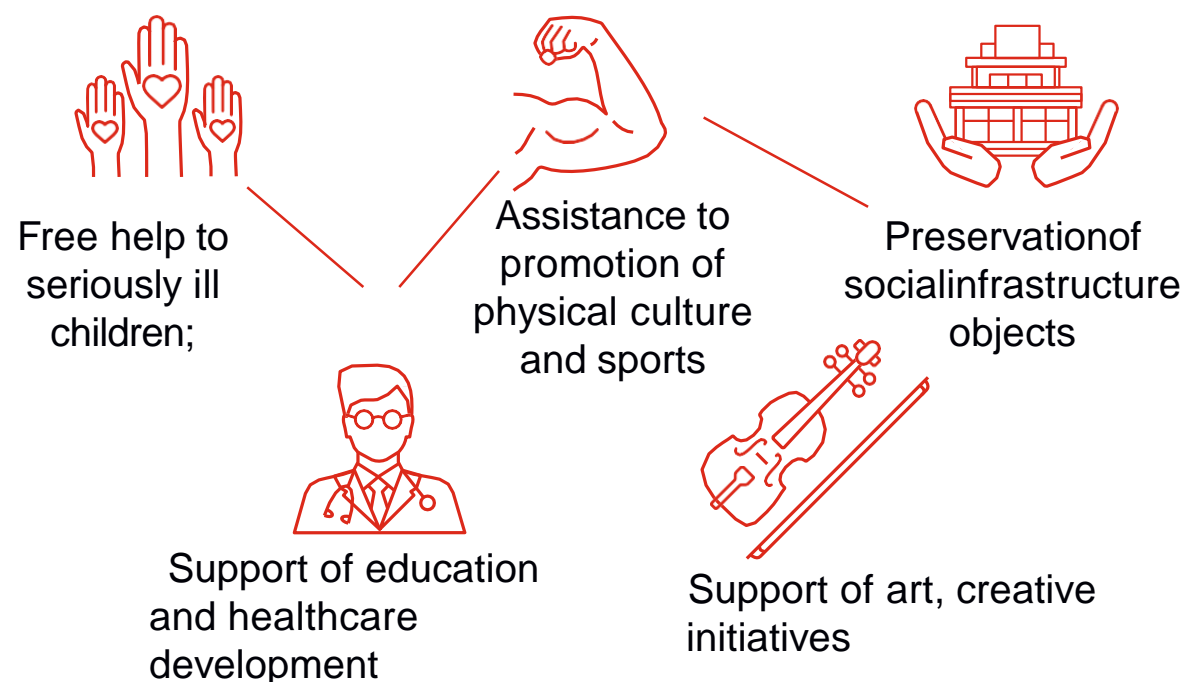
participants

Social Projects

EXPENDITURES OF MTS GROUP FOR CHARITABLE AND SOCIAL PROJECTS, MLN RUR.



PRIORITY AREAS OF MTS ACTIVITY IN THE FIELD OF CHARITY

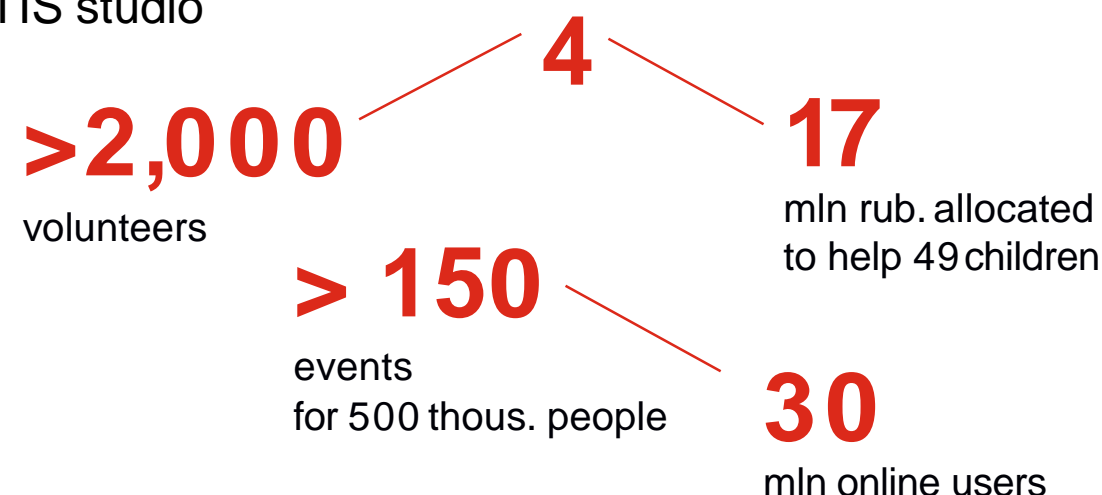


The indicators are presented as of 31 December 2018

GENERATION M*

Within Generation M, digital tools are used which create a system of creative and intellectual elevators for development of children and teenagers irrespective of their residence and social status of their parents.

- 2018 and 2019 Fashion Day in Vladivostok
- Photo exhibition "Generation M: Live"
- GITIS studio



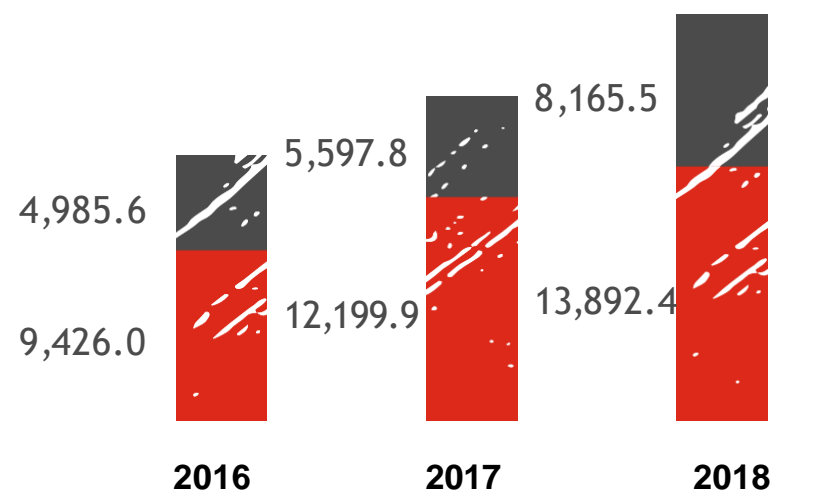
KNOWLEDGE WORLD WITH MTS

Educational project for pupils of children's social institutions. It includes the classes of "Virtual planetarium" with the use of virtual reality



Environment

MTS PJSC expenses for environmental protection, thous RUR



- Expenses directed to prevention of impact to the environment
- Expenses related to handling of wastes and processing of emissions, as well as elimination of environmental damage

for **1.1%**
decreased volume
of water use in 2018

MTS had joined to the initiative of the Association of Operators GSMA — to reach zero emission of greenhouse gases by 2050

ECO PACKAGING

Since 2016 all MTS SIM-cards are sold only in environmental packaging, having eco certificate of compliance

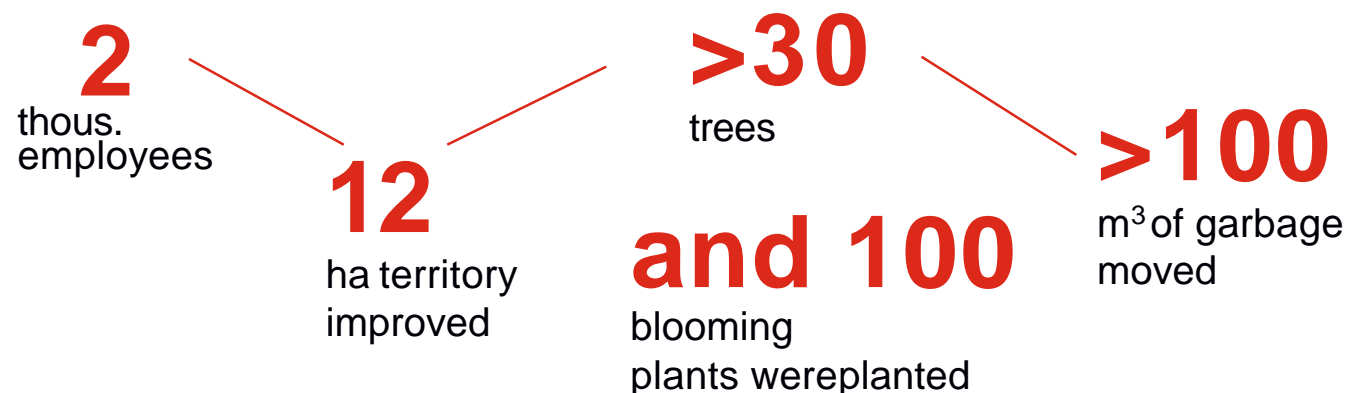
ECO CLASSES “CHILDREN ON THE PLANET” FOR TEACHERS AND SCHOOLCHILDREN

Over 14.5 thous. teachers, 80 regions of Russia, coverage — 380 thous. pupils

ECOOFFICE:

- “Batteries — turn in!” — disposed 1518 kg of batteries
- “Paper boom” (Moscow) — collected 2,250 kg of paper-based wastes (for 730 kg more compared to 2017)
- “Good caps” — collected >100 kg plastic caps in favor of children with disability

VOLUNTARY SATURDAY ECO WORK AND TREE PLANTING *



SDG for MTS

- Increases the quality of strategic management of the company
- Demonstration of the high level of information transparency and openness
- Supports intensification of works within the framework of Global partnership for sustainable development
- Helps to hold dialog with the key stake holders

Reports on sustainable development 2018



RU



EN



Standard of interaction
with stakeholders
AA1000SES



Sector-specific annex GRI
for companies in the
telecommunications
industry



Public validation RSPP



Thank you for your attention!

