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

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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

>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

PRESENCE:
- RUSSIA
- ARMENIA
- UKRAINE
- BELARUS

RUSSIA

ARMENIA

UKRAINE

BELARUS
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.

**TELEHEALTHCARE**

SmartMed app allows to receive MEDISI 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

*TOP-20 the best free apps of the Russian App Store in 2018*

The indicators are presented as of 31 December 2018
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

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<tr>
<th>17.5</th>
<th>8.5</th>
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<td>hours audio records with the native speakers from the USA, Canada and the UK</td>
<td>mln printed characters – scope of the unique interactive textbook</td>
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<td>thous. exercises on grammar, lexis, listening comprehension, reading, writing, speaking</td>
<td>years</td>
<td>regions of</td>
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**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

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<th>&gt; 400</th>
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<td>years</td>
<td>thousand pupils</td>
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**PROJECT “DIGITAL TWIN OF VLADIVOSTOK”**
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 ages

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)

MTS INTERNSHIPS*

Perfect start to commence career path

MTC Flash
For business directions (2 months)

MTC Start
For IT (3 months)

In 12 regions together with the population employment centers there are established educational courses for the candidates

80% * Regions are ready to scale the project

38.3 average age of the employees

by 4% increase of speed of closing vacancies

to 17% level of satisfaction among the clients above 40 increased

by 3% * decreased churn among employees 40+

400 interns

50 regions of Russia

The indicators are presented as of 31 December 2018
HUMAN RIGHTS
“Human rights” — is a newsection 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

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

TRAINING AND STAFF SKILLS ENHANCEMENT ISSUES
Ensuring staff complex development by key competencies
Enhancement of professional qualification
Integrating training for the new employees and upon implementation of a new normative document /process
Training of candidates pool and preparation of successors for the key positions

The indicators are presented as of 31 December 2018
Volunteering

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

DONOR’S DAY*

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

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

CULTURAL CODE

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

18 Regions of Russia

1,500 participants

The indicators are presented as of 31 December 2018

3 additional paid days offs for the staff participation in volunteering programs
**Social Projects**

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

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount</th>
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<tr>
<td>2016</td>
<td>515.5</td>
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<td>2017</td>
<td>612.7</td>
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<td>2018</td>
<td>781.6</td>
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**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

**>2,000** volunteers

**>150** events for 500 thous. people

**17** mln rub. allocated to help 49 children

**30** mln online users

**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

**> 900** children

**150** volunteers

**13** Regions participants

The indicators are presented as of 31 December 2018

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The image contains a bar chart showing the expenditures of MTS Group for charitable and social projects from 2016 to 2018. The expenditures are listed as follows:

- **2016**: 515.5 MLN RUR
- **2017**: 612.7 MLN RUR
- **2018**: 781.6 MLN RUR

The text describes the initiatives undertaken within Generation M, including digital tools that create creative and intellectual elevators. The projects include:

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

The text also highlights the impact of these initiatives, with figures indicating:

- **>2,000** volunteers
- **>150** events for 500 thous. people
- **17** mln rub. allocated to help 49 children
- **30** mln online users

Additionally, a section on **KNOWLEDGE WORLD WITH MTS** is mentioned, which is an educational project for pupils of children’s social institutions. The project includes classes of “Virtual planetarium” with the use of virtual reality, and the text provides figures indicating:

- **>900** children
- **150** volunteers
- **13** Regions participants

The indicators are presented as of 31 December 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 thou.s. teachers, 80 regions of Russia, coverage — 380 thou.s. pupils

**ECO OFFICE:**
- “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**

- 2 thousand employees
- >30 trees
- >100 m³ of garbage moved
- 12 ha territory improved
- and 100 blooming plants were replanted

The indicators are presented as of 31 December 2018
• 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
Thank you for your attention!