

MTS GROUP GOVERNANCE SYSTEM

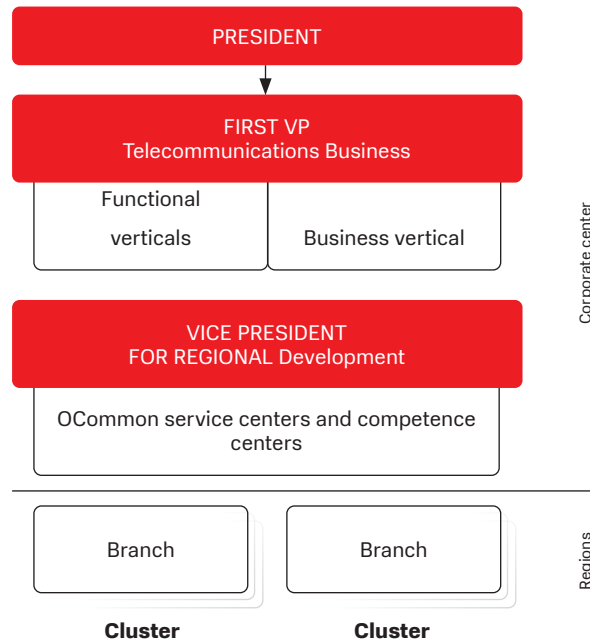
\\ The Group management model is formed for the purpose of building up an ecosystem strategy.

Corporate Center:

- determines common strategy of the Group, uniform standards, regulations and management procedures,
- looks for new points of growth through the development of new businesses by the creation and commercial manufacture of innovative products,
- develops strategy and implements the investment policy,
- manages the brand,
- defines operational and functional norms, regulations and key indicators for all Business Units,
- controls fulfilment of the business plan by all units of the company,
- carries out large-scale purchases of media resources, equipment, and IT products in the interests of the entire Group, and
- assists in distribution of best practices within the Group.



MTS PJSC is successfully implementing the goals on strengthening of its leadership and maintenance of high business efficiency due to an effective management of the Group.



Vice President for Regional Development carries out a strategic management of Cluster Branches

Branches exercise a day-to-day management of activities in the Region.

Coordination Commissions by the main areas of activities are operating for the discussion of strategic and operational issues at the expert level.

Moscow region and MGTS

Formation of a single structure of commerce and marketing management in Moscow and the Moscow Region

A tariff and a product line were formed, a single sales scheme for all market segments was agreed upon, and sales of communication services on behalf of MTS were launched.

MAIN BUSINESS AREAS OF THE GROUP

Telecommunications

Key competences, core business. Our accumulated intellectual, organizational and management potential is used as the basis for identifying points of growth on adjacent markets, using the synergistic effect of interaction with the parent company.

Retail (MTS Retail Chain)

is a key channel of customer involvement and service. Our subscribers can always receive in MTS offices a full range of services provided by the operator, including of services of the broadband access to the internet and television. Home retail chain of MTS, having combined the capabilities of telecommunication and banking technologies, is a key integration tool of the operator and MTS bank. Using this channel to sell financial services and promote the consumption of data-transfer services, including by selling our own range of branded subscriber devices, encourages an increase in operational efficiency.

VERTICALS ALONG SEPARATE BUSINESS AREAS OF THE GROUP ARE FORMED TO BUILD UP COMPETENCIES AND TO RESEARCH THE POSSIBILITY TO ACHIEVE SIGNIFICANT SYNERGIES

Cloud and digital solutions for the business market

A new vertical combines Cloud, IoT, and System Integration areas

Development of the strategic business area M2M/IoT Providing cloud services for large business in all regions of operation in Russia. Cloud platform, own, branched network of trunk and city communication channels and purchase of cloud provider IT Grad and Avantage DC.

Provision of complex services in the field of IT, communication and system integration

Bank and Financial Services (MTS Bank)

An increased share in MTS Bank authorized capital allowed us to become an integrated provider of telecom and financial services, use the synergy of the two areas to increase the loyalty and monetization of customers, become the first provider of financial services for the largest subscriber base in Russia in order to increase the loyalty and service life of subscribers and boost ARPU. A unified vertical to manage Group's financial services was created.

MTS Media

Development and operation of a TV platform, production and purchase of content, all types of TV (Satellite, OTT, cable, analog TV, and IPTV)

Customer Experience and Marketing Unit

Integrated CRM and CLV management, MTS Cashback loyalty system

Telecommunication Business Unit

Sales and Service Channels

KEY FUNCTIONAL SUBSYSTEMS

Design and development of billing platform (MTS-IT)

Ensuring a unified structure engaged in development of the billing system and some other key IT systems, for all business verticals, simplification and acceleration of software-product testing processes and the optimization of internal IT expenses. Single ID.

BigData и AI