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OUR PRIORITIES

Every one of us needs to kindle the desire to develop and move forward, as it makes us happier. This very principle – taking at least one step every day to change our lives for the better: learning new things, showing more kindness, developing physically and emotionally – underlies the MTS brand concept that we refreshed in 2019. Today, we spend a significant part of our lives online, as digitalization is rapidly transforming the economy's traditional services – healthcare, education and upbringing, the provision of public services, as well as everyday household tasks. Information technology is becoming embedded into our lives, and it is essential for us to make sure our services, technologies and philanthropic programs work as a single tool to enable self-development. Every day, MTS improves with you and for you!

Our key highlight of 2019 was the adoption of our new business strategy – Customer Lifetime Value 2.0, aimed at building a digital ecosystem based on our extensive expertise in telecommunications and driven by investment in high-potential areas.

The MTS ecosystem is built around the individual, and our main objective is to meet most of their social needs within the scope of our product range.

To address this ambitious task, MTS continues to actively develop its mobile and fixed networks. The advanced technological capabilities we have developed and the vast geographic coverage of our network infrastructure have allowed the Company to take part in the national project to bring broadband connectivity to social infrastructure facilities across various regions of Russia. Around 5,000 social infrastructure facilities, including healthcare and educational institutions, government and local authorities,

Alexey Kornya,
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fire departments and local police stations in nine regions of Russia were able to maximize their performance by being connected to MTS's internet networks. The deployment of our 4G network was completed across all tunnels and stations of the Moscow Metro in 2019, and special NB-IoT networks were launched in almost all regions of the country to support IoT-enabled solutions, with several projects piloted on our 5G trial networks.

A special role in developing the environment in which we live is played by our digital and cloud service vertical, which combines not only cloud services but also the Internet of Things (IoT), industrial automation and system integration solutions.

For example, 2019 saw a number of Russian regions launch projects to digitize municipal waste removal, in order to provide a more comfortable urban environment and improve environmental safety. The Company's plans include launches of digital monitoring systems for housing and utilities, as I believe this area offers great potential for our own social and environmental initiatives.

MTS Group's portfolio of assets includes MTS Bank, which is a strong fit for our strategy of transforming MTS from a telecoms operator into a universal player with a wide range of digital products and services. We are continuing to develop our WASD.TV e-sports streaming platform, the SmartMed telemedicine service and a whole range of our new media and entertainment services.

I would like to particularly emphasize the importance of our corporate volunteer movement, Just Give Good!, which enjoys long-standing success across MTS's regions of operation, growing to a total of 7,500 employee volunteers in 2019.

>7,500

volunteers in Just Give Good!,
MTS's corporate volunteer movement

MTS's social programs are aimed at bridging the digital divide, improving financial literacy, driving the education and creative development of children, addressing key environmental challenges and preserving historical and cultural heritage.

Delivering successful progress on all these fronts would not have been possible without the wholehearted engagement and commitment of our people.

By becoming better every day, we do not just transform ourselves but also change the world around us, encouraging others to bring out the best in themselves too. It is very important for us to keep up this momentum as we build on and go beyond what we have achieved.