

# MTS FOR GOVERNMENT

## PROJECTS FOR GROWTH

\\ MTS strategy is focused on significantly expanding the innovative product lines for executive authorities and capturing more of the B2G market share.

The main sources of growth for the Company in this market are:



Participation in projects for social infrastructure facilities;



Mobile coverage of motorways;



Development of a single cloud platform for information systems and resources of federal authorities and state funds.

## DIGITAL ECONOMY OF THE RUSSIAN FEDERATION

**The Digital Economy of the Russian Federation national project is aimed at accelerating the digital transformation of the economy and social sector.**

To coordinate the project, Russia's Government and major digital players, including MTS, have established ANO Digital Economy. Ruslan Ibragimov, MTS Management Board Member, Vice President for Government Relations and Public Relations, serves on the ANO supervisory board.

The Company participates in the implementation of

**6 Digital Economy federal projects :**

- 1 Talent Pipeline for the Digital Economy
- 2 Digital Public Administration

The national project is driven by centers of excellence and working groups bringing together relevant deputy ministers and domain experts from the top management of leading digital economy players and expert community. Regulation of the Digital Environment is a working group headed by Ruslan Ibragimov. The working group reviews business community needs in terms of the digital economy and examines draft digital economy laws.

In 2019, a number of laws were adopted to regulate the digital transformation of social relations, in particular on electronic employment records, attracting investments using investment platforms, enhancing electronic signature laws, formalizing digital rights and smart (self-executing) contracts in the Civil Code of the Russian Federation, building a geographically distributed network of disaster-proof data centers, promoting the development of educational and academic practices for training IT and end-to-end technology professionals, as well as the development of international cooperation and integration of international best practices into Russia's educational system. A Citizen Digital Profile

project was piloted, and the Blueprint for Developing Telecommunications Networks and Data Storage and Processing Infrastructure in the Russian Federation for 2019–2024 was developed, along with roadmaps for end-to-end technology development areas incorporating the needs of leading digital economy players.

Plans for 2020 include launching an electronic passport pilot in Moscow, developing a national data management system, approving the Concept for 5G/IMT-2020 Network Development in the Russian Federation and implementing other measures envisaged by the national project.

**62** regions  
covered by MTS's NB-IoT network

**3** Digital Technologies

**4** Regulation of the Digital Environment

**5** Information Security

**6** Information Infrastructure



## CONNECTIVITY ALONG THE RUSSIAN RAILWAYS NETWORK

At SPIEF 2019, we signed an agreement with Russian Railways to enhance mobile service quality along 9 high-traffic rail arteries, as well as in 49 train stations throughout the country. The agreement involves the construction of about 400 additional LTE base stations along the Moscow–St. Petersburg, Moscow–Kaluga, Moscow–Tula, Moscow–Lipetsk, Moscow–Nizhny Novgorod, Moscow–Yaroslavl, Moscow–Sochi, St. Petersburg–Buslovskaya, and Novosibirsk–Barnaul lines with a total length of about 4,500 km.

# 400

additional LTE base stations  
will be installed under the agreement

# 4,500 km

total length of lines



## DIGITIZING RUSSIAN REGIONS

In 2019, MTS signed a number of agreements for digitizing Russian regions.

- > At SPIEF 2019, MTS signed cooperation agreements on accelerating digital development with the regional administrations of Moscow, Tatarstan and the Kaluga, Ryazan and Samara Regions. The partnerships will be focused on the development of innovative technologies and services driving the digital transformation of the economy and social sector, as well as community infrastructure across Russian regions. The agreements provide for piloting and launching integrated MTS solutions in emerging areas such as:
  - telemedicine and educational platforms
  - fintech, cybersecurity, big data, cloud services and e-commerce
  - the Internet of Things, including NB-IoT-network based solutions and MTS IoT integration platform.
- > MTS and the government of the Kamchatka Territory entered into a strategic partnership agreement for digital economy projects in Kamchatka. Under the agreement, smart street lighting and urban infrastructure monitoring systems will be built in Petropavlovsk-Kamchatsky to ensure resilience to natural disasters, as well as to use MTS big data analytics to enhance the region's growth potential as a travel destination.
- > A cooperative agreement between MTS and the Republic of Kalmykia was signed in 2019, under which MTS will channel over RUB 200 million through 2024 to Kalmykia to digitize the region. The funds will be spent on both driving the technological development of modern networks in the region and the development of smart solutions to enhance the infrastructure in Kalmykia.

MTS also entered into a number of cooperation agreements with the authorities of the Lipetsk, Sakhalin and Amur Regions, the Khabarovsk Territory, and Buryatia and Yakutia aimed at digitizing the economy, urban infrastructure and social sector in the regions.

## RESILIENCE TO NATURAL AND MAN-MADE HAZARDS

In December 2019, Navigation Information Systems JSC (NIS) won the Safe Region competition of the Ministry of Education and Science of the Russian Federation. Under the proposed project, NIS JSC and Bauman Moscow State Technical University will develop an IoT, big data and AI-driven digital platform for enhancing the resilience to natural and man-made hazards in Russian regions. The digital platform will provide information and analytical support for emergency mitigation and response.

## RUSSIA'S VOLUNTEERS

MTS actively interacts with federal and regional government bodies and local communities within projects that both promote business growth and contribute to the development of our regions of operation. In 2019, we completed multiple partnership projects across the country involving MTS employee volunteers. MTS employee volunteers train people in new professions, develop quality services, provide support to socially vulnerable groups, protect the environment and promote environmental education.

**Plans for 2020 include increasing the number of projects to 500, reinforcing volunteer activities through strategic partnerships with volunteer associations, B2B partners, non-profit organizations, government and businesses and expanding the program to other regions.**

# >480

major employee volunteer projects in 2019