

MTS FOR PARTNERS

\\ MTS is committed to building its relationships with partners based on the principles of honesty, integrity and transparency.

The MTS PJSC Supplier Code of Business Conduct contains standards that are expected to be met by suppliers, in particular compliance with environmental laws and respect for human rights. When engaging with partners, MTS expects them to strictly follow the principles of anti-corruption laws and the requirements of business ethics.

with MTS's requirements, including CSR standards, and helps avoid potential risks when bidding. In addition to the general information on CSR practices, the Questionnaire covers the topics of occupational health & safety and environmental protection. No supplier can win a tender without completing a Supplier Questionnaire.

Participants in procurement procedures must complete a Supplier Questionnaire which accelerates supplier verification for compliance

In 2019, we continued our focus on partner engagement, including through educational events for MTS suppliers and customers.



An online course of eight video lessons on Sustainable Business Development was developed for employees and external stakeholders



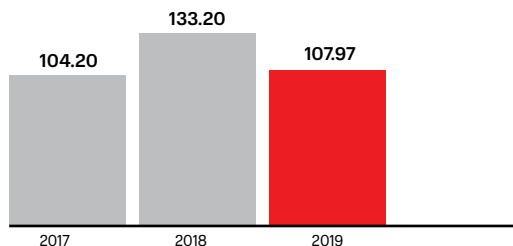
MTS also held two open conferences themed:

- > "Responsible business. Be better every day";
- > "Sustainable development. Be better every day!".



MTS PJSC's Supplier Questionnaire now also features human rights topics.

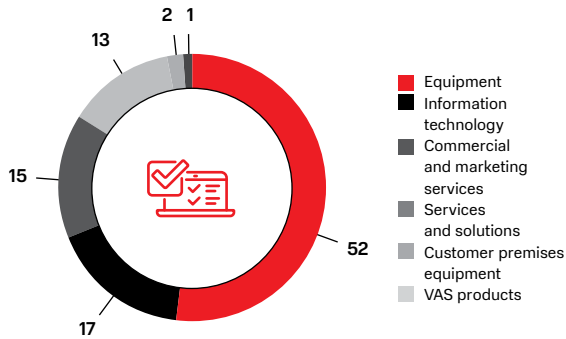
\\ MTS PJSC's total procurement spend including electronic in 2017–2019 (RUB billion)



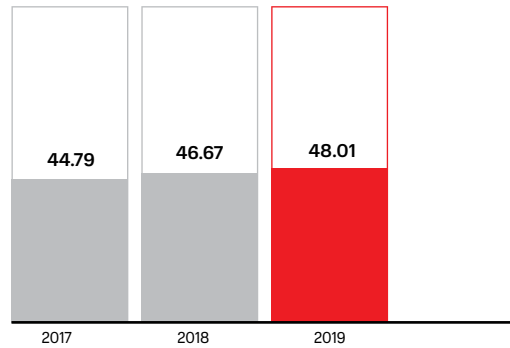
100% of MTS's procurement handled electronically through our Oracle Sourcing platform



\\Procurement breakdown by category (%)



\\SME share of MGTS PJSC's procurement in 2017–2019 (%)



MGTS is increasing the SME share of its procurement every year. In order to make MTS procurement more attractive to SMEs, MGTS has introduced prompt payment terms in SME contracts.

\\Payment period beginning from the date a product/work/service acceptance form under a contract (contract milestone) was signed

previously

≤ **30** 
business days



now reduced to

15 
business days

\\Procurement from Russian suppliers in 2017–2019 (%)

