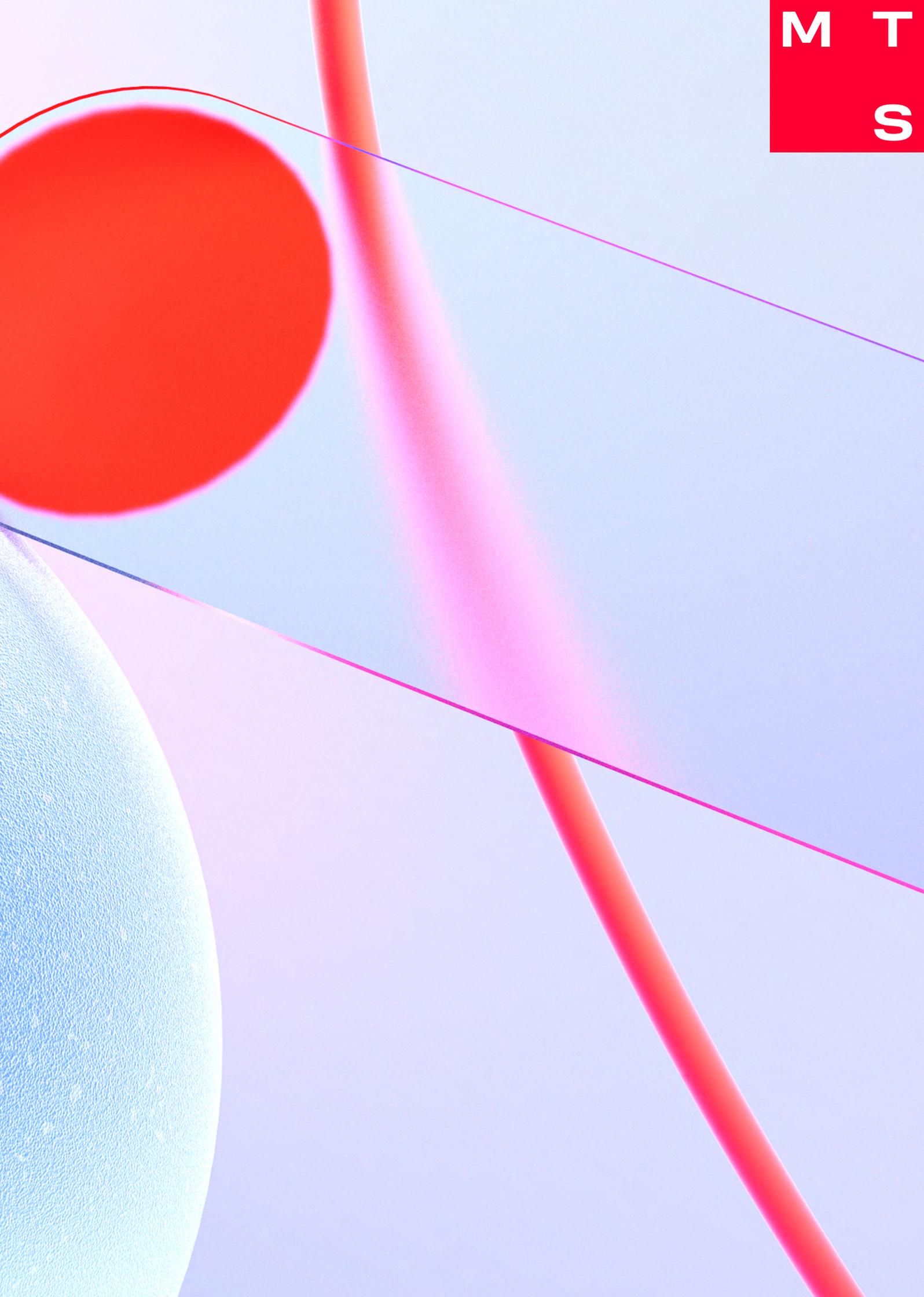




# **ESG AND SUSTAINABILITY**

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# SUSTAINABILITY MANAGEMENT SYSTEM

## Key areas and parameters in the field of sustainability

### Thorough realization mechanics

- ESG-compliance and business ethics
- Accounting for ESG-aspects in products, services and projects
- Education and awareness



### Environmental concern

- Responsible resource use
- E-waste management
- Carbon management



### Digital society development

- Provision of accessible products and services for everyone
- Support for digital development of the communities



### Responsibility to employees

- Respect for human rights, inclusivity and diversity
- Fair and safe working conditions
- Volunteering and social realization of employees



### Responsible business management

- Effective corporate governance
- Responsible supply chain
- Ensuring information security

In 2024, MTS focused on further integration of sustainability principles into their business processes. Taking into account the key national trends, the Company emphasized social responsibility, which is reflected in the structuring of two areas of the ESG-strategy. “Digital Society Development” area unites all socially significant projects, while “Responsibility to Employees” highlights the importance of a caring approach to the support and professional development of human resources.

For more complete integration of the ESG-approach into operations, thorough mechanics of the strategy realization are identified, which are equally important for all ESG areas:

- **Compliance and Business Ethics** as the basic principle of the company provide for the transparency of the processes and a high level of corporate responsibility.
- **Education and Awareness** improve the level of stakeholders’ inclusion and understanding of the importance of complying with the sustainability principles.
- **Accounting for ESG-aspects** regardless of the field of projects, products and services implementation improves the company’s ability to influence the solution to environmental and social problems of the company.

In 2024, the Company worked on identifying certain focus topics from the total list of the strategy, with the purpose of metrics development for their assessment.

ESG-strategy of MTS is built on the principle of a common group approach, which enables the subsidiaries to adapt harmoniously to the general strategy of the Group, detailing

ESG-areas with account for the unique features of its business and level of ESG-maturity. This creates a dynamic and flexible system capable of meeting the challenges of time. The Company systemically manages all types of risks associated with the diversified business, including ESG-risks, in the process of making decisions at various management levels. In 2024, the interaction with the subsidiaries increase significantly, horizontal connections and collaboration strengthened. So, at the end of 2024, the ESG Center held the ESG-Day, when the employees of the MTS Group companies exchanged their valuable experience and discussed the plans for further cooperation.

The basic principles of MTS are openness, transparency, significance and high quality of significant ESG information disclosure for a wide audience of stakeholders in the Annual Report and the Sustainability Report.

In 2024, the company developed education and awareness areas actively, introducing elements of inclusive culture both into daily practice and at the digital level. The aspiration to integrate charitable programs into the company products helps to harmoniously combine social responsibility and innovations. The objectives of the ESG Center in 2024 included developing the concept of a complex internal environmental awareness program aimed at improving the employees’ awareness of the importance of sustainability and caring attitude towards the environment<sup>1</sup>.

The Company provides continuous access to state-of-the-art digital services and high quality communication services for all categories of the public, regardless of geographical location, national origin, age and health, and improves the level of information and cybersecurity.

<sup>1</sup> See more details on all environmental initiatives in the Ecology section.

Detailed information is set out in the “ESG and Sustainability” section, as well as in the 2024 MTS Sustainability Report Report for 2024



[Sustainability Report](#)

# 2024



## Environmental concern

Printing of **133.6 million** paper sheets was prevented, and the number of envelopes used was reduced by **66,558**

The Strategy was approved for managing greenhouse gas emissions and achieving carbon footprint reduction goals

**333.4 thousand** electronic devices were recycled under the customer equipment refurbishment program

**46,843 kg** of plastic and **26,505 kg** of electronic components were transferred for responsible recycling under the refurbishment program

**> 2 million** people were covered by MTS educational and awareness content on the environmental topic

**7124 kg** of small electronic equipment; **67.3 kg** of telephones and more than **33.5 tons** of broken computer equipment and communication equipment were sent for reprocessing and responsible recycling



## Responsible business management

In 2024, MTS successfully confirmed its compliance with the following standards:

- ISO 37001:2016 “Anti-bribery management system”
- ISO 37301:2021 “Compliance management system”.

MTS won two compliance awards:

- Russian Compliance Award 2024 in the category “Best Innovations in Compliance Sphere”
- “Compliance 2024” in the category “For use of state-of-the-art technology in developing methods and tools to control the compliance management system”

**100%** members of the Board of Directors, the Management Board and members of the Committees of the Board of Directors completed training on the anti-corruption compliance system

**> 30,000** employees completed the updated course “Confidential information and personal data handling rules”

**85.2 points** was the total level of MTS compliance culture

**3.06 million** facts of fraud were identified  
**RUB 817.5 million** — amount of prevented losses  
**2.7 billion** calls were blocked in the MTS network by anti-fraud systems



## Responsibility to employees

The average salary in the Company is **6.8%** higher than in general throughout the country

**Platinum status** in the rating of best employers in Russia according to Forbes  
**1st place** among telecom companies in the Best Company Award rating

Around **72%** manager and **48%** other vacancies are filled from internal candidates

**>7500** courses are available in the MTS Corporate University

**11,430** people completed external and internal health and safety training

The special assessment of labor conditions was completed for **94%** workplaces in the Corporate Center of MTS Group and MTS PJSC branches

**~1500** interns in the entire MTS ecosystem were accepted for internship  
**~50%** of those who completed the internship were employed full-time

**1,900** active volunteers of MTS are ready to participate in social projects

**1,050** managers of MTS completed educational programs on diversity, equality, inclusion, including in the field of respect for human rights

**20 thousand** employees are covered by the educational campaign on various aspects of inclusive culture and human rights on the Pulse portal



## Digital society development

**30** IT-events were held under the MTS True Tech Community initiative

**18** socially useful digital products (VR-films, audio guides, educational materials, etc.) were created within the "Place of Power" project

**84** tourist audio guides in the regions of the country were created by MTS, and used by more than a million people

**10 million** views of educational courses on the "Generation M" platform  
**>10 thousand** people received training completion certificates

## Relationship between the ESG-agenda and the Company strategy

In 2024, MTS continues to position itself as a digital ecosystem, which is based on developing innovative digital technology promoting creation of the maximum value for the customers and all stakeholders.

Inclusion of sustainability values into the MTS business strategy provides for a deeper understanding of the customers' and all stakeholders' needs. Accounting for social and environmental aspects enables the Company to build long-term relationships with the customers, improving their products and services in accordance with the consumers' expectations, which, in turn, helps to strengthen MTS competitiveness in the market.

Additionally, the sustainability agenda helps MTS to minimize risks and manage them. Adoption of environmental norms and standards, active participation in the environmental protection initiatives and compliance with the high standards of

corporate governance build trust by the investors, partners and customers. This is the foundation for stable growth and improves the long-term value of the Company, which meets the MTS strategic objectives.

Integration of ESG-initiatives helps to improve the level of employee involvement and corporate culture. Training and development of the personnel in the field of sustainability form a team oriented on environmental and social responsibility, which in turn improves the overall efficiency and image of the Company.

As a representative of the AFC Group, MTS continued to participate in meetings of the Alliance's ESG profile committees in 2024, thereby contributing to the increased effectiveness of the national ESG agenda and further refinement of national rating methodologies and other initiatives.

## Internal documents in the top level sustainability area

At the level of internal documents in the sustainability area, MTS developed and actively uses the code of regulations that promote introduction of sustainability principles into operations. In particular, respect for human rights is secured in the "Diversity, Equality and Inclusion" policy, and there is a

set of documents in effect that ensure information security and personal data protection. The suppliers must review the Counterparty's Business Conduct Code, which reflects the approaches of the company to environmental and social responsibility.

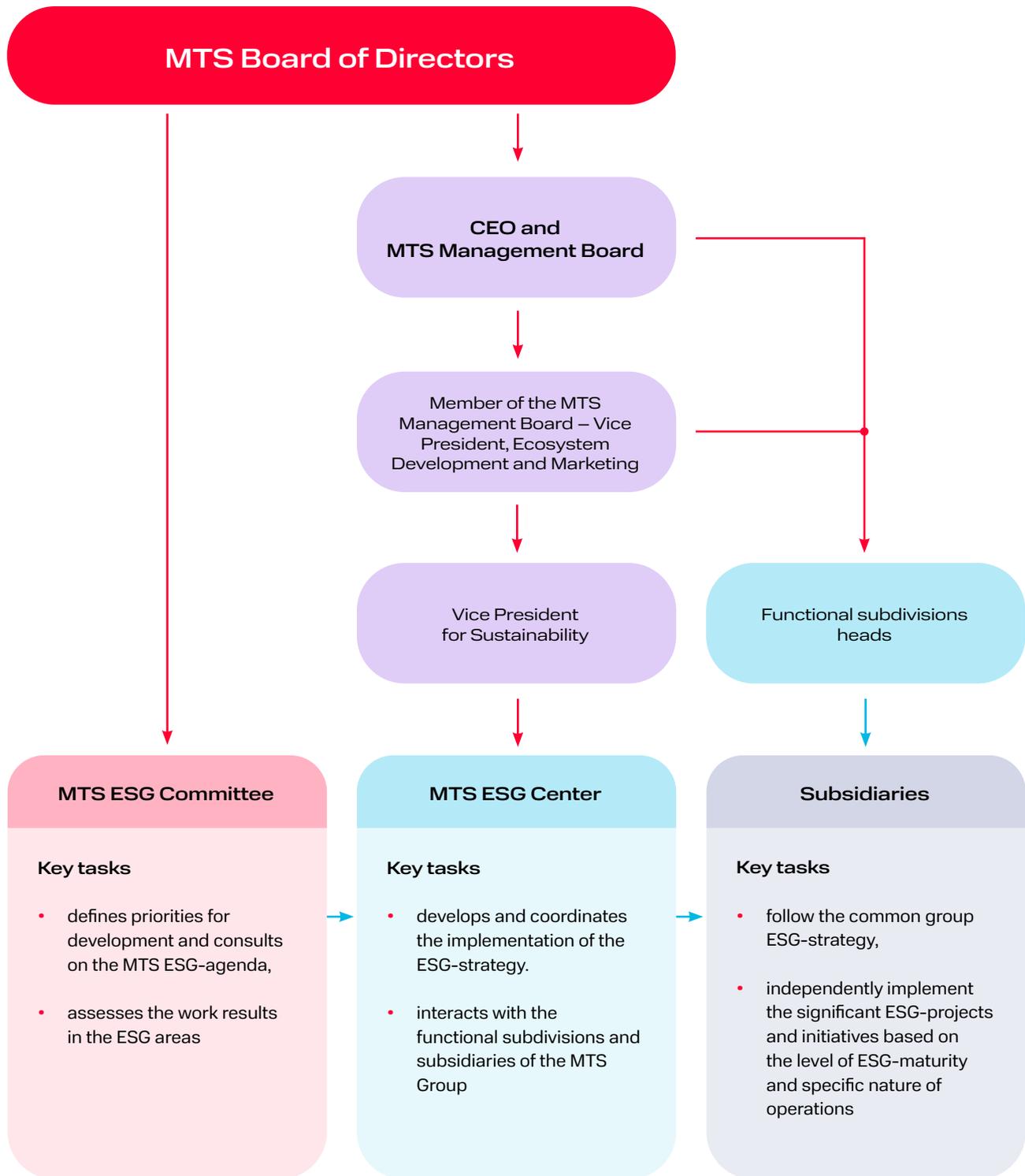
## ESG governance structure

The ESG Committee of the Board of Directors defines the priorities for development and consults on the MTS ESG-agenda, assesses the results of work in the ESG areas. In 2024, the ESG Committee held 19 meetings, including 6 joint (3 jointly with the Remunerations and Appointments Committee, 2 jointly with the Audit Committee, 1 with the Audit Committee and Special Compliance Committee). Some subsidiaries presented materials on their ESG initiatives at the meetings of the Committee.

The MTS ESG Center is responsible for the development and effective implementation of the ESG-strategy, coordinates implementation of the key ESG-areas, promotes introduction of the ESG-aspects into the Company's business processes and support for the sustainability agenda in the MTS Group.

The business areas and Subsidiaries involved in the ESG-agenda are responsible for implementing the events on the key ESG-areas, and also collecting ESG-data for further consolidation in the ESG Center.

# Management of ESG-operations in MTS and subsidiaries



→ Functional subordination  
 → Goal-setting in the ESG sphere

# COMPLIANCE AND CULTURE OF BUSINESS ETHICS<sup>1</sup>

## MTS PJSC Code of Business Conduct and Ethics

The MTS Group Code of Business Conduct and Ethics<sup>2</sup> contains the key principles, the set of standards and requirements adopted in the Company to promote the fair and ethical business practices of the MTS Group and prevention of abuse. The Code provisions were updated in 2024. In 2024, the updated electronic training “Code of Business Conduct and Compliance” was completed by more than 96% of MTS PJSC employees hired in 2024.

**>96% of employees**

of employees completed the updated electronic training “Code of Business Conduct and Compliance” in 2024

## MTS PJSC Contractor’s Code of Business Conduct

In accordance with the best global practices, the Company approved the MTS PJSC Contractor’s Code of Business Conduct<sup>3</sup>, which contains basic requirements and ethical norms, the compliance with which is expected from the MTS contractors. The Code provisions cover all MTS contractors, and also any third parties employed by the contractor to act on behalf of and/or for the MTS Group. The mandatory review of the Code and acceptance of its obligations are an integral part of the contractual relations with the Company, and electronic training is integrated into the procurement process (<https://education.mts.ru>) and is conducted in accordance with the risk-oriented approach to working with

the counterparties as specified in the company. Taking into account the mass training of counterparties in the previous years when electronic format of training was launched, the number of the trainees dropped in 2024.

**>2,400 contractors**

completed the training in 2024

## Unified compliance system that supports the ESG-strategy

Since 2016, the Company has been actively developing the Unified Compliance System (UCS), relying on the norms of applicable laws, recommendations of the regulatory bodies, specific nature of the industry and best practices in this sphere.

The Company’s compliance programs that support the ESG-strategy make it possible to develop the MTS ecosystem on the basis of the business ethics principles, strictly comply with the requirements of the regulators, contribute

<sup>1</sup> See information on compliance and business ethics on the Company’s website [https://ir.mts.ru/en/about\\_mts/compliance\\_and\\_business\\_ethics](https://ir.mts.ru/en/about_mts/compliance_and_business_ethics)

<sup>2</sup> <https://storage.ir.mts.ru/mts-ir/images/documents/Code%20of%20Business%20Conduct%20&%20Ethics%202024.09.30.pdf>

<sup>3</sup> <https://storage.ir.mts.ru/mts-ir/images/documents/Code%20of%20Business%20Conduct%20&%20Ethics%202024.09.30.pdf>

to the sustainability of the society, observing the balance of stakeholders' interests.

MTS makes a significant contribution to the processes of digitization and improvement in transparency of the information flows. Therefore, it is especially important for the

Company at all levels, in all businesses and in all territories of presence to build an effective system of compliance risk management. UCS for the entire digital holding of MTS relies on the general principles of sustainability and ethical conduct, forms the foundation for its responsible management (G-part of the ESG-strategy).

## Key areas of the MTS Unified Compliance System

Functional subdivisions, each implementing its compliance program and risk mitigation system are assigned to each area of compliance. Coordination of the UCS introduction and operation is assigned to the Department of Business Ethics and Compliance at MTS PJSC.

Within the annual (on a rotation basis) supervision over the implementation of the compliance program in subsidiaries of MTS PJSC aimed at uniform introduction of the compliance program and application of compliance controls in the MTS Group, in 2024, seven subsidiaries were inspected. Also, an annual self-assessment of the operating efficiency of the corporate anti-corruption compliance program was made on the basis of more than 40 specially developed metrics. The procedure was aimed at ensuring program resilience and at creating conditions for its continuous development.

In 2024, MTS successfully confirmed its compliance with the following standards:

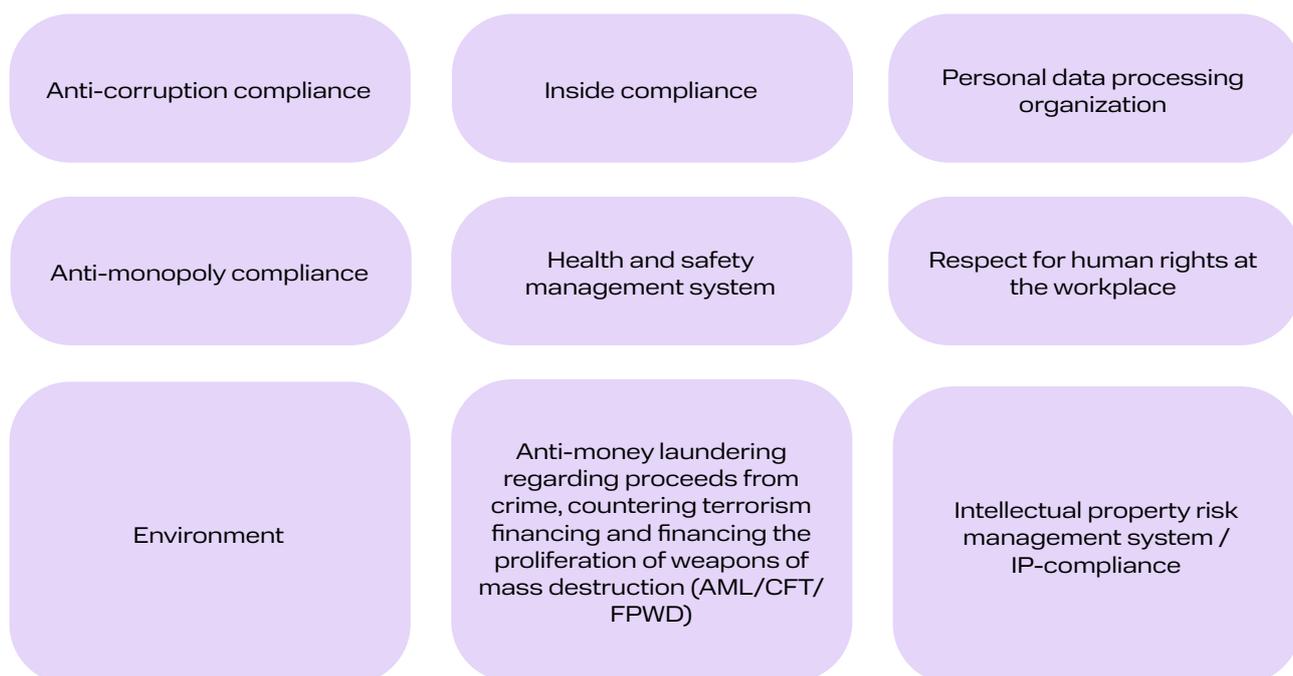
- ISO 37001:2016 "Anti-bribery management system".
- ISO 37301:2021 "Compliance management system".

Great attention was paid to the events aimed at improving the level of employees' compliance culture. The corporate portal of the UCS blog regularly posted publications on the most significant events of the program.

### 7 subsidiaries

were inspected within the annual supervision of the compliance program implementation in 2024

## Key areas of the MTS Unified Compliance System



## Day of Ethics and Compliance

In 2024, the Day of Ethics was held under the slogan “Ethics begins with each of us”. A message was published from the Vice President for Business Ethics and Compliance on the role of every employee in building the compliance culture. Also, interactive events were held: a quiz game “Compliance Cup” among the MTS Group employees, creative competitions, video messages-lifehacks of employees and managers, communication on the role of everyone in creating an ethical work environment, and other events prepared by the supervisors of the compliance programs in the MTS Unified Compliance System.

## Unified Hot Line

Information on the failure to comply with the business ethics codes and compliance by the MTS employees may be sent to the Unified Hot Line (UHL)<sup>1</sup>.

The Company ensures independent and comprehensive review of all reports. The investigations on all reports to the

UHL are made in accordance with the local regulation that defines the procedure for reviewing such reports.

UHL receives proposals to improve the anti-corruption procedures and other internal control procedures.

A person who provided relevant information is protected from any forms of pressure (including dismissal, retaliation or any forms of discrimination). MTS PJSC supports the policy against retaliation and prohibits any forms of adverse impact regarding the report authors. In addition, the Company has developed and uses compliance KPIs and compliance triggers, which support the commitment of all employees to the norms of business ethics and compliance.

Releases on the UHL operation are published on a quarterly basis on the MTS corporate information portal to brief the MTS Group employees on the results of its work.

In April 2024, the UHL management and administration process was transferred to the Department of Business Ethics and Compliance.

<sup>1</sup> <https://hotline-mts.b1.ru/>

# MTS won two compliance awards

**Russian Compliance Award 2024**  
in the category “Best Innovations in Compliance Sphere”

**«Compliance 2024»**  
in the category “For use of state-of-the-art technology in developing methods and tools to control the compliance management system”



Unified Hot Line is a critical aspect in preventing failures to comply with the Code of Business Conduct and Ethics and other local regulations of the Company. Additionally, the Unified Hot Line is one of the bridges in the communication of the employees, which stimulates development of a trusting and comfortable internal atmosphere. The culture of open dialog in MTS is an important element in the system of values and principles of ethical business.

Vice President for Business Ethics and Compliance

## Number of reports received by MTS Group UHL

MTS Group Companies	2022	Share, %	2023	Share, %	2024	Share, %
RTC JSC	462	51%	439	48%	389	42%
MTS PJSC	307	34%	324	35%	373	40%
MGTS PJSC	34	4%	43	5%	22	2%
MTS Digital LLC	31	3%	36	4%	32	3%
MTS-Bank PJSC	17	2%	18	2%	39	4%
MTS Armenia CJSC	15	2%	11	1%	0	0%
Mobile TeleSystems JLLC	14	2%	8	1%	26	3%
Other	27	3%	39	4%	51	5%
<b>Total</b>	<b>907</b>	<b>100%</b>	<b>918</b>	<b>100%</b>	<b>932</b>	<b>100%</b>

All situations of the conflict of interest, failure to comply with the provisions of the Code of Business Conduct and Ethics, risks of failure to comply with the anti-corruption laws are settled in accordance with the Company-approved Code of Business Conduct and Ethics, Policies on Management of the Conflict of Interest and Compliance with Anti-Corruption Laws with participation by the Department of Business Ethics and Compliance.

## Discipline Committee

MTS operates the MTS Discipline Committee constantly, which considers cases of failures to comply with the compliance requirements and other substantial violations, ensuring compliance with the principles of legality, justice, uniformity and substantiation when making the decisions to apply disciplinary sanctions to employees, and develops sustainable corrective actions.

Employees who allowed violations of internal Company regulations were briefed on the elimination of violations and prevention of such situations in the future in accordance with the laws.

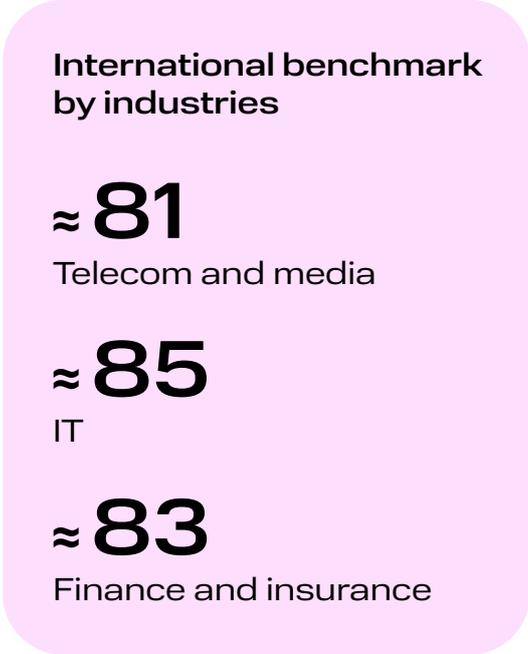
## Anti-corruption compliance

The anti-corruption compliance program in MTS PJSC specifies measures aimed at managing regulatory risks, protecting the Company from any manifestations of corruption (both inside the Company and the attempts to involve the Company in corruption activities from outside), improving the corporate culture, introducing and developing the best corporate governance practices in the Company, as well as the standards of responsible and ethical conduct.

## Results of investigating MTS Group compliance culture in 2024

The annual investigation of the compliance culture was made using an updated method, the overall level of the compliance culture was 85.2 points. The highest level was demonstrated by the parameter “Culture of Compliance with Norms and Rules in the Company” – 94.2 points.

## Results of investigating MTS Group compliance culture in 2024



### Results of survey for each principle



Culture of compliance with norms and rules in the company



Ethics of business conduct



Perception of top management



Perception of immediate supervisor



Perception of work environment in the team

## Projects and initiatives within development of anti-corruption compliance program and compliance culture strengthening in 2024

### In 2024, several initiatives were implemented to improve the compliance culture:

- All local regulations that contained compliance controls were revised and updated with account for the detected risks. The Code of Business Conduct and Ethics and Policy “Compliance with Anti-Corruption Laws” were unified and transferred to ecosystem format for uniform use in the entire MTS Group.
- The methodology base for the MTS Group was updated to solve the operational problems in accordance with the best anti-corruption practices.
- The successful use was continued of the existing and development of new tools for automation and digitization of the compliance controls to ensure transparency, cut the time and costs to perform the control procedures, and to improve the quality of ecosystem business processes as a whole.
- The chat bot was updated with respect to the scripts it uses.
- Within the digitization of the compliance function, the unification of the existing program and procedural solutions continued for management of risks on the basis of a single technological platform. During 2024, the incident management system development was supported – the program complex for effective management of the risks of corruption and corporate fraud in the group of companies. The system united several information systems, including the UHL base, developed on the same technological basis, using automation and new technology. The development of the above system helps to maintain unified standards for incident investigation, evidence recording, development of mitigating measures in the entire MTS group of companies.
- The process of anti-corruption inspection of counterparties using Big Data was updated to detect and respond on a timely basis to the risks in the transactions with counterparties.
- The process of anti-corruption covenants analysis in contracts was partially automated.
- An automated service was introduced to approve and record the signs of business hospitality.
- Most developed IT-solutions on compliance have the potential to be scaled to the MTS Group, which makes it possible to spread the useful effects from automation to the entire MTS ecosystem.
- The regional development directors and branch directors demonstrated their “ethical leadership” to the employees, explaining the principles of ethics, compliance controls

etc. In 2024, more than 300 “tone in the middle” events were held.

- More than 60 managers saw the video lesson on the subject “Ethical Conflict Management” under the Manager’s Skill Factor program for development of the managers.
- A mandatory training program was developed for the new employees “MTS Security and Protection”, which includes “Code of Business Conduct and Compliance” courses. More than 96% employees of MTS PJSC employed in 2024 completed the course.
- Interaction with the external partners was strengthened: participation in conferences, membership in associations and unions, partnership with universities (Higher School of Economics, Moscow State Law Academy) and organizations (MDTO)
- Communications are of an interactive nature: memos, quiz, game, use of associations etc.

>300

“tone in the middle” events were held by the managers in 2024

>60 managers

managers completed “Management of Ethical Conflicts” in 2024

## Inside compliance

MTS PJSC as a company whose financial instruments trade on the Moscow Stock Exchange pays great attention to maintaining an efficient system to prevent illegal use of insider information and market manipulation.

The system for preventing breaches of legislation on use of insider information that is built considering the best Russian and international practices and based on the two underlying documents: Regulation on Principles and Procedures for Preventing Transactions using MTS Insider Information, Policy “On Countering the Misuse of Insider Information and Market Manipulation”, and “Conditions for Transactions with Financial Instruments of the MTS Group Companies by Individuals Specified in clauses 7 and 13 of Article 4 of the Law on Insider Information<sup>1</sup>, who are included in the list of MTS insiders, and persons associated with them.”

<sup>1</sup> Federal Law dated 07.27.2010 No. 224-FZ “On Countering the Misuse of Insider Information and Market Manipulation and on Amending Certain Legislative Acts of the Russian Federation.”

MTS PJSC local regulatory acts define the procedure for using insider information, rules for protecting its confidentiality and control over compliance with the legal requirements on the use of insider information. Control procedures ensure fair price setting of financial instruments, protection of the rights and property interests of all MTS shareholders and equality of other investors in terms of the timing and volume of information received, strengthening investor confidence, and curbing abuse in the form of misuse of insider information and market manipulation.

The Company maintains a list of its insiders. It includes individuals and legal entities. Since 2014, the Company has operated a training system for all insiders who are the Company's employees. Upon hiring, each employee reads the Company's regulations aimed at preventing violations of insider laws. An interactive course dedicated to the basics of insider law is held for all employees of the Company.

Risks related to the violation of insider legislation are recorded in a specialized automated system and reassessed every six months.

Pursuant to the requirements of the Law on Insider Information, MTS approved Internal Control Rules to prevent, identify and suppress the misuse of insider information and/or market manipulation. The Internal Control Rules establish the goals, objectives and methods for internal control over compliance by MTS with the requirements of the insider information law, the procedure and timing of disclosure of MTS insider information, the procedure for access to insider information and the rules for protecting its confidentiality. Control over MTS compliance with the requirements of insider information law is part of the official duties of the Vice President for Corporate and Legal Affairs of the MTS Group CC (Management Board Member), who is accountable to the President of MTS.<sup>1</sup>

In order to maintain an effective insider compliance program, the Company audits the program controls as necessary (using the risk-based approach) – by the internal audit unit headed by an individual accountable to the Board of Directors.

## Personal data processing organization

In 2024, the Information Security Department continued its activities within the pre-defined areas – Customer-Oriented Approach (Customer Centricity), Continuous Involvement, Assistance to Product Teams, Simplicity and Speed, Interaction with Product Teams at All Stages of Product Life Cycle.

As part of adhering to the principles of transparency and accountability when processing personal data, a new ver-

sion of the MTS PJSC Personal Data Processing Policy was developed and approved (PT-010-8), which is subject to mandatory publication and takes into account the relevant legal requirements. To reduce the deviations that are not breaches of the mandatory legal requirements, but are taken into account by the supervisory authorities when making a decision to hold unplanned inspections (risk indicators), the information contained in the "Register of Personal Data Processing Operators" is maintained in up-to-date condition. The issue of notifying the authority that protects the personal data subjects' rights on transborder transfer of personal data is controlled separately.

Risks associated with violating personal data legislation are taken into account in the Company's risk management system and are reassessed on a regular basis.

In order to increase the level of awareness by the Company's employees on the issues of organizing personal data processing and data privacy, an updated course "Confidential Information and Personal Data Handling Rules" was prepared, under which in 2024 MTS PJSC trained more than 30,000 employees of the Company.

**>30,000  
MTS employees**

completed the updated course "Confidential Information and Personal Data Handling Rules" in 2024

## Anti-monopoly compliance

In 2024, during the anti-monopoly training of MTS PJSC and subsidiaries' employees the focus was on preventing trading collusion. The main purpose of the training was to provide for timely detection and suppression of anti-competitive agreements in connection with stiffening of criminal liability and special attention of regulators to such breaches.

In addition, a method was finalized for assessing anti-monopoly risks in subsidiaries: the markets of presence were defined, risks were ranged by the degree of significance of the consequences for the companies and the probability of their occurrence.

**>1,500 people**

were trained on anti-monopoly practices in 2024

<sup>1</sup> On February 26, 2025, an entry was made about the change in information about the legal entity to the Unified State Register of Legal Entities: Inesa Galaktionova – CEO of MTS PJSC.

## Occupational safety and health management system<sup>1</sup>

The Company operates a two-tier OSH management system focused on creating a safe working environment, preventing occupational injuries and personnel training in occupational safety rules.

In 2024, as part of the compliance program, the following activities were carried out:

- special assessment of working conditions and production control;
- procedures for identification, assessment, and management of professional risks;
- medical examinations;
- training of employees and experts in occupational health and safety;
- provision of the employees with safety clothing, safety shoes, and other personal protective equipment;
- various events and communications in order to increase employee awareness of occupational health and safety;
- control procedures of various levels;
- interaction with regulatory authorities.

## Human rights at the workplace<sup>2</sup>

MTS recognizes that a person, their life and health are the highest value. MTS services assist in providing equal opportunities for education, development, and self-realization of each stakeholder, regardless of individual features and needs.

MTS does not accept discrimination in any form or manifestation, it creates an inclusive and diverse environment and adheres to the best global practices (diversity, equity, and inclusion).

**Therefore, in 2024:**

- During the year, the ESG Committee regularly discussed issues related to the development of the corporate inclusion culture and its significance for the Company's future;
- Educational programs on diversity, equity, inclusion, including in observance of human rights, were held. Educational programs were attended by 1,050 MTS managers and HR;

- On the Pulse portal, an educational campaign on various aspects of inclusive culture and human rights was arranged for the MTS ecosystem employees, reaching 20,000 employees;
- Research and surveys on diversity and inclusion were conducted among the ecosystem employees;
- Tools were developed that enable growth of the inclusive culture within the ecosystem: "Inclusion – A Trend in Fashion or New Business Ethics" test makes it possible to define the level of a tolerant attitude towards the representatives of inclusive groups, and "Bullying at the Workplace" test makes it possible to define the presence of bullying in the corporate environment.
- In the opinion of the National Championship for Professional Skills among Disabled People and People with Disabilities "Abilymptics", MTS was one of the leaders in employing people with disabilities – 50 graduates of the championship have become a part of the ecosystem team as of 2024.

**1,050**

managers and HR of MTS completed educational programs on diversity, equality and inclusion in 2024

**>20,000 employees**

were covered by the communication campaign on the aspects of inclusive culture and human rights

**50**

graduates of Abilymptics Championship were employed in MTS in 2024

In 2024, the MTS Group Unified Hot Line received 202 messages containing signs of violating the Code of Business Conduct and Ethics. However, only one message concerned discrimination. A check was made of message that confirmed the fact of discrimination. The requisite corrective measures were taken for the detected case.

<sup>1</sup> Detailed information on the program is presented in the "Our Employees" section.

<sup>2</sup> Detailed information is provided in the "ESG and Sustainability" section, and in the [MTS Sustainability Report](#).

Risks in inclusive culture and observance of human rights are digitized regularly according to the recommendations from the external annual audit of compliance programs and assessment of compliance risks at the level of business processes.

MTS adopted local regulations governing the main issues of observance of human rights regarding diversity, equity, and inclusion. The documents consolidate key principles of respect for human rights and conduct of the Company's employees.

## Environmental Studies<sup>1</sup>

The MTS approach is based on efficient management of regulatory environmental and climate risks. In 2023, the Company continued implementing the program to ensure environmental safety at MTS facilities, strategic projects on environmental responsibility aimed at the widespread introduction of cyclic economy principles into the MTS Group business processes. ESG Strategy of the MTS Group was approved.

Employees are notified regularly about legal requirements in environmental safety and protection on the MTS Blog platform.

## Anti-money legalization (laundering) regarding proceeds from crime, countering financing of terrorism and financing the proliferation of weapons of mass destruction (AML/CFT/FPWMD)

The AML/CFT/FPWMD program has been developed pursuant to the requirements of applicable law, with its changes monitored on a regular basis. The Center for Comprehensive Security Development conducts a daily audit of all MTS subscribers to check whether all the subscribers are included in the list of Rosfinmonitoring (Federal Financial Monitoring Service of the Russian Federation). When the Company's subscribers carry out high-risk transactions on personal accounts, an additional check is initiated against the database of invalid passports. The Company also makes a daily check of contract termination for providing communication services with the return of the advance balance, as well as other transactions of subscribers.

### In 2024, in the Company:

- the signs of unusual transactions were updated;
- top-management scheduled training in the form of targeted briefing/raising the level of knowledge for the purpose of AML/FT/FPWMD was conducted.

## Intellectual property risk management system

In 2024, in order to manage and assess risks related to intellectual property, jointly with the Risk Management Department, an improved model was developed for assessing IP-risks in MTS Group of Companies, which revised the approach to high quality and financial assessment of the IP-risks in the entire IP risk map, implemented the relevant criteria for assessing IP risks, their value and probability of occurrence from the point of view of the processes in the MTS Group of Companies and judicial practice in Russia, adjusted the financial model of risk assessment, improved the formulas for calculating the IP risk assessment.

To mitigate risks in terms of violating third parties' rights and protecting their trademarks, the module "Monitoring of Infringement of Exclusive Rights to Trademarks" was put into operation, which automatically finds, sends claims and controls elimination of the breach of exclusive rights to trademarks, and the "Naming" module interface was improved using user feedback.

To simplify paperwork and accounting of trademarks of the MTS Group of Companies, the "Register of Trademarks" module was improved, where an option appeared to record using international trademarks of the MTS Group of Companies.

To manage risks in terms of infringing third parties' rights to computer software, a survey was developed for inspecting the software license components with an open code (OSS licenses).

In 2024, the mandatory remote course "Intellectual Property Usage Rules" was updated.

A training event was held on the issues of patenting the developments in MTS Group, under which the need for testing the technologies for patent purity was considered, as well as the patentability and technology patenting procedure, and a webinar was also held, dedicated to the International Day of Intellectual Property, where the intellectual property items were considered, which are produced when the MTS Group products are designed.

## Compliance training of MTS PJSC Board of Directors members

In 2024, training was held on the anti-corruption compliance system for the members of the MTS Board of Directors, the Management Board and members of the Committees of the Board of Directors. The training was attended by 100% members of the Board of Directors, the Management Board and members of the Committees of the Board of Directors.

<sup>1</sup> Detailed information about the Company's approaches to managing its own environmental impact is provided in the "Caring for the Environment" section of this report, as well as in the [MTS Sustainability Report](#).

## Comprehensive security system

In 2024, activities to ensure corporate security and access control were conducted in accordance with the Security Block Development Strategy for 2024–2026.

Within the implementation of the requirements of Federal Law No. 115-FZ dated August 07, 2001, “On Combating the Legalization (Laundering) of Criminal Proceeds and Financing of Terrorism”, the Security Block employees set up and are operating a system for detecting and blocking personal accounts registered in the names of persons on the List of Terrorists/Extremists. Dozens of such personal accounts are detected and blocked weekly.

### Information Security

The architecture of the corporate information security system was developed considering the recommendations of regulators and best global practices, based on national and applicable international standards. The continuity of functioning of all corporate processes and information security tools is ensured. The level of maturity of the information security management and assurance system complies with the target and guarantees sustainable operation and development of the business and product ecosystem, as well as the achievement of the MTS Group strategic goals.

In 2024, the MTS PJSC information security management system was subjected to supervisory audit for compliance with ISO/IEC 27001:2022 Information security, cybersecurity and privacy protection – Information security management systems – Requirements. An international certification body issued a positive opinion and decided to extend the conformity certificate for 2025.

The work was continued on improving all processes for managing and providing information security and implementing the policy for import substitution of the information security tools from unfriendly countries, which required reengineering certain elements in the corporate architecture of the system of critical information infrastructure protection.

Projects were implemented to introduce and improve the information protection systems, in particular, for monitoring/managing events and incidents of information security, mirroring and managing network traffic copy, collecting and analyzing configurations/log files of firewalls and others, the cluster of servers for “KZKS Continent TLS” information system was expanded. Technical support and continuity of functioning of all information security tools were provided.

Compliance with licensing requirements regarding the operation of CIPF, technical protection for confidential information and monitoring the state of information security of information technology tools and computer systems was ensured. There were no comments from regulatory authorities.

## 11 million incidents

of information security were recorded and addressed in 2024

### Conflict of interest management

The Policy “Conflict of Interest Management”, as well as the memo on the conflict of interest management in the Company was updated in 2024 and posted on the MTS external website<sup>1</sup>, the corporate portal, and also in the My MTS mobile app. All new employees familiarize themselves with this Policy, and fill out the form “Disclosure of Information about Conflict of Interests”. A survey is conducted twice a year for members of MTS PJSC management bodies. In 2024, data were checked on 1,239 situations for the presence of a conflict of interest, where: 749 – potential conflicts of interest that do not require settlement, 19 – settled conflicts of interest, 471 – conflicts of interest, the information on which was not confirmed.

## 100%

new employees read the “Conflict of Interest Management” Policy

### LESS (Law Enforcement Support System)

In order to ensure the failure-proof operation of special complexes installed on the MTS PJSC network, events were organized and held on a permanent basis to maintain and support the equipment and software.

Special complexes were installed on the MTS PJSC communication networks, the presence of which makes it possible to provide communication services using 2G/3G/4G/5G, IMS (VoLTE, Wi-Fi Calling, “My MTS”), eSIM, RCS, NB IoT technologies, M2M, Wi-Fi, BBA, as well as convergent services “Virtual PBX”, “Membrane”, “Single Number” and MVNO services (“Tinkoff Mobile”). Work on modernizing special complexes supporting the activities of authorized state bod-

<sup>1</sup> [https://static.ssl.mts.ru/mts\\_rf/contents/537/Conflict\\_of\\_Interest\\_Management\\_Policy\\_rus.pdf](https://static.ssl.mts.ru/mts_rf/contents/537/Conflict_of_Interest_Management_Policy_rus.pdf)

ies was done on a scheduled basis, in accordance with the approved investment program and the requirements of L&R (laws and regulations). Scheduled events were held in full.

## Economic security and anti-corruption

Primary attention was paid to mitigating financial and economic risks and preventing substantive damage to the Company. In 2024, 69 internal inspections/investigations were carried out, more than 14.4 thousand procurement procedures were reviewed, more than 44.5 thousand inspections of counterparties, as well as inspections of 67 thousand candidates and employees of the MTS Group of Companies, were made. Based on annual results, the economic effect from the activities of the Economic Security and Anti-Corruption Department, including reimbursed and prevented damage, amounted to RUB 1.8 billion. HR issues were addressed systematically. Within the framework of performing primary functions and authorities, the system of counterparties' inspection using BigData tools was further improved:

- the functionality of automatic inspection of counterparties – individuals was implemented;
- the method to estimate credit limits for the customers was automated for selling equipment with deferred payment in the B2B segment;
- the functionality of annual inspection of counterparties under the existing technological lease contracts was automated;
- the service of preliminary inspection of counterparties using INN (Taxpayer ID) available on the Pulse internal corporate portal was updated.

# 1.8 BRUB

was the economic effect (including reimbursed and prevented damage) from the Economic Security Department in 2024

## Security of personnel and facilities

Anti-terrorist protection and facility security was provided in accordance with the MTS Group Strategy for the integrated security support for 2023–2024.

In 2024, fire-fighting and anti-terrorist training were conducted on a regular basis. In order to increase the level of

anti-terrorist security, persons who are admitted to critical information infrastructure facilities are checked.

During the preparation and holding of significant socio-political events and public holidays, enhanced measures were taken to protect the Company's facilities, ensure intra-facility and access control. No incidents or violations at facilities were allowed. In order to fulfill the requirements of the Decree of the Government of the Russian Federation dated June 08, 2023, No. 944 "On Approval of Requirements for Anti-Terrorist Protection of Objects (Territories) of the Ministry for Digital Development, Communications and Mass Media of the Russian Federation, the Federal Service for Supervision of Communications, Information Technology, and Mass Media and Its Territorial Bodies, as well as Subordinate Entities and Entities Related to Their Area of Activity", systematic work to categorize and certify the MTS PJSC facilities was carried out.

# 0

incidents and violations recorded at the MTS facilities in 2024

## Antifraud

The Antifraud Department<sup>1</sup> carried out work to connect to the Unified Call Verification System, operated by the Main Radio-Frequency Center, in accordance with current technical conditions, verification is performed in real time with all participants connected to the System. In 2024, MTS PJSC reached 100% parameter of call verification for mobile and fixed communication subscribers. Calls of 1,163 communication providers are verified, including 103 transit operators. In 2024, the verification hub of MTS PJSC blocked 134.7 million calls.

In 2024, 3.06 million facts of fraud were detected; the amount of prevented losses was RUB 817.5 million. In 2024, 104.1 billion calls were processed by antifraud systems on the MTS PJSC network, of which 2.7 billion were blocked.

# 2.7 billion calls

were blocked by MTS antifraud systems in 2024

# 817.5 million RUB

was the amount of prevented losses in 2024

<sup>1</sup> Under the Decree of the Government of the Russian Federation dated November 3, 2022 No. 1978, No. 1979

## Regional management

In 2024, regional security units continuously ensured the implementation of measures in terms of security of personnel and facilities, information and economic security in accordance with the Security Block Development Strategy.

In order to comply with Russian Federation Legislation, MTS PJSC duly organized and carries out interaction with law enforcement agencies, courts, and supervisory authorities.

In order to ensure the Company's assets safety, as well as considering the current geopolitical situation and the posi-

tion of vendors regarding equipment supply to the territory of the Russian Federation, regional security services on a regular basis monitor the safety and return of MTS PJSC equipment dismantled by contractors.

In order to identify and prevent economic risks for MTS PJSC, employees of the security unit centrally inspected in 2024 the reliability of 16 thousand new counterparties, with which MTS PJSC entered into agreements within its operating activities, as well as 32 thousand counterparties under existing contracts.

## Responsible supply chain

The Company's purchases are made in accordance with the MTS Procurement Rules<sup>1</sup> developed in accordance with legal requirements. The MTS PJSC Counterparty's Code of Business Conduct<sup>2</sup> contains recommended standards, compliance with which is expected from counterparties, and applies in all subsidiaries and affiliates of MTS PJSC. In addition to good faith and honesty, the Code notes the importance of compliance by vendors with environmental laws and human rights. Equal access to procurement procedures is ensured by establishing equal competitive opportunities and uniform rules for all participants of the procurement procedure prior to its implementation.

**In 2024, procedures aimed at increasing the transparency of procurement activities were maintained, namely:**

- mandatory anti-corruption verification of counterparties and third parties is carried out within the procurement procedure;
- anti-corruption training for counterparties on a risk-oriented basis was conducted;
- controls were established to interact with sub-counterparties, including with anti-corruption inspection;
- a set of measures was implemented to consolidate purchasing procedures for companies included in the MTS Group, and also the process of intragroup transactions was structured.

In 2024, the Procurement Management Block strategy was successfully defended for 2024–2025.

The key initiative of the strategy was introducing a single corporate procurement management system (SRM-system),

which will ensure centralized management of procurement procedures and interaction with the vendors and internal customers.

The SRM-system covers the entire Source-to-Contract process and is aimed at increasing the transparency of the procurement process, automating key stages, improving quality and detail of the digital footprint – from assessment and selection of contractors to contract award, and further monitoring of their performance. The solution will help to change to state-of-the-art technologies and reduce dependence on the Oracle platform.

### Increasing the transparency of procurement procedures

In order to comply with the requirements of applicable anti-corruption legislation, a risk-based approach is used to conduct an anti-corruption audit of counterparties and third parties. The risk-oriented approach suggests the involvement of employees from procurement departments and business customers at the stage of the procurement procedure or entering into a contract and providing relevant information about the counterparty and the third parties involved thereby for the compliance subdivision to verify their reliability.

In 2024, anti-corruption inspection of sub-counterparties was made.

**100%**

procurement procedures are performed by the company electronically<sup>3</sup>

<sup>1</sup> <https://tenders.mts.ru>

<sup>2</sup> <https://profile.mts.ru/documents/contracts/offers/kodeks-kontragenta>

<sup>3</sup> MTS procurement procedures are performed in electronic form in ERP-system Oracle Sourcing using EDF (electronic document flow) module.

# RESPONSIBLE HR MANAGEMENT



HR management is a strategically important area built on a professional level and contributing to the achievement of MTS business goals. Investment in creating an efficient and successful MTS team is aligned with business needs, building a corporate culture and HR ecosystem that allows the Company to grow and develop together with its employees. The MTS HR policy efficacy is confirmed by HR high ratings and awards.

**>64 thousand  
people**

number of MTS Group personnel as of the end of 2024 (including freelance personnel)

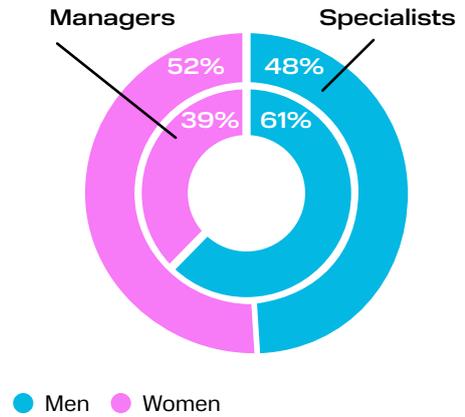
**79  
regions of Russia**

geography of presence of MTS Group employees

### Portrait of average company employee



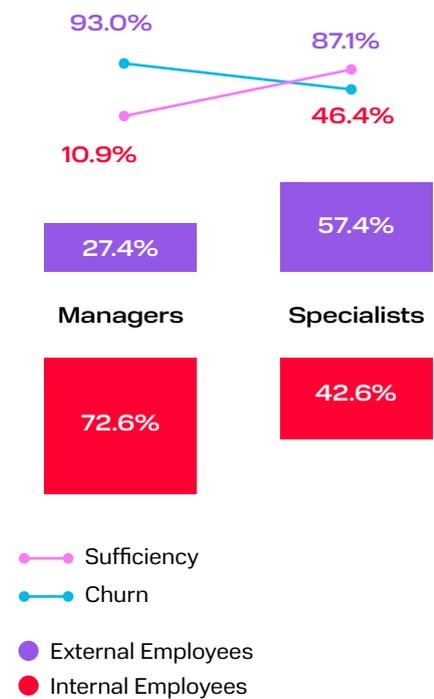
### Gender composition



### Personnel structure by education



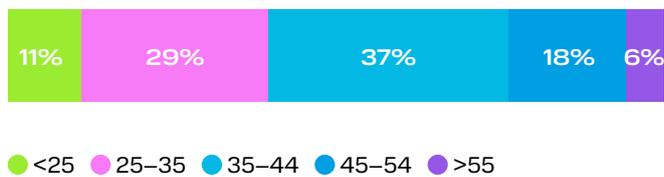
### Filling vacancies



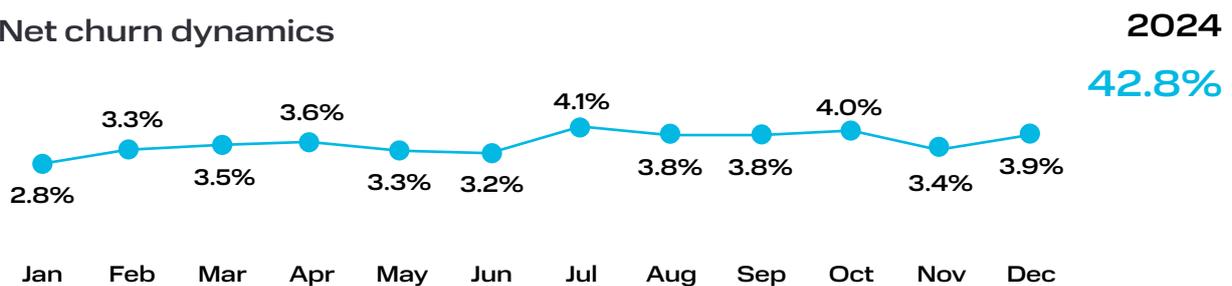
### Personnel structure by experience



### Personnel structure by age



### Net churn dynamics



# Ratings and awards

## Ratings

<b>Rating Best Company Award from Changellenge company</b>	Ranked 1st among telecom companies Ranked 15th among business jobs (+5 places) among IT-jobs – ranked 9th (+2 places), first time in TOP-10 Ranked 14th–15th among technical jobs (+1 place).
<b>Rating of employers Future Today among students</b>	General rating – ranked 18th (+5 places) among its target audience ranked 18th (+1 place) among highly-sought universities – ranked 12th (+4 places)
<b>Rating of best employers in Russia according to Forbes</b>	MTS received platinum status of the best employers in Russia
<b>Rating of best Russian employers from RBC</b>	MTS was included in the second group of Rating of Best Russian Employers
<b>Rating of IT-brands of employers 2024 Ecopsy/Habr</b>	MTS went up 2 positions and ranked 12th

## Awards

<b>HR IMPACT 2024 award</b>	“MTS Birthday “30 years is more than a number” – ranked 3rd in the category CULTURE&COMMUNITY.
<b>“Event of the Year” award</b>	“MTS Birthday “30 years is more than a number” – ranked 2nd in the category “Corporate Event”. True Tech Day – ranked 2nd in the category “Educational and Awareness Event of the Year”.
<b>Digital Communication AWARDS 2024</b>	3 laureate diplomas with projects MTS League, mini game “Charmed Figure”, MTS Design Bot
<b>GRADUATE AWARDS 2024</b>	True Tech Day – ranked 2nd in the category “Contribution to the Future”
<b>National business award and conference WOWBIZ</b>	Championship of digital literacy from MTS “Silver Digit” became the best social project of Russia in the category “Corporate Projects” IT-community True Tech received gold in the category “CREATIVE SOLUTION OF THE YEAR”
<b>Crystal Pyramid award</b>	Larisa Bodyagina, Member of the Management Board and Vice President for HR Management, became the HR-manager of the year. Liya Korolyova, HR Director, won in the category “HR-Manager of the Year” MTS received the grand prix in the category “Transformation of Organization and Corporate Culture” True Tech Community – ranked 2nd in the category “HR Project of the Year” Platform of remote employment and onboarding MTS Hello – ranked 3rd in the category “Technological Solution of the Year”
<b>ESG Excellence Award 2024</b>	Inclusive festival of MTS for hearing-impaired people “We will hear you” – ranked 3rd in the category “CSR Project of the Year” IT Olympic Games and MTS True Tech Champ Festival – ranked 2nd in the category “Best Young Talent Development Practice”
<b>Eventiada Awards</b>	MTS Summer Sparkatiad became the best project in the field of communications with personnel
<b>Forum of Donors</b>	Festival “We will hear you” – ranked 1st in the competition “Corporate Charity Leaders”
<b>Nationwide competition “Creating the Future”</b>	The Silver Digit Digital Literacy Championship took first place in the Digital Transformation nomination, and the educational volunteer project “To School with MTS” took second place in the Leaders of the Future nomination

## Recruitment and adaptation

MTS maintains focus on recruiting qualified personnel and adapting new employees for MTS by increasing the efficacy of the processes and candidate path quality, which remains the key priority for the company’s HR policy. Moreover, an important component in personnel selection for MTS as a digital ecosystem company is the recruitment of IT experts.

It was possible to maintain the selection quality with increased hiring volume due to introduction of tools to automate the processes, development of skills of the recruitment team and hiring managers.

### Level of vacancy filling, thousand people

	2022	2023	2024
Mass and professional recruitment	23	20	22.4
IT-recruitment	2.2	2.2	2.6
<b>Total</b>	<b>25.3</b>	<b>21.9</b>	<b>25</b>

In 2024, the Company was able to keep the recruiting efficiency (amount of hires per recruiter) at a level above the market average (market benchmark is 6 for professional recruitment, 3 for IT), but below the previous period by 10% and more, which is due to the geopolitical and economic situation in the country, high competition for a candidate and general trend in IT: shortage of experts.

### Efficiency of professional recruitment (number of vacancies filled per one recruiter)

	2022	2023	2024
Professional recruitment	10	10	9
IT-recruitment	6	7	6

The market challenges had impact on the reduction in recruitment speed by 2.5% in professional recruitment, but it remains at the 2023 level for IT-recruitment. This impacted on the share of timely fillings in professional recruitment that decreased slightly, but demonstrated substantial growth in IT recruitment, including by unification of the technical interview process that is confirmed by outside research.

### Rate of recruitment, calendar days

	2022	2023	2024
Professional recruitment	45	40	41
IT-recruitment	56	55	55

### Share of fillings in time (% vacancies filled in time vs all fillings)

	2022	2023	2024
Professional recruitment	73%	79%	77.5%
IT-recruitment	75%	78%	89%

New employees are immersed in work and corporate culture before the first working day. After receiving an offer, the candidates receive a link to the resource with information about the MTS ecosystem and actions before starting work. In 2024, the mentorship program was launched, making it possible to assign mentors before the start of work. Updated Welcome-mailings inform about the important stages of adaptation and contain an interactive plan. Also, a remote course “How to Adapt at New Job”, which helps the novices to assimilate. During adaptation, new employees participate in the Welcome Day updated in 2024, where they familiarize themselves with the MTS ecosystem, possibilities for professional growth and the corporate portal. The portal also includes “To New Employee” section with the necessary information that provides for a high level of satisfaction with the adaptation process.

### Level of satisfaction with adaptation processes

	2023	2024
Professional recruitment	87%	97%
IT-recruitment	Н/Д	89%

Therefore, in 2024 MTS maintains leadership positions in the field of personnel recruitment and adaptation, providing for business stability and development of the digital ecosystem even with external challenges.

## Working with institutions of higher education

The MTS Group cooperates actively with the leading institutions of higher education, including the National Research University Higher School of Economics, MTUCI, Bonch-Bruевич Saint Petersburg State University of Telecommunications, Tomsk State University and many others. The Company has a basic department on deep-machine training, master's degree program on artificial intelligence, participates in special courses and holds educational projects, career events and lectures from experts of institutions of higher education from the entire Russian Federation.

## Work with students and schoolchildren

The MTS Group has internship programs for students and graduates in business and IT areas, and also mass media jobs. In 2024, more than 1,000 interns in total were accepted for internship in the MTS Group. Almost 50% of those who completed the internship were transferred to regular staff. The Company also interacts actively with schoolchildren, arranges special projects for them and conducts introductory and adaptation events for various educational organizations. For organized groups of schoolchildren and students, regular excursions are organized the Company's offices.

## Number of students who completed internship in MTS<sup>1</sup>, persons

2022	2023	2024
716	1,039	1,467

**~50% interns**

were employed full time in MTS in 2024

## Educational and special projects

The MTS Group develops its own educational projects, such as the School of Data Analysts and FinTech Academy, holds its own championships and hackathons, as well as supports special projects at institutions of higher education and partner organizations.

## Diagnostics of skills

The MTS group introduced the corporate skill model into the process of activity efficiency for CEO-1, CEO-2, CEO-3 levels. The target audience in 2024 was 1,138 people.

<sup>1</sup> The data of the previous periods changed vs the previous Report due to the correction of the data collection perimeter

## FinTech.Academy

Your guide to the IT world

### Courses:

- QA Engineer-Tester
- System Analyst

**After training, it is possible to get an internship in MTS Fintech and then be employed full time**

**11 million users**

of financial and banking services

**1500 experts**

in the sphere of financial technology with many years of experience

**37 graduates**

completed internship in the last batch of FinTech.Academy

## Remuneration and social package

MTS has a competitive remuneration system. According to the data for 2024, the average salary at the Company is 6.8% higher than in the country as a whole.

Moreover, MTS provides their employees with a broad package of compensations and benefits for several areas of wellbeing:

- physical (health insurance, sports);
- professional (corporate university, library and foreign languages study);

- financial (cafeteria benefits, discounts, reduced mobile rate);
- emotional (psychological support, interest clubs);
- social (accident insurance, charity and material assistance)

Also, the Company provides a comfortable environment (official mobile communications, corporate taxi and comfortable offices) and hybrid work format. Such an approach makes it possible to cover practically all spheres of life of the employees and support them in personal affairs and certain life situations.

## Performance evaluation

All the Company's employees participate annually in the performance evaluation procedure, which includes evaluation of fulfilment of key performance indicators. During the evaluation process, managers provide extended feedback based on annual work results, and, based on the evaluation results, a plan of development measures is drawn up for the employees.

In 2024, the work on developing and improving the KPI system was continued, including an increase in the number of cross-cutting team indicators, which help unite teams efficiently in order to achieve common objectives.

Thanks to a properly built personnel development system, about 72% of managerial and 48% of other vacancies in the Company are filled through the involvement of in-house candidates. Use of the advanced remote training platforms

made it possible to provide employees with opportunities for developing professional and personal skills, as well as for studying new digital directions and retraining without sacrificing quality.

**72%**  
manager vacancies

**42%**  
other vacancies are filled with in-house candidates

## Advanced training for personnel

MTS trains personnel using the MTS Corporate University platform, which offers online courses for development of managerial, functional and corporate competencies.

In total, more than 7,500 courses are available on the platform. In 2024, more than 1,500 courses were added and updated. Most employees were trained on management and leadership, sales and negotiating skills.

The MTS Group conducts mixed-format programs to develop management skills of top managers, middle and immediate supervisors. More than 1,000 managers of the Group were trained in 2024.

In 2024, clubs were launched, the purpose of which was to create an environment to develop "soft" skills (for example, a book club, a movie club). The clubs are a joint project with KION and LINES teams. Club membership was around 3,500 people.

In 2024, four main training formats were used: webinars, online and offline trainings/workshops, lectures and master classes. More than 4,000 events were held during the year, attended by more than 16,000 Company employees.

MTS Corporate University platform coverage (remote training), %

2022	2023	2024
98%	99%	98%

**>7,500 courses**

are available in the MTS Corporate University

**>1,000 managers**

completed courses on developing management skills in 2024

**>3,500 people**

are members of various informal clubs in 2024

## Involvement

In 2024, the involvement survey was taken by 42,852 people.

The total level of employees' involvement is in the sector among the best ones in both the telecom industry and in the IT industry. Growth vs 2023 +1.1 percentage points.

## Social projects for the employees and their families

### Training project timed to coincide with the Children's Day – Code Land

In May, MTS launched the Code Land platform for the children of the employees and for whomever is interested. It is a virtual city, where the children may learn about the state-of-the-art technology jobs in game form.

The platform participants played developing games and earned points to receive gadgets. Twenty children won them. And the 10 most active were able to visit the MTS headquarters and meet the company top managers.

In total, the online games on the platform were played by 3,858 children from 78 regions of Russia, they played 24,655 times.

The children were able to find out about new professions not only with the help of a digital platform, but at in-person parties, too. Those were held in 80 regions for 4,925 participants. Most participants attended the events in the Nizhny Novgorod region, Krasnodar territory, Ryazan and Ulyanovsk regions.

In Moscow, on the Children's Day, MTS held a grand festival in Ostankino Fest Park. Not only the children of the company employees were invited to participate from all regions of presence, but whoever wanted, if they managed to register.

A "City of Professions" was opened for the children under the open air with several locations. Nearly 700 children from three years old played the giant Twister and board games, created MTS advertising posters, treated themselves to free cotton candy and ice cream, and also watched the performance by the volunteer puppet theater of MTS "Mobile Fairytale Theater" on how to behave in a busy city. And the participants could also find out what they would do in the future and try themselves in different roles: from a marketing expert to a financial expert.

**3,858 children**

from 78 regions of Russia participated in the online games on the Code Land platform



The customer service workshop helped the children to develop their soft skills and to find out what emotional intellect and business etiquette were. Young engineers assembled and programmed robots-sumo wrestlers, and the future developers created a program using Python, which requests data from the user and returns them in the specified context.

### Summer Spartakiad

For the first time, MTS held a large-scale sports program for the employees of the MTS ecosystem, which united 2,000 participants from 260+ cities of Russia. The employees competed in 8 types of sports – soccer, volleyball, track and field athletics, crossfit, ping pong, chess and practice firing.

On the online platform, 7,000 fans and 5,000 athletes took the sports quiz and did other activities. Points were awarded for the correct answers, and the points could be exchanged for a ticket to the semi-final in Moscow on August 24, to external events or charity. 1,000 sports slots were raffled off for participation in the external competitions, and

1.250 million were donated to charity. Aid was sent to foster children without parental care and various disabilities in the Ochag Children's Aid Center in Gorno-Altaysk. A major overhaul was done in the center's gymnasium, with soft floor and a new carpet for wrestling. And, sports equipment and inventory were purchased: roman chair, universal weight benches, volleyball net, stools, a set of dumbbells and barbell, volleyball and basketball balls, dumbbell, gymnastic jump ropes, and jump ropes with weights, mats

**2,000 participants**  
from >260 cities of Russia attended the MTS sports program

**1.25 million RUB**  
were donated to charity under the program



# MTS League

People who change the old ways



MTS developed a special program allowing any employee or employee team to get recognition. A project or a person, including themselves, can be nominated through the program platform. The application should describe the participant's achievements in detail. MTS League is a multi-level approach to selecting winners: open voting of employees, expert assessment, approval by TOP managers.

**Program categories:**

**#Take It and Go for It** — the best employee

**#Together** — the best mentor

**#Fast and to the Point** — the best internal project

**#About the Customer** — the best external project

**#Do It Cool** — the best team

**#More than Work** — managers with the best engagement ratings

**>1300**

applications on lending

+ 200 applications by 2023

**>8000**

Employees voted

+ 3,000 votes by 2023

**>200**

experts assessed the nominees

100 experts by 2023



**124 winners**

**Applications in the category**

**626**

“Best Employee”

**283**

“Best mentor”

**111**

“Best External Project”

**191**

“Best Internal Project”

## Cybersport tournament for MTS ecosystem employees

MTS held a grand cybertournament – MTC Cyber Cup. This is a game championship for computer game fans, and those who enjoy intellectual competitions. The competitions were held in six team and individual disciplines. They were selected by the employees themselves – Dota 2, Counter-Strike 2, World of Tanks, FIFA, quiz, own game.

**3,536** participants

online

**426** participants

offline

**1** million

number of broadcasting views



## Development of inclusive environment and digital society

The inclusive environment and digital society development program is based on the principles of inclusion, equality and diversity. The program is implemented within the framework of the Company’s ESG-strategy and Policy “MTS Activities in the Field of Diversity, Equality and Inclusion”<sup>1</sup>.

### MTS inclusive culture

MTS is distinguished by many years of a comprehensive approach to developing an inclusive corporate culture within the digital ecosystem. The Company consistently implements large-scale multi-level programs to achieve sustainable changes in society based on the principles of inclusion, equality and diversity.

Since 2021, there has been a policy on inclusion in MTS. Its key idea is developing a corporate culture with tolerant attitude towards special needs of employees, customers and partners of the company.

MTS is a company for everyone, because we welcome people here, even if they are different from others because of their appearance or health features. There is no age or sex prejudice here. When an employee is hired, their professional skills matter, and not the sex, age, health condition or disability status.

### Educational program

Education plays a critical role in forming an inclusive culture, because it is a set of values and practices that promote creating more tolerant and diverse teams, where everyone feels accepted and respected, regardless of their individual features, which helps to create an open and inclusive atmosphere in the company. In 2024, 1,050 employees participated in educational programs.

- line and middle-managers are the participations in the “Inclusive Leader” program, where they receive practical

<sup>1</sup> Approved by the Board of Directors in 2021.

skills of building diverse teams, inclusive communication, bullying and discrimination mitigation

- recruiters and HR managers are the participants in the “Inclusive Recruitment and Adaptation of Special Groups” program, during the course the participants study the best practices for inclusive groups recruiting (people with disabilities, youths without work experience, age 50+), quotas, legal issues when hiring special groups
- a video course is available for all employees to develop the skills of inclusive communication and broadens the outlook in the area of inclusion

**>1000 employees**  
participated in educational programs in 2024

### The communication program

The communication program includes regular notification of the ecosystem employees on issues of the inclusive agenda: gender equality, various-aged teams, bullying and discrimination, how to communicate with people with disability, ethnic diversity.

### Inclusive videos

Inclusive videos. To attract attention to the inclusion agenda, a series of videos was made to challenge stereotypes and confirm the inclusion value in business. The videos disclose various categories of inclusive employees, such as people with disability, older people and parents with special needs (for example, single parents, families with many children, parents of children with disability), showing them as sound members of the team who perform their duties successfully.

The videos have broad coverage (more than 18,000 views) and actively promote strengthening of MTS reputation as an inclusive company oriented at creating equal conditions for everyone.

**>18 thousand views**  
coverage of inclusive videos

### Inclusive culture study

MTS makes an annual in-depth study of the ecosystem inclusive culture, this makes it possible to see strengths and areas of growth, to effectively build a road map for interaction with all stakeholders in the future period.

**In 2024, MTS developed new tools for corporate inclusive culture enhancement:**

- **“Inclusion – A Trend in Fashion or New Business Ethics?”** test will make it possible to determine the level of inclusive culture penetration in the team. The anonymous survey includes 15 questions. The test identifies the actual attitude of the respondent to having employees with disability, health features, without work experience or at the age of 50+ and helps to find out, how much they share the inclusion values, and to identify discrimination against different categories of employees. After testing, the participant have access to recommendations for books and movies that might improve knowledge on the topic. The testing is available not only to the ecosystem employees, but to external users on the [MTS website](#).
- **“Bullying at the Workplace”** test was developed by MTS using the team “Travli NET”, it will make it possible to identify signs of bullying in the corporate environment. After testing, the participant has access to the following recommendations: how to distinguish between bullying at the workplace and a conflict of interest, what to do to prevent bullying for the witness to the situation, the manager and the victim, and also to prevent discrimination. The testing is available to both the ecosystem employees and external users on the [MTS website](#).

**97% of employees**  
are ready to work on the same team with representatives of inclusive groups without exception

**93% of managers**  
believe that the inclusive environment has a direct impact on attracting talent and achieving business results



## All-Russian Inclusive Festival “We will hear you”

This is a large-scale federal project of the MTS digital ecosystem aimed at searching for the best practices for further introduction into the company and expansion of the candidate pool for building diverse teams.

### The following took place at the festival:

- Competition of innovative projects and ideas in the field of inclusion (search and implementation of solutions to increase accessibility of the environment, products and services for people with hearing loss);
- Roundtable “Inclusion and Business: Let’s Hear Each Other”. Key topics for discussion: Is the business ready to introduce new services and solutions for inclusive groups? Motivation of the companies when launching inclusive products?
- Public showing of a movie with translation into Russian sign language (RSL) in 11 cities and expansion of the library of movies and series in KION online cinema (15 films with simultaneous interpretation into Russian sign language: popular comedies, family movies, cult animation and fantasy)
- Tour in RSL in the MTS offices. More than 30 students with impaired hearing took a tour in the digital space

of MTS, dipped into the corporate culture, talked to the product teams.

- Job fairs for people with special needs. More than 1,000 candidates took part in the educational workshops and left their CVs.
- Online hearing testing for the employees and hearing webinars.

### The results of the All-Russian Inclusive Festival “We will hear you”:

- 2,000 offline participants;
- 120 volunteers of MTS ecosystem;
- 100 applications from 24 regions of Russia, 2 winners.

## National championship on professional skills between the disabled and people with disability Abilympics

MTS became one of the leaders in the employment of people with disabilities at the Abilympix National Championship — 50 graduates of the championship became part of the ecosystem team in 2024.

## Volunteering in MTS

**Corporate volunteering by MTS is an integral part of the corporate culture and is distinguished by a comprehensive approach of the MTS ecosystem to volunteering and creating the image of a socially responsible employer.**

### Main results in 2024:

- For the first time, a census of active volunteers was taken – 1,900 active volunteers who are ready to participate in MTS social projects.
- A unified Guide on volunteering was created to hold volunteering events in social institutions.

In 2024, the theater for the first time gave three major performances in Moscow, St. Petersburg and Krasnodar at large theater sites, where the children from social institutions and children of the MTS ecosystem employees were invited. The theater became a participant in the charity film festival “Children’s Cinema May” in Voronezh, the inclusive picnic in Tsaritsyno in Moscow, the festival of inclusive theaters “Not necessary to be the same” in Cheboksary.

### MTS Volunteer Puppet Theater "Mobile Fairy Tale Theater"

The corporate puppet theater has been implemented at MTS as a corporate social responsibility project since 2012. Ecosystem employees hold annual events in social centers, institutions, and hospitals .

### Results of the Theater for 2024:

- 52 performances
- 3,327 spectators offline
- 63 theater actors and more than 150 volunteers, who actively participate in the performances and work of the theater



## New Year ecosystem project Virtuality

In December, MTS held the first technology New Year project Virtuality, where the employees participated in the volunteering program, shared a holiday mood with their colleagues, listened to podcasts and wrote fairytales with the children. The project made it possible to introduce digital technologies to the orphans from social institutions and helped them to choose their future professions. The participants made New Year toys on the 3D printer, animated snowfall using Python programming language, drew New Year's cards in Figma and took a test on an interactive screen that helps to define a suitable profession. Using the neural network, the

participants made their creative avatars, sang their favorite songs in the equipped karaoke booth and manipulated a robotic dog with a joystick.

### 2024 project results:

- 21 cities
- 3,642 participants from 132 children's social institutions
- 362 volunteers
- 3,858 employees participated in the quiz and written 538 fairytales with AI.

## Occupational health and labor safety

**The number one priority is to preserve the life and health of the employees, to provide favorable and safe working conditions at MTS PJSC.**

In 2020, MTS joined the international approach Vision Zero, or Zero Injuries. This is a qualitatively new approach to setting up prevention, combining three areas: safety, workplace hygiene and well-being of employees at all production levels.

The MTS Group Strategy for safety, health and well-being for 2021–2024 that included international practices and methods for introducing Vision Zero, was implemented in full.

MTS PJSC built a fully operable health and safety management system. It includes regulatory documentation support (the Company developed a base of internal local regulations) and a selection of measures to provide for safe working conditions for the employees, the compliance with which is organized and controlled by the health and safety service. One of the components of the health and safety management system is professional risk assessment and management. This procedure is implemented on a continual basis by the health and safety service – risk registers have been made, assessment charts have been written that the existing and newly-recruited employees review. Measures are taken to reduce current risks.

The costs for health and safety measures in MTS PJSC in 2024 were 100% of the budget.

### Health and safety actions costs, RUB million

2022	2023	2024
83.9	99.8	104.9

In 2024, external and internal health and safety training was completed by 11,430 people – managers, experts, members of the health and safety commissions and other categories of employees. First-aid training to injured at work is in progress.

### Special assessment of working conditions

2022	2023	2024
24,003	23,523	23,882

A special assessment of working conditions was made regarding 94% of workplaces in the MTS Group Corporate Center and MTS PJSC branches.

Detailed information on assessment results is available on the website: [Working.conditions.assessment...Moscow.\(mts.ru\)](https://www.mts.ru/working-conditions-assessment-moscow).

Personal protective equipment plays an important role in preventing employee's direct exposure to harmful and/or hazardous production factors. MTS developed and approved codes for free issue of safety clothing, safety shoes and other personal protective equipment to workers who are engaged in working with harmful and/or hazardous working conditions.

MTS employees engaged in working with harmful and/or hazardous working conditions undergo preventive (upon employment) and routine (during work) medical examina-

tions. During the reporting period, MTS PJSC conducted preventive and routine medical examinations of 1,031 and 4,585 employees, respectively. As a result of routine medical examinations, eight employees needed to be transferred to another job; health resort treatment was recommended to 139 employees (the opportunity for treatment was granted at the Company’s expense).

Since 2019, the “Requirements for accident investigation” standard has been in place in the Company, and the branches use this standard to take the relevant measures. Heads of subdivisions and employee representatives participate in monitoring and in developing annual H&S Safety Plans in branches for the next year, as well as in developing a List of actions to improve working conditions and occupational health and safety and develop the safety culture.

In 2024, nine accidents occurred at MTS PJSC with nine employees injured (three of them were women). In terms of severity, all the accidents fall within the category of minor accidents. The total number of injuries increased, but their severity decreased versus 2023. No occupational diseases were found in employees in the reporting period.

Starting in 2018, the MTS employees have taken the remote training video course “Safety Culture” (the course has been taken more than 2,000 employees already).

The health and safety management system efficiency is assessed annually on the basis of quantitative parameters that make it possible to assess the degree of implementing the health and safety policy objectively.

## Rate of injury

Parameter	2022	2023	2024
Accident Frequency Rate (AFR) <sup>1</sup>	0.20	0.15	0.31
Accident Severity Rate (ASR) <sup>2</sup>	32.4	39.8	28.6
Accident and Lost Work Time Rate (ALWTR)	0.05	0.06	0.08
Lost Work Day Rate (LWDR)	1.57	1.38	1.41
Absentee Rate (AR)	4.53	4.37	4.34

<sup>1</sup> Accident Frequency Rate (AFR) defines the number of accidents for the reporting period per 1,000 workers.

<sup>2</sup> Accident severity rate (ASR) defines the number of disability days per injury.

# SOCIAL INVESTMENTS

The MTS social investment strategy is complementary to the MTS ESG-strategy and is aimed at solving the social problems of society using digital technologies and MTS system opportunities.

We focus on solving both local and global issues, therefore the strategy is based on the National Development Objectives of the Russian Federation and the UN SDG. MTS is distinguished by broad use of involvement mechanics in implementing social programs, we try to attract a wide pool of representatives from the local expert and professional communities, as well as volunteers.

We continue to follow these principles of social investment, which are formed on the basis of analyzing the current society needs, including in the regions of the company presence, internal expertise, and also the best practices in the sphere of sustainability.

## MTS social investment principles:

- **Continuity, sustainability.** The Company focuses its ESG efforts on implementing the National Goals, the UN SDGs in the areas most complementary to the business strategy
- **Performance Efficient.** solving of social problems using high-tech services and our own ecosystem expert knowledge
- **Public Involvement.** Each citizen has the opportunity to make a personal contribution, together with MTS, to solve relevant community problems thereby helping to implement long-term, targeted programs of the highest quality in synergy with society
- **Partnership.** MTS develops the practice of partnership and cross-sector interaction, thus achieving synergy of interests in solving social issues
- **Localization.** We tailor our initiatives precisely at the local level, considering the context and needs of the particular region
- **Efficacy.** We determine the system of KPIs for social programs and monitor the KPI implementation on a regular basis.

All areas of MTS social programs have a digital basis – we engineer, integrate and provide various services and solutions to develop society life areas.

- **Digital development of communities.** Solving relevant social issues by technologies
- **Education.** Children and youth intellectual and creative development
- **Digital enlightenment.** Training of the population in the correct use of modern technologies and increased level of financial literacy
- **Culture.** Preservation, promotion of unique cultural values
- **Inclusion.** Support for developing an inclusive environment
- **Health and wellness.** Support for socially vulnerable groups of the population, businesses and local communities
- **Environment.** Environmental protection due to ecotourism development and environmental enlightenment

More detailed information is available in the MTS Group Sustainability Report for 2024: chapter “Corporate Social Responsibility”, section “Local Communities”



[Sustainability Report](#)

## Supporting digital development of communities

**MTS considers the matters of developing the territories of operation in a comprehensive paradigm of supporting social, economic, cultural, financial and economic, investment and other areas. The MTS strategic goal in social investment is to improve the quality of life of different communities by providing a wide range of digital services and developing innovations.**

Our goal is to contribute to solve public problems with the help of digital technology and capabilities of the MTS ecosystem. We involve a broad group of experts and volunteers to implement our social programs. Regional communities with their needs often contact us. If we see that a problem may be solved using MTS digital technology, we create a project and start its implementation.

### Digital projects to support regional communities

#### Audio guides for independent travel in Russia

A project promoting the development of domestic tourism through digital services with unique content. Within the project, MTS involves the local population, that is, enthusiasts, local history experts, historians and journalists, in creating “people’s” digital audio guides. To date, MTS has created 84 guides (8 in 2024) in the regions of the country that were have already been used by over a million people. In addition to traditional walking tours, we offer unusual car and water routes; all routes are free and available on the MTS Live digital platform.

#### Key 2024 project results:

- A project of river tours “Volga Stories” was implemented to travel on the Volga in Astrakhan, Rybinsk and Nizhny Novgorod.
- Digital audio guides were launched: City legends of Toropets, “Merchant Sterlitamak”, City legends of Kungur, “Kazan – Bolgar” in Tatar, “Kazan – Sviyazhsk”.

#### “Power Place” Project

MTS helps national parks, wildlife sanctuaries and urban areas to identify opportunities for using innovative technologies (including video surveillance with elements of AI and Big Data) and MTS ecosystem products for environmental awareness, tourism development, unique flora and fauna preservation, as well as ensuring the safety of protected areas. Eighteen socially useful products were designed within

the “Power Place” Project, such as VR films, digitized content for museums, educational materials with AR elements and audio guides) were created.

### Preservation of cultural identity

Digitization of cultural and historical heritage objects to share knowledge with future generations. The field is being implemented together with the residents of the regions of Russia, volunteers, partners and other participants.

In 2024, two complex projects were implemented to support the culture and heritage of small indigenous peoples – AR-books of Russian indigenous peoples’ fairytales were published and posted in the Lines app: “Living Legends of Buryatia” and “Living Legends of the North”, the book hard copies were sent by MTS to regional and school libraries of the Far Eastern Federal District, Siberian Federal District and Ural Federal District.

### Small entrepreneurship support

MTS creates the necessary conditions for developing entrepreneurship in the regions by providing access to the necessary resources and support for entrepreneurs at different stages of their business. Within the area, MTS supports educational events in the regions of Russia for developing small and medium business, organizing business accelerators.

- MTS continues to support business accelerators for female entrepreneurs Lady007, which are held by JLLC Women of Business in Russian Federation regions. The educational program includes around 20 webinars from leading MTS experts and other companies, as well as group discussions with certified mentors. The female entrepreneurs receive new applied knowledge on building effective business models and marketing trends, but could also consult with famous experts and meet each other.
- MTS together with the Association “Developers and Operators of Electronic Services Systems” implements the project “EDF Culture”. This is a series of interactive workshops in online and offline format for the entrepre-

neers and representatives of companies to introduce and develop electronic document flow (EDF). In 2024, within the project “ECF Culture”, four workshops were held, with an audience of over 1,000 people. In the inter-

active workshops, the leaders of the market analyzed the successful examples of business processes digitization, and also studied the growth points for further scaling of the effective solutions in the market.

## Support for IT education

**We understand the importance of helping society adapt to new realities and find opportunities for development in the digital environment, therefore the creation of high-quality educational tools for various audiences is one of MTS priorities.**

MTS actively implements educational projects for a wide circle of the public, and also develops the professional community – MTS True Tech Community, where the leaders of industry and beginning experts exchange experience and expertise, improve their professional level, and the broad audience familiarizes itself with the existing IT areas, learns about their use in business and science.

### MTS True Tech Community

MTS True Tech Community is a large-scale initiative of MTS Digital Company, aimed at developing the IT community in Russia. For the domestic market, True Tech Community is a unique project that unites both the existing professional community and the future participants in the IT market, offering them a platform for networking, training and career development. The events of the community combine educational tracks, interactive formats and informal communication, which makes them attractive for a broad audience.

To implement the concept, MTS used various formats of the events that are related to each other on the basis of the construction set principle, from writing a program to planning sites. In 2024, the company held 30 events under the program in the capital and regions of the Russian Federation that include a technology conference, IT-Olympic Games and festival, hackathon, IT-camp, and also online and offline community containing more than 20 specialized guilds.

**30 events**

were held under the initiative in 2024

- The international conference True Tech Day was held in Moscow in May 2024 in online and offline formats and united more than 85 thousand participants, interested in the opportunities for development in the IT sphere.

- The Olympic Games True Tech Champ <https://truetech-champ.ru> enables schoolchildren and students to assess their level of IT expertise, and win the opportunity to have a paid internship in the company
- True Tech Hack hackathon <https://truetechday.ru/hack> provides the beginning and professional experts with the opportunity to participate in solving relevant social problems using digital technology and products.
- The summer camp True Tech Camp <https://truetech-camp.ru> is an informal summer event for networking of IT experts with spectacular educational content.

### IT-festival “Sistema FEST” in Tomsk for development of IT skills

In April 2024, MTS held a sociocultural festival in Tomsk – “Sistema FEST”, supported by the Sistema Charity Foundation and Tomsk State University. The festival united more than 650 in-person participants and thousands of participants online in enlightenment, career guidance and sociocultural events. The point of attraction on the festival main day was the MTS True Tech Hub space in Tomsk State University, where the business and educational program was held, the participants studied innovative trends in the open dialogs “Contact with Technology” from the leading MTS IT experts. The participants in MTS “Clear System: Make Complicated Understandable” hackathon tried to use in practice the IT skills, where 40 teams developed a system for adapting complex or specialized bank texts into clear wordings for various inclusive audiences: people with mental peculiarities, elderly people and foreigners.

## Master’s program “Studies and entrepreneurship in artificial intelligence”

In September 2024, MTS launched the master’s program on “Studies and entrepreneurship in artificial intelligence” at the computer science department in the Higher School of Economics. The purpose of the program is to train the experts who will create innovative products, using cutting-edge methods of machine and in-depth training. The program includes large language models, generative neural networks, and tools of computer science and natural language recognition. The program is designed for graduates of the bachelor’s program/specialty of mathematical, technical and IT departments, and also for everyone who is interested in studies and start-ups in the area of artificial intelligence.

The course duration is two years, the training form is in-person. The funding by MTS covers the cost of education fully.

## MTS competition, the Russian Academy of Sciences, Sistema Charity Foundation for young scientists

The competition for young scientists timed to coincide with the 300th anniversary of the Russian Academy of Sciences, is held by the Sistema Charitable Foundation and the Russian Academy of Sciences with the support of the MTS digital ecosystem, Federal Intellectual Property Service (Rospatent) and leading Russian technological companies. The competition is aimed at supporting innovative scientific developments and recent studies in the priority industries of economy: chemical industry, agriculture, pharmaceutical industry, electronics, power engineering, digital technology sphere. In 2024, the competition winners were the authors of 16 scientific developments from 9 regions of Russia selected from 347 papers representing 45 regions of the country.

The competition made it possible to both identify and support the promising young scientists and enable them to gain new knowledge in terms of intellectual property protection – the lecture hall for the competitors was set up by the Rospatent leading experts, who covered the main issues of patenting and selection of the strategy for reliable protection of developments.

**16 scientific developments**

won the competition in 2024

## Support for the Sistema Charitable Foundation Scholarship Program

The scholarship competition “Sistema” held by MTS Digital Ecosystem and Sistema Charitable Foundation for the students of vocational education and universities is aimed at supporting the practice-oriented research, scientific and innovative activities of the motivated youth in the priority areas of scientific and technological development, assistance in its participation in developing and implementing projects aimed at developing the real sector of economy, support in employment and getting the first job. In 2024, more than 18 thousand people from 77 regions of Russia participated in the scholarship competition. The winners of the program were 48 university students and two vocational education institution students from 28 regions of Russia. The finalists will receive financial and methodological support to carry out their projects, and also the opportunity to get their first professional experience in the program partner companies.

**50 students**

were program winners in 2024

## Educational shift “Elevator to the Future” in Ocean All-Russian Children’s Center

“Elevator to the Future” program in the Ocean All-Russian Children’s Center for the third year in a row is held within the flagship project of the same name of the Sistema Charitable Foundation and MTS digital ecosystem. Educational programs, where the schoolchildren “try on” the promising professions and meet the industry leaders, have once again become the points for establishing a strong link “school – university/vocational education – employer”. For the three weeks, the program participants from 28 regions of Russia tried themselves in the role of scientists, learned the most interesting things about modern professions and technology, met the representatives from leading Russian companies and built their own “City of the Future”.

## Digital enlightenment

**Within this strategic goal, MTS implements programs using digital technology to improve access to high-quality additional education for the residents of remote regions of the country, and also the level of knowledge of the wide audience on cutting-edge technology and methods for their deliberate and safe consumption in modern society for education and self-development.**

MTS is concerned about creating conditions for increasing digital and financial literacy in society. It is important for us that every society member gets access to the technologies and opportunities of the modern world. MTS implements projects to improve digital literacy for completely different age groups.

### Projects for children and teenagers

**"Generation M"** is Russia's largest educational platform created by the MTS digital ecosystem to develop children's creativity in the digital environment. "Generation M" platform helps young experts gain experience of interaction with digital technology in a creative environment. With IT technologies, the project participants take educational courses in various creative disciplines guided by experienced teachers, experts in art, technical, IT and creative industries, as well as develop important versatile skills. "Generation M" allows gaining the first practical experience of interacting with digital technologies in a creative environment: working with real issues, trying oneself in popular creative jobs. The "Generation M" program is included among the global practices recognized by the UN as advanced in achieving Sustainable Development Goals. The total number of the views for the educational courses on the platform in 2024 was 10 million, and 10,086 people received course completion certificates.

**In 2024, the "Generation M" platform launched 7 educational tracks with the help of the MTS ecosystem capabilities:**

- Digital format of entry exams to the Russian University of Theatre Arts on MTS Link platform
- Web-design school with MTS Digital
- Course on digital fashion with RTC and MTS AI
- New music laboratory with MTS Label and MTS Music
- Course on Internet of Things with IoT
- Exhibition of generative art in the Russian Museum with CloudMTS
- Content-making school with NUUM

**10 million views**  
of educational courses on the platform

**>10 thousand people**  
received training completion certificates in 2024

### Alliance for Protecting Children in the Digital Environment

MTS, along with the largest companies operating in the field of information technology, is a co-founder of the Alliance for Protecting Children in the Digital Environment. The goal of the Alliance is to facilitate creating a safe and healthy digital space for children where they can have fun online, develop cyber literacy knowledge and communicate online without the risk of being exposed to dangerous or illegal information.

### MTS media enlightenment projects

The MTS Media online platform – [media.mts.ru](https://media.mts.ru) – posts informative, educational and helpful content. The publications are primarily targeted at improving digital literacy, as well as at information and applied assistance in understanding technological transformation.

### Financial literacy

MTS FinTech helps build a conscious and responsible approach to creating a personal and family budget, and also teaches digital hygiene and the use of modern online financial services. To combat digital ignorance, MTS FinTech conducts workshops, trainings, lessons and other enlightenment programs for a wide audience of all ages in online and offline formats, and also develops the enlightenment project "Financial Literacy for Everyone!".

## Charitable activities

The charitable activities of the MTS Group are a continuation of the Company business strategy and social strategy and are governed by the Policy “MTS Charitable Activities”. The document establishes the basic principles for planning and implementing charitable activities of the MTS Group, as well as the rights and obligations of the Company employees and subdivisions within such activities.

### Principles of MTS charitable activities

- legality and ethics
- system approach
- openness and transparency
- zero tolerance towards any manifestations of corruption
- political indifference
- control over using funds

In 2024, we continued active cooperation with charities and other non-profit organizations. A significant part of charitable activities by MTS are carried out thanks to donations to the Sistema Charity Foundation. This model promotes resource synergy and larger-scale of project implementation, including through association with other foundation philanthropists. Cooperation and expert support of MTS also contribute to developing the flagship educational project of the Sistema Charity Foundation, “Elevator to the Future,” an all-Russian career guidance platform that helps improve career opportunities for residents of all ages.

In 2024, MTS confirmed the highest category of A+ rating “Leaders of Corporate Charity” of the Association of Grant-Giving Organizations “Forum of Donors”.

# 734 million RUB

were spent by the MTS Group in 2024 on social and charitable initiatives.

## Key charitable projects of MTS Group in 2024

### MTS. IT CONCERNS US

An end-to-end product that introduces charitable practices into the Company's ecosystem and encourages users to join in solving social problems under the program of cashback write-off for charity to the non-profit organizations that implement consistent charitable programs for relevant problems. For the reporting 2024 year, the users of the MTS Cashback app made more than 165 thousand donations of cashback for charitable purposes for the total amount of more than RUB 54 million.

Also, the “MTS. It concerns us” program launched several additional initiatives:

- Launching of the complex charitable project to help the victims of spring flooding in various regions of Russia by writing off MTS cashback. RUB 3.5 million were raised for the non-profit organizations of Orenburg and Orsk (support for families who need to rebuild their homes after spring flooding)
- Launching of a complex charitable project to support the residents in the near-border territories. MTS offered to the MTS Cashback program customers to write off the cashback to charitable organizations that implement support programs for near-border territories residents. This initiative raised RUB 3.6 million.

# >54 million RUB

donated in 2024

# >165 thousand

donations of cashback for charitable purposes from MTS app users in 2024

**MTS. TIMEOUT**

In 2024, MTS Pay and charitable foundation that supports deaf-blind people “Co-unite” launched a charitable promotion “Timeout” to support families with hearing and vision impaired children. The project enables families with deaf-blind children to use a professional nanny who will take care of a child for some time, and to spend the available time for their urgent needs. Under the project, whoever donates on the charitable marketplace <https://mtspay.so-edinenie.org/> will get an individual promocode for MTS Premium subscription for 30 days. During 2024, the project raised RUB 1.7 million of donations, 40 families received help thanks to the project.

**1.7 million RUB**  
donations raised in 2024

**40 families**  
received support under the project in 2024

**PROGRAM “GIVE GOOD!”**

A program of targeted assistance to dangerously ill children that MTS implements in partnership with charitable foundations. All digital activities of users of the MTS “Generation M” digital platform are converted into money, that the Company gives annually to treat dangerously ill children.

**Environment**

**Environmental awareness programs**

Popularization of the culture of conscious consumption, ecology, development of environmental volunteering and ecotourism is also done through state-of-the-art digital technology. The coverage of the MTS educational and enlightenment content on the environmental topic in online and offline formats is more than 2 million people.

**>2 million people**  
covered by MTS educational and environmental awareness projects

**Compensatory plantings**

In 2024, MTS planted more than 40,000 cedar seedlings on 13 hectares of the Altai Republic forest area as part of reforestation. In addition, MTS, with the support of the Sistema Foundation, implemented a project for compensatory planting of spruce and pine trees in the Chelyabinsk, Voronezh and Kurgan regions — a total of 14,750 trees were planted.

# ENVIRONMENTAL CONCERN

**MTS implements some initiatives aimed at reducing the environmental impact and is actively involved in environmental enlightenment among the stakeholders. Transition to a cyclic economy, and introduction of up-to-date digital solutions help to reduce the carbon footprint for not only the entire MTS Group, but for its employees, customers, partners and local communities.**

Environmental concern is an important part of the MTS Group's ESG strategy, being one of its priority areas, and includes three focus subjects: "Responsible Resource Management", "E-Waste Management" and "Carbon Management". These strategic approaches are aimed at reducing the environmental impact and helping to create a more sustainable future both for the Company and society as a whole.

#### Focus subjects of ESG-strategy:

- Responsible resource use
- E-waste management
- Carbon management

MTS activities in environmental protection are based on Russian Federation legislation and are governed by the internal Environmental Policy of the Company. Designing MTS network facilities includes a "List of Actions for Environmental Protection" that is developed in accordance with GOST R 21.1101-2013 requirements.

In 2024, the "Production and Consumption Waste Management" Standard was introduced and finalized to set the requirements for the management of waste generated as a result of the Company's business and other activities at the facilities causing a negative impact on the environment.

#### The standard goals are the following:

- compliance with Russian Federation legislative requirements in the field of production and consumption waste management;
- desire to reduce environmental risks and ensure environmental safety at facilities causing a negative impact on human health and the environment when handling production and consumption waste;
- desire to introduce and maintain closed cycle economy approaches when managing production and consumption waste when conducting the Company's business and other activities.

The Policy "Environmental Safety and Environmental Protection at Administrative Facilities" covers MTS Group activities as well. Company subsidiaries, as they join this Policy, adapt their internal documents in a consolidated manner, taking into account the environmental principles.

The Company has built a unified environmental management system that guarantees compliance with and fulfillment of the environmental legislation codes. Issues of efficient management of environmental risks, as well as related activities and initiatives are governed by the "Ecology" compliance program that emphasizes our commitment to environmental protection and sustainable development.

## Energy efficiency management

As the MTS business grows, both energy consumption and greenhouse gases (hereinafter "GG") emissions increase.

The MTS Group of Companies actively implements various programs and initiatives in the field of energy conservation, including introducing energy-efficient solutions

in their networks, use of artificial intelligence and big data logics, and also events to improve the awareness of employees on the importance of efficient energy use.

The Company develops and implements projects that help to improve energy efficiency in the offices, and also designs digital products aimed at solving problems in this

## Volume of energy resources used by MTS PJSC in 2024

Resource type	Natural expression		MTS Group of Companies MTS, MTS Bank, MGTS, RTC, MTT, MTS Digital, MTS Belarus, DPC Green-Bush
	Quantity	Measurement unit	
Electricity (from the grids)	1,948,977,447.69	kW-h	2,160,583,156.9
Heat energy	46,945.59	Gcal	102,173.7
Water supply	195.4	thous. cbm	325.33
Gas supply	1,281,137.63	cbm	1,833,540.7
Gasoline	2,046.08	thousand liters	2,847.1
Diesel fuel	3,293.0	thousand liters	3,987.5
Liquefied oil gas – propane	8.07	thousand liters	8.1

area. Every year, we reduce the level of energy capacity of the business processes, upgrade the equipment and launch regional energy-saving programs in MTS branches.

To reduce energy consumption by base stations, MTS uses modern energy-saving equipment. Moreover, this segment is a driver for technological innovations and has significant potential for reducing greenhouse gas emissions.

The Company pursues the provisions of the Strategy for Energy Saving and Energy Efficiency in its business, which is an internal document aimed at restricting growth and reducing electricity specific consumption. We follow Russian and international standards strictly, such as, for example, GOST R ISO 50001-2023.

Every year, the MTS branches develop, approve and introduce regional energy-saving and energy-efficiency improvement programs. Implementation of the approved measures becomes one of the main efficiency parameters for the branch directors. To assess the performance of the program initiatives, internal audits are conducted on a regular basis. Additionally, MTS uses renewable energy sources to support reliable operation of base stations in remote and hard-to-access areas.

We pay special attention in our business to the improved efficacy of resource use. In 2024, the volume of power consumed by MTS was 1,948.98 million kW-h that is 0.8% higher compared to the previous period.

## Carbon management

MTS assesses and regularly monitors greenhouse gases emissions. The methodology of estimating and analyzing GG emissions is based on methodological principles compliant with the international norms and cutting-edge practices. Understanding the relevance and importance of the carbon agenda for society, the company regularly discloses a wide range of environmentally significant data about its activities, including resource consumption, as well as volumes of direct and indirect greenhouse gas emissions.

An important 2024 event in the “Environmental Concern” area was the approval of the Greenhouse Gas Emissions Management Strategy (carbon strategy). Under the Road Map of this strategy, the Company takes a number of meas-

ures to reduce the environmental impact of the MTS Group and monitors their completion carefully.

Key goal of the Strategy – 60% reduction in carbon intensity of MTS PJSC by 2030 vs. 2021.

Within the “Carbon Management” area, MTS actively supports decarbonization and contributes to the global fight against climate change, taking into account the climate risks and taking specific steps to reduce its carbon footprint. In 2024, the company started working on a qualitative and quantitative assessment of climate risks.

These risks may be divided into two main categories:

1) Physical risks – related to physical consequences of climate changes (extreme weather conditions, temperature extremes, etc.) For the Company, these phenomena may bear the risk of infrastructural damages, complete shut-downs and temporary failures in the operation of DPCs, offices and base stations.

2) Transition risks – related to potential stiffening of carbon regulation, changes in the international and national regulatory framework, standards and initiatives, requirements of financial organizations and other stakeholders, changes in consumer preferences. For the Company, these phenomena may bear the risk of adverse financial, reputation and legal consequences.

## Closed cycle economic development

Every year, MTS implements initiatives to introduce the principles of a closed cycle economy in the business processes of the Company, maintaining responsible consumption and sustainable resource management.

Since 2020, the company has been implementing the complex ecosystem project “Life Cycle Laboratory”, which promotes environmentally significant changes in different business areas of MTS, including introduction of a system for separate waste collection (hereinafter “SWC”).

The SWC project scaling in 2024 increased considerably the volumes of secondary materials sent for recycling. This was possible due to expansion of the list of separately collected recyclable materials and active involvement of the regions, where MTS does business. Introduction of the separate collection system, and then transfer of waste for responsible recycling were successfully implemented in 22 offices and encompass 11 regions of Russia.

The company pays special attention to e-waste and outdated electronic equipment, since these are industry-specific waste and contain substances that are hazardous for the environment. Electronics handling is regulated strictly in MTS in terms of the contractors having valid licenses for waste collection and recycling.

### Refurbishment program

A refurbishment program is active in MTS that makes it possible to manage the life cycle of the unpopular equipment responsibly. The company tries to minimize the environmental impact and promote a more sustainable future by extending the service life, reusing, recycling and reselling.

In 2024, the MTS Group facilities assembled and transferred to responsible contractors around 1,550 tons of recyclable

materials for reprocessing and environmentally-friendly recycling. Technologies that increase the IT equipment service life were actively introduced. In partnership with SuperWave company, in 2024, under the program of customer equipment refurbishment, 333.4 thousand electronic devices were refurbished, which made it possible to prevent the appearance of 55 tons of plastic and 30 tons of electronic waste. Under the program of customer equipment refurbishment, in 2024, 46,843 kg of plastic and 26,505 kg of electronic components were transferred for responsible recycling.

The MTS Group of Companies works on the comprehensive transition to electronic document flow (hereinafter erred to as EDF), scaling best practices to subsidiaries.

Successful introduction of the EDF system to MTS makes it possible to consistently improve the efficiency of business processes, ease the employees of multiple routine operations and reduce the volume of used materials.

**1550 tons**

of raw materials were transferred for reprocessing and environmentally friendly recycling in 2024

**333.4 thousand**

electronic devices were refurbished under the program in 2024

**Based on 2024 results, the Company with the subsidiaries together sent for processing and responsible recycling:**

<b>125.5 tons</b> of waste paper	<b>&gt;33.5 tons</b> of broken computer equipment and communication equipment
<b>1,466 kg</b> of plastic bottles	<b>13.8 tons</b> of office furniture
<b>264 kg</b> of plastic caps	<b>4,000 kg</b> of ABS plastic
<b>26.3 tons</b> of spent power components and batteries	<b>100 kg</b> of broken glass from kinescopes
<b>7,124 kg</b> of small electronic equipment;	<b>600 kg</b> of fiberglass waste
<b>67.3 kg</b> of telephones	<b>27.3 kg</b> of aluminum

## Environmental awareness programs

**One of the key components in the MTS ESG-strategy is implementing the digital environmental awareness and volunteer projects aimed both at the Company’s employees and partners and the public in the regions of presence.**

MTS actively emphasizes the importance of responsible consumption, environmental concern and support for environmental activities and ecotourism. Every year, the Company expands its audience of educational content users, making it available for various categories of the public. We use state-of-the-art digital technology to make environmental awareness available and transparent for everyone, inspiring society to protect nature actively.

The environmental awareness projects of MTS combine the experience and expertise of the Company in developing innovative and technology-savvy products, large social potential of the employees, who act as minds behind and drivers of this area, and also the request from the regions of MTS presence for technology-savvy and interesting digital products, making it possible to easily master environmental patterns in nature and daily life of people. The total coverage of online and offline projects on the topic of environment is more than 2 million users from all over the country.

### 2024 environmental awareness projects

**“What is an environmental footprint and how do digital technologies help to reduce it”**

The first inclusive online lesson is available for hearing- or vision-impaired people.

**“Digital footprint calculator”**

The project makes it possible to find out how our actions with digital devices and services impact on the environment. The calculator will help to estimate how much carbon dioxide appears on the planet as a result of the digital life of a person in 1 year.

Additionally, the Company initiates large-scale environmental enlightenment programs annually, encompassing all MTS Group employees. In 2024, the Company started developing the internal corporate environmental enlightenment project “Inspire (Be Inspired)” that will be dedicated to environmental friendliness and preservation of resources using state-of-the-art digital technology. This project is aimed at inspiring employees to active steps, promoting sustainable development and nature protection, and to improve awareness of the importance of responsible consumption in daily life.