OUR ACHIEVEMENTS

MTS “Trademark No 1 in Russia in 2018” in the category “Services”

MTS was among the leaders of RSPP indices “Responsibility and Openness” and “Sustainable Development Vector”

MTS is a winner in AK&M ranking of social efficiency at major Russian companies

MTS is a winner in nomination “Leadership index”, the best companies for work and career ranking by “Rabota.ru”

MTS Top managers entered all ranking categories of TOP 1000 of Russian Managers

MTS – “Volunteer of Russia 2018”

MTS – the best Telecommunications brand in Russia according to World Branding Awards

MTS won in two nominations of ECO BEST AWARD 2018: “Ecopackaging of the Year” and “Best Educational Project in the Field of Environment”

MTS won in the nomination “Leader of Digitalizing Procurement Processes” of “Competitive Procurement Leader” awards.

MTS is in TOP of the most expensive telecom world brands by Brand Finance Telecom 300 2018

MTS is in TOP-20 of the 200 largest private Russia companies according to Forbes
MTS FOR EVERYBODY
We are all becoming witnesses to how digital technologies deeply penetrate every area of our life and erase the boundaries that seemed to be impassable just a few years ago. MTS is undergoing now a transformation into a business ecosystem. Our task is to come to be a key player in spheres that are new to the company. We face serious challenges in such areas as financial technologies, cloud computing, big data, artificial intelligence, digital education, eSports and telemedicine.

During the year, we have successfully worked on the implementation of a digital strategy and expanded our activities into new directions. In 2018 we obtained controlling interest in MTS Bank which allows us a faster launch of converged fintech products. One of the most significant events has been a service deployed to allow new customers signing a contract with the operator and the Bank at the same time.

We also strengthened our positions in the fast-growing market of cloud services by expanding our network of data centers, both through greenfield and acquisitions in this segment. In April MTS launched a cloud service of personal data storage and processing for enterprises.

We kept fostering our leadership in the telecom segment – the core part of our business still generating the main share of MTS revenues. Over the past year we have deployed LTE networks in all the markets of presence and put in place the first federal NB-IoT network in Russia for the Internet of Things.

Internally, we embarked on the path of optimization and improved efficiency of processes via their automation – we can and should become faster and more flexible.

The development of the social sphere is gaining priority in the MTS Group activities. Matters relative to the development of society and business are interlinked and by developing business we always take into account the needs of the society including those that have no direct touch on our current business objectives. Why should we do this? Because we realize that today telecom and IT services are the key technologies to change and develop the society, and it is our work and initiative that the life of each of us will depend on in the future.

The whole strategy of MTS is focused on solving urgent social issues. We develop advanced solutions that improve the quality of people’s lives: we introduce innovations in the field of healthcare, education and urban infrastructure. In September MTS entered the online education market and launched the platform Smart University, in the first place, for preparations for the Unified state exams in English and math. In tandem with MEDSI we launched the telemedicine service SmartMed that provides online consultations with medical practitioners.

Our services make the society more open and modern and people – better informed, whatever their place of residence and income. Our technologies help create a comfortable environment for life and favorable conditions for self-development. Our flagship social project “Generation M”, by means of digital technologies, opens up equal opportunities for the development of children across the country.

The MTS leadership is unique as, traditionally, we have been the first in the country in all key business indicators – revenue, capitalization, subscriber base. But largely, we are number one because MTS is a dream company staffed with highly involved, conscious and responsible people. The basis of MTS successful development is not the technologies but rather the people who create them. This was the case when MTS had under 100 employees and it remains so now that we are over 65 thousand. We are united by a focus on results and MTS is a company where ambitious goals are quite a common thing, where every employee can get an opportunity of self-fulfillment and help to find such opportunities for our partners, customers and the society. It is also our rule not to rest on our oars: that is why we have been working every day to make the wildest dreams come true.

Yours faithfully,
ALEXEY KORNYA,
President of MTS PJSC
About the Group

MTS is the leading company in Russia and CIS countries by mobile and fixed-line communication services, Internet access, cable and satellite TV broadcasting, digital services and mobile applications, financial and e-commerce services, as well as convergent IT solutions in the area of system integration, Internet of Things, monitoring, data processing and cloud computing.

Providing innovative services and solutions, MTS makes a significant contribution to the development of regions of operation and improvement of the life quality of dozens of millions of people.

> 105 mln subscribers in host countries

> 65 thousand employees

RUB 480.3 bln consolidated revenue

> 7 thousand volunteers

<table>
<thead>
<tr>
<th>Brand</th>
<th>Population, mln</th>
<th>Mobile penetration, %</th>
<th>Share of population that has access to 4G, %</th>
<th>Subscriber base by the end of 2018, mln</th>
<th>Share of ownership, %</th>
<th>Market share, %</th>
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<tbody>
<tr>
<td>MTS</td>
<td>9.5</td>
<td>49%</td>
<td>49%</td>
<td>126</td>
<td>80%</td>
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<tr>
<td>MOBILE TELESYSTEMS JLLC</td>
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<td>46%</td>
<td>63</td>
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<td>57%</td>
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<tr>
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<td>31%</td>
<td>57%</td>
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<td>21</td>
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<td>Vodafone</td>
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<td>100%</td>
<td>100%</td>
<td>19.7</td>
<td>100%</td>
<td>57%</td>
</tr>
</tbody>
</table>
CSR Strategy

In December 2016, MTS Functional corporate social responsibility (CSR) strategy until 2020 was approved.

MTS CSR activities cover the social, economic and environmental areas and involve the implementation of projects in support of 13 UN Sustainable Development Goals.

STRATEGIC MTS GOALS IN THE FIELD OF SOCIAL RESPONSIBILITY:

1. Improving the quality of life and safety of people and society, including through the development of innovations and the provision of a wide range of modern services
2. Creating conditions for sustainable business development

Self-assessment according to ISO 26000

In 2018, MTS conducted a self-assessment on compliance with the recommendations of the international standard ISO 26000:2010 "Guidelines on social responsibility", which showed that the Company’s activities comply with its recommendations in all areas.

ISO 26000 establishes the norms of civilized relations between the organization and society and regulates a wide range of aspects, from human rights to environmental impact.

SOCIAL AREA

- Improving the quality of life for subscribers
- Taking care of employees and their development
- Corporate volunteering
- Charity

ENVIRONMENTAL AREA

- Development of services improving the environmental sustainability
- Environmental protection activities

BUSINESS AREA

- Digital inequality elimination
- Expanding the range of the services by increasing the share of socially oriented products and services
- Synergy of CSR practices and creation of common values
- Development of regions, territories of operation and local communities
- Responsible business conduct

RUB 781.6 mln MTS Group total expenses for charitable and social projects in 2018
Satellite TV is a niche that, due to objective reasons — remote territories, terrain complexity etc. — cannot be covered via other technologies. It is easily connected to a TV set in your house, apartment or summer cottage.

The main feature of MTS TV: wide coverage both in geography of service provision and in diversity of offered possibilities of TV services connection and usage. We offer our clients over 200 satellite channels of various genres for all family members: movies and TV series, news, sports, music, cartoons, hobbies and leisure. Around 50 channels are broadcasted across different time zones, and with the interactive console option it is possible to activate a delayed run and record favorite shows.

The satellite TV network from MTS includes a number of channels that provide broadcasting in the national languages of the peoples of Russia and neighboring countries. These channels provide preservation and development of national languages and cultures.

Service for Deaf People

In 2018, PrJSC VF Ukraine started introducing the virtual sign language interpreter services in the Company’s stores to serve deaf customers. To use the service, one just has to scan a special QR code using his/her smartphone and start an online chat with a store expert. The service provides the possibility of online sign language interpretation via ConnectPro application installed on the tablets of shop employees, if the customer does not have a smartphone.
The large-scale network development program in Yamal is a socially important task. Coverage and quality of communication are significantly improved both in YNAO cities and in remote rotational camps and fields, including beyond the Arctic Circle, in permafrost conditions, in areas where there was no mobile connection and high-speed Internet.

Yamal is a region with the complicated infrastructure and large distances, that is why we decided to focus on accessibility of high-speed Internet at the key transport hubs of YNAO. In 2018, the high-speed mobile Internet became accessible in the airport of Novy Urengoy, the Urengoy River Port and the “Surgut-Novy Urengoy” highway.

Connecting Yamal cities to 4G communication remains one of the priorities for MTS.

**Internet on Elbrus**

In December 2018, MTS base station (3G and 2G) was put into operation in the Kabardino-Balkarian Republic on Elbrus at an altitude of 3,888 m above sea level. It is the most highland cellular communication facility in Russia and Eastern Europe. For the first time in history, mobile Internet became available on Elbrus at an altitude up to 5,100 m and voice communication – to the top of the mountain. Significant benefits will be experienced by mountain skiers and climbers, as well as employees of the Ministry of Emergency Situations as communication will help them in rescue operations.

**eSports**

In the last few years, the eSports started to turn from a rather mass hobby into an exciting mixture of sports and business with a significant focus on the show activity. In addition, eSports is closely associated with high technologies, and for the Internet, mobile communications and equipment (computers, smartphones, accessories) eSports matches are almost a benchmark, a kind of quality control.

In the beginning of 2018 MTS acquired Gambit Esports, an organization that brings together four teams (16 players) in the most popular game disciplines – Counter Strike: Global Offensive, League of Legends, Dota 2 and FIFA. Within its own Innovation Center, MTS opened a special eSports division.

MTS Strategy at the eSports market will combine both marketing activities and the development of products for gamers.

**Virtual card “MTS Credit Online”**

In November 2018, MTS PJSC and PJSC “MTS Bank” were the first in Russia to launch a virtual credit card for secure purchases on the Internet and retail outlets using smartphones. To use a card, an MTS subscriber should not visit MTS outlet or a bank branch: a virtual card may be issued practically by several clicks on the MTS website or in the mobile app.

**My MTS**

With My MTS multiplatform application a user no longer has to visit operator’s outlets on most of the issues arising from subscribers. The key objective is to make the application a single functional center for managing all the services that are provided under the MTS brand. In 2018 a section called Expense Control has appeared in the application, the convenient roaming mode has been activated, purchasing tickets through the online services Ticketland.ru and Ponominalu.ru was made possible.
The launch of the boxed solution supports small and medium business, as it helps to optimize costs, and contributes to the digitalization of companies in the transition period for Russian trade.
Within the cooperation between Kirovsky Zavod and MTS Group an industrial platform for remote monitoring and control of production equipment will be created. It is based on artificial intelligence technologies for collecting and analyzing data on the operation of the machine fleet, capable of processing information from an unlimited number of equipment units. This platform can be used to improve the efficiency of internal and external logistics, as well as the operation of automated metering units and other production processes.

Cooperation with Kirovsky Zavod

In September 2018, MTS has become the co-owner of YouDo.com, one of the biggest online platforms to search for contractors to solve domestic and business tasks.

YouDo.com database contains 850,000 registered contractors. Some of YouDo.com users are self-employed citizens, potential MTS Bank products users, to whom the Company will be able to offer new product for participation in the state experiment on a special tax regime.

Social projects will be another important area of cooperation. In 2019, YouDo.com intends to launch the category of volunteer tasks where socially unprotected citizens will become new customers. Contractors won’t take money from them, but will be able to get positive feedback on the website.

Cloud Technologies

Today, clouds are becoming the center of corporate digital ecosystems, providing the technological foundation for innovations. Cloud technologies provide for implementation of Internet of Things, big data, artificial intelligence services.

In 2018, we expanded the capabilities of the #CloudMTS cloud platform and launched the new services for business: mail cloud services, a service for storage and exchange of corporate information, a dedicated segment for working with personal data.

MTS StartUp Hub Corporate Accelerator

In March 2018, MTS introduced a new tool for working with young technological projects – the corporate accelerator MTS StartUp Hub. The accelerator targets the companies that already have their own product and first customers.

The selected projects gain the opportunity to develop a pilot project and access to the corporate customer base, sales channels and infrastructure of the Company. Thanks to a test run in conditions as close as possible to real ones, they can assess the prospects of their projects and their viability. In the future, MTS can become a customer of a startup, buy a stake in it or become its owner. It is also possible to transfer the projects abroad.

MTS StartUp Hub is not a classic accelerator: our goal is the complete introduction of breakthrough technologies into the Company’s ecosystem.

850 thousand registered contractors

YouDo.com

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<table>
<thead>
<tr>
<th>Cloud Technologies</th>
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<tbody>
<tr>
<td>Increase in the amount of stored and processed data</td>
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<tr>
<td>Revenue increase of #CloudMTS</td>
</tr>
<tr>
<td>Business operation expenses optimization</td>
</tr>
</tbody>
</table>

2 sets
13 countries
>1 thousand applications

MTS experts
Project teams involved in a pilot project for MTS
>40
36

36 thousand applications
MTS experts
>20

Extra Holidays for Foster Parents

Starting from November, 2018 MTS has introduced additional holidays for employees who are preparing to become foster parents, custodians or guardians, and for employees who have already accepted a child into their family. After all, foster parenthood is not only a feeling of happiness when a baby who was glaring at you like a tiger yesterday, suddenly starts calling you mother and father. It is also a collection of documents, interviews with psychologists and officials, numbers in special queues and trips to various cities in a search of a child.

More information in the full version of the Report, section “MTS for Employees”
In 2018, MTS employees were offered a new working environment – coworking space. It is easily transformed depending on the current requests of its visitors, and also allows significantly saving the working time.

MTS has several offices in Moscow, which are located quite far from each other. Now, if an employee works in one office and is invited to a meeting in the central office, he does not need to spend 3–4 hours of his/her working time to travel from office to office, but can just leave the meeting room, and make himself/herself comfortable at one of the mobile workplaces nearby.

In September 2018, the Company launched an incentive program for employees who participate actively in corporate events. Employees can be both participants and organizers of the events and receive Ambassador’s points in different categories: intelligence, IT, creativity, volunteering, ecology, sports. At the end of the year, the points earned can be exchanged for souvenirs.

The project managed to unite the whole MTS Group: it involves personnel from different divisions and regions, line staff and managers.

MTS supports the desire of its employees to lead a healthy life. The Company has its own football, basketball and volleyball teams, runs the MTSRunning project for runners, and organizes the federal sports event Strong in Spirit to train its participants to pass a set of GTO sport standards. MTS Group takes part in summer and winter championships of AFK Sistema on an annual basis, and the Company regularly holds the Day of Health family sporting feast, regional sports festivals, as well as soccer, beach volleyball, bowling, chess, carting, table tennis and other championships and tourist meetings. Anyone can join no matter of the preparation level.

When a new technology or approach appears in the information field of employees, the coach should not just be aware, but should already work out the material in detail, understand the risks and try everything himself, to reach the audience as an expert. In 2018, MTS Corporate University launched the development program of the Company’s coaches – School of Business Coaches.

Coaches and employees involved in the training process from MTS PJSC, MGTS PJSC, RTC JSC and foreign subsidiaries participated in the program. 25 webinars with the best external and internal speakers were arranged for the participants. At the end of the project, the participants defended their thesis.

Coach is a profession that imposes an obligation to follow the trend.
The variety of social projects run by the Company gives numerous opportunities for each passionate employee to find their place and contribute to the society. For MTS employees volunteering is the voice of heart.

In a strive to do good, employees not only fulfill their mission, but also facilitate the strengthening of the MTS image as a socially responsible company.

MTS is not just about telecommunications. Volunteers of the Company establish another communication, the best in the world – they get in contact with children’s hearts. Connection of Good.

Mobile Fairytale Puppet Theater

Mobile Fairytale Puppet Theater was created in MTS in 2012 and ever since gives the Company’s employees the opportunity to do good and children in hospitals and orphanages – to find oneself in a fairy tale.

In 2018, the actors used the most difficult and interesting doll – a marionette – and already in April the performance Simple Rules was demonstrated for the first time, introducing young spectators to the rules of road traffic and behavior on the city streets in a game form.

A new experience was the opportunity to show performances for children with hearing and vision disabilities with the assistance of a sign language interpreter: the first two performances in a new format were Simple Rules and The Elephant Horton Expects the Chick.
Cultural Code

The first Donor Day was held in MTS in 2011, and since then it has been held annually in spring and autumn in two Moscow offices. In September 2018, MTS Corporate University together with the charitable foundation Give Life and the Blood Center of the Federal Medical and Biological Agency of Russia held MTS Donor Day, which has already become a good tradition in our Company. It was attended by more than 150 employees from the Corporate Center, the Moscow region, MTS IT, NVision Group and MGTS, and about 67 liters of blood were collected to save many lives!

Donor Day

15 employees 1,5 months

Volunteer School in Krasnodar

In Krasnodar in 2018 the first MTS Volunteer School was held, where participants learned about various directions of social volunteering.

Heads of the largest charitable, volunteer and non-profit organizations of the city not only shared their knowledge and invaluable experience, but also spoke about the particular types of volunteer assistance required by them.

Also, the participants were told about the legal aspects of volunteering, which will allow them to carry out their activities properly in the future.

In addition to the theoretical part, the volunteers had the opportunity to take part in the events and feel what it means to be a volunteer.

On the eve of the Victory Day, MTS held a historical and educational quiz “The war... What do we know about it?”. The strongest team was identified in each region, which participated in the final competition held in Nizhny Novgorod. Only representatives of Nizhny Novgorod and Ulyanovsk branches were present directly on the site. The rest 17 teams were connected via the video conference and competed online. The final of the victory quiz served as a convincing evidence of our Company’s high technology level: thanks to the high quality of communication and the data transfer speed, online participants did not feel uncomfortable compared to their colleagues from Nizhny Novgorod.

Such MTS projects as War Buddies, Poplar of Victory, and Tango of Victory provide a unique opportunity to revive our knowledge and help teaching our children to respect and appreciate memories about the war and the Great Victory.

Say to the batteries: “Surrender!”

In 2018, battery collection campaign was resumed in MTS PJSC administrative offices, as a result, 1,518 kg of batteries were collected and sent for recycling.

Paper boom

Recyclable paper collection is a heart-warming tradition at MTS: in 2018 MTS PJSC employees collected over 24 tons of paper waste. The project won in the sixth MTS Volunteer Awards Ceremony in nomination “Environmental Volunteering”.

Cultural Code was recognized as the best socially-oriented project in the Big Heart nomination for the HR-brand award.
TELEMEDICINE

In 2018, MTS launched unique application SmartMed in the digital health segment that combines MEDSI’s medical expertise and MTS experience. SmartMed allows consulting a MEDSI doctor via video communication or chat, anywhere in the world; calling a doctor at home, including emergency care, making an appointment to MEDSI clinics; storing medical data in your smartphone and thanks to #CloudMTS being confident in their security and having access to it at any time and from any device.

Digital health technologies provide access to quality medical care for a wide range of patients, including in regions, small towns and settlements.

MTS Search

The safety of children comes first for the parents. The development of technologies creates new reasons for concern, but also plenty of opportunities for safety.

In summer 2018 MTS offered its subscribers a profitable package Safe Childhood, which includes Internet Control and MTS Search services.

Internet Control service allows setting the schedule of the mobile Internet usage at the parent’s discretion. The service also protects children from unwanted and dangerous resources on the network.

MTS Search service allows monitoring the location of your child in real time or receive an alert when the child leaves the designated geozone. Children can send a one-touch SMS alarm to their parents with his/her coordinates.
At virtual creative platforms of the project children from across the country may show their talents, participating in competitions, online workshops and interactive exercises from Russian stars in different areas. All activities in groups and on the website are converted into “live money,” which MTS transfers for the treatment of seriously-ill children.

Winners of competitions get wide opportunities: from internships at Russia’s largest animation and film studios to entering the big stage together with the stars and exhibition of own works in the country’s museums.

Mobile Academy is designed to eliminate digital inequality and, as a result, make the lives of pensioners more vivid, active and comfortable. MTS trains the audience of the Academy on confident work with Internet services: to do shopping, to make an appointment with a doctor, to communicate with relatives and friends in any place at any time with the help of a smartphone or a tablet. Pensioners are educated in practice how to pay remotely for communication services and utilities, how to obtain state services. All this makes their life more comfortable and full.

As part of the project Network for All Ages MGTS provides a free training to Moscow pensioners on use of various devices with Internet access to solve their household and social problems. Trainings take place twice a week in two venues. In total, 1,000 people were trained in 2018.

When preparing for the 2018 FIFA World Cup, in less than a year multi-operator mobile communication systems were designed and commissioned in 12 unique stadiums in 11 Russian cities: Moscow, St. Petersburg, Kazan, Nizhny Novgorod, Rostov, Kaliningrad, Samara, Saransk, Volgograd, Sochi, and Yekaterinburg.

Data transmission services were provided at record speed rates given the conditions of mass congestion of subscribers: 3G - 3 Mbps and LTE - 7 Mbps.

Moreover, 11 guides were developed for the 2018 FIFA World Cup, and everyone who crossed the regions where the event was held got links to them via SMS.
The cooperation priorities within “Smart City” projects will include development of innovative technologies and services related to the digitalization of the economy, industry and social area of regions, as well as the development of the communications infrastructure in their territories.

Opening in 2018 at Skolkovo Technopark of a collaborative pilot zone of Internet of Things and the possibility to perform testing in the “live network” will expand the number of professionals and companies involved in the development of digital solutions and reduce the time for the market launch of the commercial products.

MTS is actively developing as an operator of digital services, and already today we have considerable resources and experience in implementing “smart solutions” both for everyday life of people and for enterprises and urban spaces.

Smart City: pilot project in Tatarstan
In 2018, MTS launched Russia’s first comprehensive pilot solution for “smart city” in the field of housing and communal services on the NB-IoT network. A residential complex with this solution was built in Arsk City, the Republic of Tatarstan. The pilot project was implemented by means of a video surveillance system, remote meter readings, monitoring of the parking lots, environmental situation and household waste removal. Taken together it provides for improvement of the living environment quality and cost reduction due to automation of processes.

Mobile Technologies for Ecology
Since 2014, MTS has been successfully implementing “Mobile Technologies for Ecology” program, which includes environmental lessons in schools throughout Russia. Pupils learn how state-of-the-art mobile technologies help to save nature, save lives, eliminate forest fires, care for birds and animals. The schoolchildren are introduced to Econeshka, the heroine of MTS and the girlfriend of the hero Interneshka, who is responsible for the environment and helps nature.

New technologies to protect forests against fires
MTS provides sites for installation of video cameras on cellular towers and provides the data transmission by secured dedicated channels at speed of up to 4 Mbit/s. The regional dispatch service may look out for fires online, analyze data and, if required, engage the necessary forces and equipment to extinguish fires. This solution makes it possible to optimize costs for ground and air patrol of the area. 115 MTS base stations are engaged in the project.

Alternative Energy in Armenia
One of the joint projects of VivaCell-MTS and the Foundation for the Preservation of Wildlife and Cultural Assets (FPWC) the project “Alternative Energy” aimed at protection of the environment. The project is implemented in remote villages of Armenia and provides for installation of solar heating, water heating and light diode street lighting systems. Apart from the positive environmental effect, the project helps to reduce financial expenses of local communities: solar heat and water heaters reduce costs by 50-60%, and energy efficient lighting – by 80%.

MTS PJSC and MGTS PJSC are ECO BEST AWARD 2018 winners
MTS PJSC won in two nominations at once: “Ecopackaging of the Year” for “Ecopackaging” project and “Best Educational Project in the Field of Environment” for the volunteer puppet theater “MTS Mobile Fairytale Puppet Theater”. MGTS PJSC gained a reward for its program of environmental culture popularization.
The launch of an online educational service is an important part of MTS Group’s strategy for development of new digital services in emerging markets that are not directly connected with the telecommunications business.

MTS started its development in the field of online education with the launch of the interactive educational platform Smart University. The first area of focus for the Smart University was preparation for the Unified National Exam in English. The platform offers a personal program that is developed individually for each student (one-to-one) using a special algorithm that takes into account the level of knowledge, available classroom hours and the score that the student plans to get at the Unified National Exam.

In December 2018, MTS launched its second educational course as part of the Smart University project, namely preparation for the Unified National Exam in Maths.

SMART UNIVERSITY

We want the modern world of innovation and technology to be affordable, and, what is the most important, safe for schoolchildren and young people.

Vladimir Karpovich, CEO of Mobile TeleSystems JLLC

More information in the full version of the Report, section “MTS for Society” and “MTS for Employees.”

MTS IT Camp in Belarus

In 2018, Mobile TeleSystems PJSC together with the Ministry of Education and the Educational Center of the High Technologies Park arranged the IT Camp for the second time.

Four thematic courses were offered for training: basics of robotics, video blogging, quadcopter piloting, digital photography, mobile and videography.

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Digital transformation begins with a digital culture, and it must be learned from an early age. IT Camp project allows children and teenagers changing their usual roles of the information technologies users to the role of the real developer, the creator of these technologies.
In 2018, we launched an educational project World of Knowledge with MTS, which will involve foster children from social institutions throughout Russia. The project is comprised of several educational units: Virtual Planetarium, applied master classes and a secure Internet lesson.

Virtual Planetarium is a new-generation mobile cinema that looks like big 3D virtual reality glasses. But it is not just a 3D effect, it provides a complete effect of being there, in space: it seems like you can reach the stars. Volunteers who let the children travel across the Universe, have passed special training, and experts of MEDSI Group certified the safety of the equipment for children.

The social and educational project Children on the Internet is aimed at teaching children to use Internet in a wholesome manner for their education, development, communication and leisure, and to tell schoolchildren, teachers, parents about the potential risks of using the Internet, ways of protecting them from network threats.

One of the crucial tasks of the education system in the digital age is the successful adaptation of the younger generation to the conditions of modern life. For two years, one of the main focuses of the Human Resources Management Unit strategy has been in attracting the best students and young professionals through internship programs. An important specific of the internship is that its goal is not just to take interns in order to make them do dull work. They are accepted to fulfill certain ambitious tasks in almost all areas of the Company’s business, including PR, finance, marketing, B2B, economic security, technical divisions and information technologies.

Telecom Idea

Annual international competition Telecom Idea is aimed at finding and supporting talented innovators in the field of information and communication technologies, as well as in social and environmental sectors. Regional stages of Telecom Idea were held in the form of championships on solving business cases and IT-schools in universities. Another way to get to the semi-final – make an application on the website. Then mentors helped participants “grow” their high-tech product at an accelerated pace. Authors of expert-chosen winning projects visited Ireland within the framework of the educational tour.

World of Knowledge with MTS

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Children on the Internet

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Belarus

In Belarus, the Children on the Internet project is being implemented in cooperation with the Ministry of Education of Belarus and the United Nations International Children’s Emergency Fund (UNICEF). Over the past five years, about 9,000 schoolchildren across the country have already taken lessons on safe use of the Internet.

MTS Flash – for business areas (2 months)

MTS Start – for IT (3 months)

Internships

For two years, one of the main focuses of the Human Resources Management Unit strategy has been in attracting the best students and young professionals through internship programs. An important specific of the internship is that its goal is not just to take interns in order to make them do dull work. They are accepted to fulfill certain ambitious tasks in almost all areas of the Company’s business, including PR, finance, marketing, B2B, economic security, technical divisions and information technologies.

Distinguishing features of the future trainee: a pro-active attitude and stretch targets. The Company needs not just good professionals, but people with a technology-based mindset, who react quickly to change, are flexible and can adapt to any change.
SUPPLIER ASSESSMENT

MTS is the only Russian company that has a membership in the international association of telecom operators JAC (Joint Audit Cooperation).

The Association targets improving the performance of all participants in the supply chain in the field of Information and Telecommunication Technologies, including efficiency and productivity growth of its member companies and their suppliers, reduction of pollution and any kind of the environmental impact, improvement of the working conditions of employees, economic development and reduction of risks to ensure continuous supplies.

We are entitled to conduct audits of international suppliers, including not only those, who cooperate with MTS, but also many others. Also we will learn the experience of the world’s largest telecom and IT companies and apply the best practices to interact with suppliers in MTS. In addition, membership in JAC will provide for cooperation with the largest world telecom and IT companies for the purpose of implementing CSR principles in the field of common suppliers.

International certification according to ISO standards once again confirmed the leadership of MTS in the implementation of anti-corruption policy in the Russian corporate sector, as well as our commitment to the principles of fair business and compliance with business ethics.

More information in the full version of the Report, sections “MTS for Shareholders” and “MTS for Society”
In 2018, the Ministry of Education and Science of Armenia, VivaCell-MTS, and the Union of Information and Communication Technology Employers signed a Memorandum of Understanding on introduction in schools specialized ICT subjects: Microelectronics, Information Technologies and Basics of Telecommunications. VivaCell-MTS will take part in setting the standards and training of teachers of the Basics of Telecommunications subject.

The two organizations will be working together on projects for raising the digital literacy among children, eSports safety and the efficient use of technologies in education. MTS in cooperation with UNISEF will aim at creating an environment for solving objectives which would help to make the modern world safer for children.

MTS actively cooperates with GSM Association (GSMA), an international organization which includes more than 800 telecom operators worldwide via industry programs, working groups and information initiatives.

In 2018, GSMA held the Mobile 360 Series international forum in Russia for the first time. It confirms the importance of post-Soviet markets for the global development of industry innovations and the formation of a global digital economic space. MTS acted as a general partner of the event.

We were one of the first in Russia to introduce the best international practices in the field of compliance management. In February 2018 MTS successfully undergone Supervisory Audit and received the certificate of the Unified Compliance System’s compliance with international standards ISO19600:2018 “Compliance Management Systems” and ISO37001:2014 “Anti-Corruption Compliance Management Systems.”

International certification according to ISO standards once again confirmed the leadership of MTS in the implementation of anti-corruption policy in the Russian corporate sector, as well as our commitment to the principles of fair business and compliance with business ethics.
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In this report, the terms “MTS”, “the Company”, and the “MTS Group” shall refer to the group of companies consisting of MTS PJSC and its subsidiaries. MTS PJSC shall mean Mobile TeleSystems Public Joint Stock Company.

The indicators contained in this Report are as of December 31, 2018, unless other periods or dates are expressly indicated.
OUR ACHIEVEMENTS

MTS “Trademark No 1 in Russia in 2018” in the category «Services»

MTS was among the leaders of RSPP indices “Responsibility and Openness” and “Sustainable Development Vector”

MTS is a winner in AK&M ranking of social efficiency at major Russian companies

MTS is a winner in nomination “Leadership index”, the best companies for work and career ranking by “Rabota.ru”

MTS Top managers entered all ranking categories of TOP 1000 of Russian Managers

MTS – “Volunteer of Russia 2018”

MTS – the best Telecommunications brand in Russia according to World Branding Awards

MTS won in two nominations of ECO BEST AWARD 2018: “Ecopackaging of the Year” and “Best Educational Project in the Field of Environment”

MTS won in the nomination “Leader of Digitalizing Procurement Processes” of “Competitive Procurement Leader” awards.

MTS is in TOP of the most expensive telecom world brands by Brand Finance Telecom 300 2018

MTS in TOP-20 of the 200 largest private Russia companies according to Forbes