

GRI 103-1, 103-2

# MTS FOR ENVIRONMENT

## ENVIRONMENTAL POLICY

MTS Group does not process primary raw materials and most of its processes do not harm the environment directly. Base station equipment does not contain or generates ionizing radiation sources. The Company uses equipment certified to international safety and energy efficiency standards. Regular measurements of electromagnetic energy flux from transmission and network equipment show that established limits are not exceeded.

Despite a relatively low environmental footprint, the Company is aware of global challenges and adopted an Environmental Policy<sup>1</sup> in order to control environmental risks. The document organizes environmental protection activities of different divisions of the Group.

### OBJECTIVES OF MTS'S ENVIRONMENTAL POLICY



Compliance with the requirements of environmental laws and ensuring environmental safety at MTS's administrative facilities with a negative impact on the environment



Negative environmental impact mitigation and environmental protection risk management



Achieving financial and operational advantages that can result from environmentally-conscious solutions aimed at strengthening MTS's position

<sup>1</sup> Policy PT-030-1 Environmental Safety and Environmental Protection at Administrative Facilities.





**GRI 103-2****PRIORITIES OF MTS'S ENVIRONMENTAL POLICY**

- > Introduction of a unified environmental management system of MTS in accordance with the national standard
- > Ensuring environmental safety at MTS's administrative facilities
- > Monitoring compliance with the requirements of environmental laws (including contractor services) in all MTS branches
- > Accounting pollutant emissions from stationary sources at the Company's facilities
- > Accounting and safe temporary storage of waste in accordance with environmental laws
- > Advanced training of MTS managers and employees responsible for environmental safety and continued environmental education of all MTS employees
- > Implementation of a set of preventive measures to rule out emergencies and environmental damage

**RUB 146.2** mln  
costs to purchase Euro-5 compliant vehicles

**THE ENVIRONMENT COMPLIANCE PROGRAM**

This compliance program was developed to ensure compliance with the environmental laws of the Russian Federation and is implemented by the Business Ethics and Compliance Department with dedicated operating divisions. Under the program, an environmental risk matrix was developed which will significantly reduce the probability of the Company being fined. Information on changes in effective laws is updated through quarterly monitoring.



**In 2019, experts in environmental protection and safety analyzed all categories of products, work, services specified in the Procurement Policy to determine their impact on environmental systems. A system for separate collection of paper and municipal waste was introduced in the Company offices as new waste management requirements came into force.**

### \\ Environmental protection investments and expenditures of MTS Group in 2018–2019 (RUB million)

Types of environmental protection expenditures	2018	2019
Charges for negative environmental impact	2.01	0.41
Preparation of environmental documentation (development of draft standards for waste generation and limits for their disposal, obtaining permits, etc.)	5.91	3.75
Solid waste removal to landfill	13.68	9.75
Recycling paper and paper waste	0.02	0.02
Disposal of mercury-containing lamps	0.19	0.20
Cartridge disposal	0.0020	0.0003
Disposal of computer equipment and IT equipment	0.0002	0.0100
Battery disposal	0.002	0.010
Installation of automatic energy consumption monitoring systems (indoor motion sensors, etc.)	–	0.02
Procurement of enhanced environmentally-friendly company vehicles (at least Euro 5)	100.74	146.24
Conducting supervisory certification audits of environmental management systems	–	0.06
Training of employees to introduce environmental management systems	–	0.15
Other	–	0.06