Dear colleagues,

In today’s world, digital technology has become the main driver for our technological and socio-economic development. Therefore, the responsibility in this area rests with telecommunications operators, who represent a key center of competencies and take a special role in leading the way.

This was especially obvious in 2020, the year marked by coronavirus pandemic, whose scale has emphasized the importance of the efficient and uninterrupted provision of traditional communications services and new digital solutions to ensure social and economic resilience worldwide. Remote work, education and social services the government and businesses deployed in the shortest possible time to support people — all this infrastructure was built with our technologies: from food and medication delivery to telemedicine and monitoring of the current situation. Throughout the year, telecom operators and other emergency services were kept at the leading edge — a lot was dependent on the readiness of our networks.

This was the challenge that gave us additional impulse to accelerate the implementation of network expansion and modernization projects aimed at improving access to the Company’s services even in the most remote corners of our country. Investments in infrastructure development ran at a five-year high, which enabled Beeline to continue the record-breaking construction of base stations and increase its 4G coverage by 25% over the year.

Equal access to information and educational programs for various social groups, including vulnerable ones, is without doubt, the most important social aspect of digitalization. Raising the digital literacy of communities, supporting the inclusion agenda and reducing inequality are essential to Beeline’s strategic vision of sustainable development, as well as they are a means of achieving the UN Sustainable Development Goals. Beeline was the first Russian company to join the global movement to promote inclusion and equal opportunities — The Valuable 500 — and our practices in this area are highly recognized by both national and international expert communities.

I want to emphasize that our employees are the main driving force and guarantor of operational continuity, while their safety and well-being remain our top priority. At the end of 2020, the BeeFREE platform enabled 94% of the Company’s office employees to work remotely. We continued to invest in our staff so that they could grow as professionals by offering new e-learning courses that enhance their skills and competencies and launching training programs to meet the increased responsibility and challenges of remote working.

All Beeline’s big and small wins are visible evidence of the effective interaction between our employees and customers. Following the course of the strategy we chose, we continue to look for new partnerships and cooperation with stakeholders. And we believe that this approach will result in the ongoing development of our business and businesses of our partners, the socioeconomic potential of our country, and the living standards of the population.

Alexander Torbakhov,
CEO at VimpelCom PJSC
Dear friends!

I am pleased to present VimpelCom’s Sustainability Report for 2020.

In the reporting year, we stayed on track with the development of our initiatives and introduction of digital technologies to address pressing issues in society. We are looking to find the right solutions to achieve consistent improvements and make a meaningful social impact based on global trends and best practices in the telecommunications industry.

In 2020, we made good progress on our sustainability strategy by measuring technological innovation’s social impact. We adopted new corporate governance practices, integrated sustainability reporting in the Annual Report submitted to the Board of Directors and outlined a trajectory of movement toward comprehensive ESG agenda management. An active supporter of the global trends for rethinking inclusion, Beeline offered a number of programs developed using modern technology and aimed at increasing the opportunities for social integration of people with disabilities and people experiencing various health conditions, as well as the elderly in the modern digital society. Thus, in November 2020, we launched a unified ecosystem of inclusive projects: the BeelInclusion platform, which combines the operator’s in-house tech solutions with partners’ projects and technologies.

In the fall of 2020, we took part in a large-scale project to study the lifestyles and values of older people constituting conclusive proof that online is becoming an integral part of their lives. Expanding the Company’s plans in the inclusion agenda has taken root in these insights: not only do we create and develop our technology, but we also actively cooperate with socially oriented startups that aim to implement digital technology to improve the quality of life and attain better integration of persons with disabilities in the society.

Although telecommunications operators do not have a significant negative impact on the environment, Beeline strives to support initiatives that could contribute to resolving local and global environmental issues. We are focused on improving energy efficiency of our facilities, developing appropriate digital solutions for customers, and making the informative disclosure of environmental performance parameters more effective. In 2020, responding to the global challenges of food security and biodiversity conservation, we launched the Save the Bees information platform for farmers to notify beekeepers when they start treating their crops with chemicals, thus reducing the risk of insect poisoning and tackling insect population decline.

Together with the LizaAlert search and rescue team, we continued to develop solutions for searching missing people. We conducted the first rescue operation with the help of our artificial intelligence technology Beeline AI — Search for Missing People. It was highly appreciated by Russian and international experts and recognized in the GSMA Global Mobile Awards 2020 (Best Mobile Operator Service for Consumers category), as well as won in the Unique Synergy category of Russia’s first-ever professional award in sustainability impact assessment Change Management. Visionaries 2020 and ranked first in the Corporate Philanthropy Leaders 2020 competition of charity programs. Learn more about our sustainability projects and initiatives in the Report, and I hope it will help you better understand our values and approaches to the challenges we face.

Kind regards,

Evgeniya Chistova,
Head of Sustainability at VimpelCom PJSC
01 About the Report

Report Preparation ........................................................................................................ 6
Material Topics for the Telecommunications Industry According to SASB .................. 7
Material Topics of VimpelCom PJSC ........................................................................ 8
Report Preparation

Dear readers, we are pleased to present to your attention the fifth Sustainability Report (ESG Report) of Public Joint Stock Company Vimpel-Communications (hereinafter referred to as VimpelCom PJSC, VimpelCom, the Company, or Beeline).

The ESG Report includes information on the Company’s main results in social, environmental, economic and governance areas in 2020, addressed to a wide range of stakeholders. (102-50)

It focuses on the sustainable development strategy and key projects implemented as part of it, as well as relevant topics raised in 2020: countering the COVID-19 pandemic and deploying Beeline’s new digital solutions to boost the Russian economy and solve important social problems.

Disclaimer

The Report may contain the information about the Company’s plans and intentions for the short, medium and long term. These plans and intentions are forward-looking, and their implementation depends, among other things, on a number of economic, political and legal factors outside the Company’s area of influence (global economic and political environment, state of key markets, changes in industry legislation, etc.). For this reason, the actual performance indicators for future years may differ from the forward-looking statements published in this Report.

In preparing the Report, we were guided by the following practices:

- compliance with the GRI Standards (Core option);
- disclosure of the Company’s contribution to the implementation of the UN Sustainable Development Goals for the period up to 2030 (hereinafter referred to as the UN SDGs), including by means of using a number of indicators proposed by the UNCTAD guidelines on key indicators that target the achievement of these goals; (102-12)
- the UN Guiding Principles on Business and Human Rights;
- alignment with key metrics of the Sustainability Accounting Standards for the telecommunications industry.

The scope of the Report covers activities of VimpelCom PJSC carried out within the Russian Federation, as well as of its key Russian subsidiaries in respect of some indicators. For more information on the scope, see Appendix 3. GRI Content Index hereto. (102-45) (102-48)

When preparing the Report, there were no significant changes in the scope compared to the report for 2019. If the methodology for calculating indicators changes, relevant stipulations are included in the text. (102-48) (102-49)

The Report has been confirmed by an independent expert for compliance with the GRI Standards. Read the Auditor’s Report in Appendix 6 hereto.
Material Topics for the Telecommunications Industry According to SASB

This Report is guided by the metrics that are material to the telecommunications industry in accordance with the SASB’s1 Sustainability Accounting Standard for the Telecommunication Services Industry. By adhering to this Standard, we look forward to making the disclosure of sustainability risk and opportunity management indicators more informative for our investors and stakeholders.

1. Sustainability Accounting Standards Board (SASB)
Material Topics of VimpelCom PJSC

We engage a broad range of stakeholders in our day-to-day operations. We believe that ongoing dialogue fosters financial metrics and operational processes, as well as new eco-friendly solutions for the country’s social and economic progress and our Company’s success.

To present our data in more detail, we conducted a stakeholders survey on the following parameters:

- impact on VimpelCom’s performance and achievement of strategic goals;
- impact on the economic, environmental and social spheres in the regions where VimpelCom operates;
- impact on assessments and decisions made by stakeholders.

A total of 19 topics were rated, and the following ones were recognized the most material:

- business ethics, human rights and anti-corruption;
- privacy and data security;
- service quality;
- development of telecommunications infrastructure;
- economic development and performance;
- decent working conditions and safety.

**Stakeholder Survey**

Beeline strives to take into account the interests of all stakeholders when making decisions on sustainability disclosure.

We interviewed 1,378 representatives of stakeholders to draw up the ESG Report:

- 13 management representatives;
- 24 external stakeholders;
- 112 employees;
- 1,229 customers.

As usual, we conducted a large-scale survey of our subscribers in social networks: the respondents could choose one or more topics that are of greater interest to them in the context of the Company’s sustainable development, which became part of the materiality determination procedure.
In 2020, the heightened interest of Beeline customers in social matters was not lost, and the most popular topic was Respect for Human Rights. Our Report encompassed a thorough description of the Company’s approaches in this area, which you can find in the Human Rights section.

Furthermore, the Responsibility for Products and Services topic also stayed in the center of our customers’ attention. There are separate sections in the Report devoted to infrastructure development, digital services, service quality improvement, and information security, along with a subsection about mobile communications security.

Other topics were also chosen as significant and detailed as they should be.

For more information about materiality identification and the Materiality Matrix, see Appendix 1.

---

Survey findings. The most relevant topics according to the Company’s subscribers

<table>
<thead>
<tr>
<th>Topic</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Respect for human rights</td>
<td>49.23%</td>
</tr>
<tr>
<td>Responsibility for products and services (service quality, data security, confidentiality, etc.)</td>
<td>42.88%</td>
</tr>
<tr>
<td>Contribution to the development of the digital economy (digital innovations and telecommunications infrastructure expansion)</td>
<td>32.87%</td>
</tr>
<tr>
<td>Energy efficiency, rational use of natural resources</td>
<td>27.42%</td>
</tr>
<tr>
<td>Economic development and financial results</td>
<td>25.31%</td>
</tr>
<tr>
<td>HR management, decent employment, employee training and development, occupational safety</td>
<td>25.06%</td>
</tr>
<tr>
<td>Transparency and dialogue with stakeholders</td>
<td>22.62%</td>
</tr>
<tr>
<td>Compliance with international and national telecommunications standards</td>
<td>22.46%</td>
</tr>
<tr>
<td>Innovative products to address environmental and social problems, in particular, inclusion</td>
<td>22.21%</td>
</tr>
<tr>
<td>Corporate governance, business ethics</td>
<td>21.48%</td>
</tr>
</tbody>
</table>

2. The diagram shows the percentage of respondents who found a specific topic as significant.
02 COVID-Response 2020

Facing the Pandemic.
Business Continuity and Service Availability
The global coronavirus pandemic is the number one external force and a factor that impacted the performance of companies and the socio-economic picture in 2020.

But we have managed to continue our business processes thanks to preventive measures and technical capability. Against the backdrop of COVID-19, Beeline — as one of the largest telecom operators in Russia — provided its customers with uninterrupted access to basic communication services: mobile and fixed-line telephony, the Internet, cloud services, and applications.

Such a result would not have been possible without a reliable methodology and internal process control systems. The Company operates a business continuity management procedure on the ISO 22301 standard. Company employees are regularly trained in business continuity management and participate in tests to check if disaster recovery plans work as they should be as well as the level of response to force majeure. In case of emergencies, including epidemics, inaccessibility of key buildings, offices or one of the data centers, the Company has procedures in place that are focused on ensuring the safety of personnel and restoring the functioning of services as soon as possible. These procedures provide for detailed instructions and action plans to cover all levels of management, from Company managers to application administrators.

Besides, the Company prepared and adopted a business continuity management strategy in 2019 that defines actions to be taken over the next three years. These include:

01 support, development, and analysis of the Company’s continuity plans, as well as Business Impact Analysis (BIA) and tests of disaster recovery solutions;

02 assurance that the Company’s divisions employ skilled, experienced, and capable recovery teams by organizing regular training and assessment activities;

03 update of the business continuity management system, where resilience improvement and vulnerability reduction should be seen as an aspect of a sound strategic direction;

04 increased staff awareness of emerging risks and activities in uncertain situations.

The Company’s data centers have Tier III Gold Certification of Operational Sustainability, which ensures their high reliability and fault tolerance in case of accidental failure or failure of individual components.

The Company also applies all procedures and standards to its partners and contractors, thereby covering the entire life cycle of network development and operation.
Facing the Pandemic: Business Continuity and Service Availability

2. COVID-Response 2020

BeeFREE Infrastructure Solution for Remote Employment

In 2016, the Company rolled out a project of BeeFREE systems for remote interaction, which made it easy to transfer a large number of employees to remote work while reducing administrative costs and not losing productivity.

Throughout 2020, the number of homeworkers surged by 28%, which dramatically reduced health risks to Company staff and prevented the outbreak of the disease in its management and labor teams.

Being one of the leaders in terms of telecommuting in Russia, the Company quickly developed the BeeFREE packaged telecommuting solution based on the concept of Workplace-as-a-Service (WaaS) and started to offer other companies services and expertise in this matter. The package aggregates the most popular and trustworthy solutions, including Virtual Desktop Infrastructure (VDI) remote workstations, Cloud PBX and FMTN (combining mobile and office phones into a single network), Remote Workforce Monitoring, Mobile VPN, video and audio conferencing, Microsoft Teams and Office 365, and Mobile Enterprise for small businesses.

In the reporting year, the demand for complex BeeFREE products has increased significantly on the back of measures introduced in the Russian Federation to combat COVID-19 infection. At peak periods, sales of remote work solutions in March–April 2020 nearly tripled year-over-year. At the end of 2020, the Company recorded about 60 thousand enterprises across the country that connected to its network and received positive feedback. With BeeFREE, corporate customers adopted to the new environment in no time and managed to keep jobs, which helped them to stay on track and their teams to be resilient.

Open Knowledge

Beeline also gives advice on remote working and using and configuring the BeeFREE packaged solutions, as well as runs training programs on working at home. Specifically, we hosted an open webinar in March 2020 and shared our long experience in this area. Its participants learned how to transfer employees to a remote format so that daily business processes may not be affected; how to manage employees who can not come to the office; which business processes changed due to telecommuting; what are the main stages of such project implementation; or what challenges Beeline faced when implementing this particular project.

Social Support for Communities

Free Services. The Company provided as much assistance as possible in the execution of government initiatives related to limiting the spread of coronavirus: ensured free coronavirus hotline, expanded the list of services that help combat the effects of COVID-19, increased the number of minutes and megabytes available to subscribers in roaming five times without raising the cost of these services. For our broadband access subscribers, we have developed a socially oriented offer for Internet access even with a zero balance.

Psychological Counseling. Beeline supported the family placement hotline operated by the Foundation Volunteers to Help Orphans: since April 2020, its volunteer psychologists have been counseling families who are experiencing stress and need psychological help due to the pandemic and lockdown.

Yoga for the Visually Impaired. During lockdown in 2020, when online fitness has become especially popular, it turned out that people with visual impairments were left out completely, as no such Internet activities were adapted for them. With Beeline’s support, our inclusive partner Everland created an online yoga course for visually challenged people.
In March 2020, VimpelCom launched Cube!

Mobile application for access to websites of the main federal and regional authorities classified by topic. All links in the catalog are grouped into State Services, Healthcare, and Authorities. As a measure to support the authorities’ efforts to fight coronavirus, the Cube! app has a Coronavirus Information category in section Healthcare, where links to information resources contain up-to-date data on preventing the disease.

Subscribers of any telecom operator can install and use the application; Beeline subscribers in Russia are not charged for the traffic. Thus, a Beeline customer will be able to use any public service, as well as the map, even with a negative balance (if their number is not blocked) or without a mobile Internet package. This is especially helpful for older people who often choose low-cost tariffs that come with a small Internet package. Another advantage is the user-friendly navigation. And one more point that is worth mentioning is that Cube! does not handle personal data of subscribers.

Social Support for Employees. BeeWINNER Project

To improve employees’ quality of life amid the COVID-19 pandemic and lockdown, the Company introduced a new employee well-being program — BeeWINNER — to encompass physical, social, psychological, and family well-being projects. The program is focused on helping Company employees embrace the new reality and the turbulence. It includes sports challenges, hotlines, meetings with psychologists, eco-community, and hobby clubs.

The program offers everything one needs to live a full, vibrant, and interesting life both on and off the job. The opportunities that the Company has for its employees are all in one place: sports clubs, mental health marathons, communities of interest, financial literacy, and professional development tools.

For 2 months, BeeWINNER

- **23 events**
  - including new formats: a marathon, sports challenges, hotlines, meetings with a psychologist, and a book club;

- **11 communities and clubs**
  - organized with a total number of participants/subscribers of around 3,200 people;

- **4,200 people**
  - who took part in its events.

For more information on the Company’s initiatives to counter COVID-19, visit https://moskva.beeline.ru/customers/pomosh/mobile/covid-19/.
03 About the Company

Beeline at a Glance .................................................................................................................. 15
Key Financial and Operational Indicators ................................................................. 16
Key sustainability indicators (ESG aspects) ............................................................... 17
Key Events .......................................................................................................................... 18
Sustainability Awards ....................................................................................................... 19
Beeline at a Glance

VimpelCom PJSC is one of the largest communication providers on the Russian market and operates under the Beeline brand, which is one of the most well-known and recognizable brands in the country.

We are one of the top 3 players in the Russian telecommunications market, and our customers and partners are individuals, small, medium, and large enterprises, multinational corporations, and telecom operators.\footnote{(102-1) (102-2) (102-5) (102-6)}

Our Company provides mobile and fixed telephony services, international and long-distance communications, converged (bundled) offers, cloud services, and digital products, wireless and wired Internet access, home and mobile television, as well as business solutions developed on the basis of fixed-line telephony.

The Company is certified to provide long-distance and international telephony services in the Russian Federation and its 83 territorial entities, including:

- intra-zone telephony;
- local telephony, with the exception of local telephony using payphones and means of collective access;
- mobile telephone communications of GSM, 3G (UMTS) and LTE standards with subsequent modifications.\footnote{(102-4) (102-6)}

Besides, the Company has licenses to provide data transmission communication services, telematic communication services, communication services for various communication channels, and communication services for cable broadcasting across 83 regions of the Russian Federation, as well as communication services for wired broadcasting in 38 regions of the country.

VimpelCom PJSC is part of the VEON Group, an international telecommunications company headquartered in Amsterdam, Netherlands. The VEON Group is one of the leading international integrated telecom operators serving more than 210 million customers in 9 countries worldwide.

VimpelCom PJSC is part of the international holding VEON

\begin{tabular}{lccc}
& top-3 & 29 & \\
players in the Russian telecom market & years on the Russian market & & \\
83 & subjects of the Russian Federation & 56 & thousand companies of corporate Beeline clients \\
210 & million clients & 9 & countries of the world \\
\end{tabular}
Key Financial and Operational Indicators \(^3\) (102-7)

- **Mobile traffic, million GB**
  - 2018: 1,772.8
  - 2019: 2,733.5
  - 2020: 3,573.0

- **Revenue from sales of services, million rubles**
  - 2018: 291,863
  - 2019: 290,049
  - 2020: 274,377

- **EBITDA, million rubles**
  - 2018: 102,819
  - 2019: 122,927
  - 2020: 103,817

- **CAPEX, million rubles**
  - 2018: 48,517
  - 2019: 63,668
  - 2020: 73,788

3. VimpelCom PJSC publishes performance indicators in the Russian segment. For more information about all segments of the Company’s business, see the Consolidated Financial Statements for 2020 and 2019 (Segment Information section).
### Key sustainability indicators (ESG aspects)

#### Sustainability performance indicators

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lives saved in the framework of cooperation with &quot;LizaAlert&quot; (with the participation of Beeline technologies, about 32 000 searches were implemented)</td>
<td>23 294</td>
</tr>
<tr>
<td>Disabilities at work</td>
<td>200 specialists</td>
</tr>
<tr>
<td>Number of donations from Beeline subscribers in favor of charitable foundations</td>
<td>700 million rubles</td>
</tr>
<tr>
<td>Companies trusted Beeline's remote employment technologies to ensure business continuity</td>
<td>60 thousand companies</td>
</tr>
</tbody>
</table>

#### Economy

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Capital expenditures — investments in infrastructure</td>
<td>73.8 billion rubles</td>
</tr>
<tr>
<td>Length of fiber-optic communication lines</td>
<td>&gt;107 thousand km</td>
</tr>
<tr>
<td>Subscribers Beeline serves</td>
<td>&gt;49 million</td>
</tr>
<tr>
<td>Corporate customers Beeline serves</td>
<td>&gt;300 thousand</td>
</tr>
<tr>
<td>Households are connected to Beeline's fixed-line network</td>
<td>2.8 million</td>
</tr>
<tr>
<td>Business centers are connected to Beeline's fixed-line network</td>
<td>6.2 thousand</td>
</tr>
</tbody>
</table>

#### Society

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of people employed by the Company</td>
<td>23 259</td>
</tr>
<tr>
<td>Employees with disabilities employed in the open labor market with the help of the Everland inclusive platform</td>
<td>600 people</td>
</tr>
<tr>
<td>Hours of employee training</td>
<td>604.7 thousand</td>
</tr>
<tr>
<td>% of employees directly involved in GHG emissions</td>
<td>94% employees</td>
</tr>
<tr>
<td>% of administrative offices and 60% of the Company's total employees working remotely</td>
<td>604</td>
</tr>
<tr>
<td>% of employees allocated for social assistance</td>
<td>0.22</td>
</tr>
</tbody>
</table>

#### Environment

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total energy consumed</td>
<td>3 304 TJ</td>
</tr>
<tr>
<td>Direct GHG emissions of water consumed</td>
<td>1,97 thousand CO2 eq.</td>
</tr>
<tr>
<td>Natural Free Cooling technology</td>
<td>64.7 thousand m³</td>
</tr>
<tr>
<td>Cooling of the Yaroslavl data processing center's modules with Natural Free Cooling technology</td>
<td>88%</td>
</tr>
</tbody>
</table>
Key Events

**Economy, infrastructure and digital innovation**

- The construction of two more modules for the Yaroslavl data processing center completed
- The coverage of Moscow metro stations and most of the surrounding tunnels with 4G reached 100%
- Improved communication quality: the number of base stations increased by 25%
- VimpelCom launched Beeline.Promotion, a multi-channel digital platform for small and medium-sized businesses
- A 5G zone was piloted in the Sevkabel Port urban space in St. Petersburg
- VimpelCom successfully put the first LTE station on the air on the Gyda Peninsula of the Yamalo-Nenets Autonomous District

**Social Services**

- Beeline rolled out a single ecosystem of inclusive projects — the BeeInclusion platform
- Together with the Young Old project lab, Beeline conducted a large study of preferences and interests of the new generation of seniors, i.e. the Company’s customers aged 60+
- Beeline has confirmed its commitments within the framework of the international movement for the development of inclusion of The Valuable 500
- The first rescue operation was conducted with the help of our solution: Beeline AI – Search for Missing People. In total, more than 30 thousand search operations were carried out using Beeline technologies
- VimpelCom introduced a new program for its employees called BeeWINNER which includes physical, social, psychological and family well-being projects

**Environmental Protection**

- Beeline deployed an information platform Save the Bees designed to save the insects from mass extinction in Russia
- The Company prepared and adopted a new Environmental Policy
- The Company launched an Energoconsult service in order to provide expert support on energy cost efficiency to its small and medium-sized customers
Sustainability Awards

«White Square» 2020
Gold, silver, and three bronze awards for the Save the Bees project at the White Square International Advertising and Marketing Festival 2020 (Voice Activation, Mobile Tech and Innovations, Change for Good, Use of Real-time Data, and Social Data & Insight categories).

EFFIE AWARDS RUSSIA 2020
Bronze award for the Recognized Man is Saved Man project, launched by Beeline in cooperation with the LizaAlert search team, in EFFIE AWARDS RUSSIA 2020 (Positive Contribution to Society and Sustainable Development category).

EFFIE AWARDS RUSSIA 2020
Award for the Recognized Man is Saved Man project, launched by Beeline in cooperation with the LizaAlert search team, in EFFIE AWARDS RUSSIA 2020 (For Effective Integration of the UN’s 17 Sustainable Development Goals category).

EFFIE AWARDS RUSSIA 2020
Silver award for the To Get Lost Does Not Mean to Be Gone project, launched by Beeline in cooperation with the Contrapunto agency and the LizaAlert search team, in EFFIE AWARDS RUSSIA 2020 (Positive Change category, BEST OF EUROPE).

GSMA Global Mobile Awards 2020
Award for our AI-based solution Search for Missing People in the GSMA Global Mobile Awards 2020 (Best Mobile Operator Service for Consumers category).

«People Investor: Companies that Invest in People»
Award for an online platform for education and subsequent employment of people with disabilities, implemented together with the Everland inclusive social and entrepreneurial project, in the People Investor: Companies that Invest in People 2020 (Building Relationships with Partners and Customers category).

«Unique Synergy»
Victory for the Beeline AI – Search for Missing People neural network solution, created by Beeline for the LizaAlert search team, in the first Russian professional sustainability assessment award Change Management. Visionaries 2020 (Unique Synergy category).

«Corporate Philanthropy Leaders»
First place for the Beeline AI – Search for Missing People neural network solution, created for the LizaAlert search team, in the contest of charity programs Corporate Philanthropy Leaders 2020 (The Best Program (Project) that Uses Information Technologies to Achieve the Sustainable Development Goals category).
Corporate Strategy. Prioritizing Sustainability

Rapid business growth is the main focus of Beeline's strategy. To achieve this goal, the Company is looking to develop its own digital ecosystem with the help of partners who have digital knowledge in demand.

This requires a large-scale transformation of Beeline into a modern digital operator to satisfy the interests of customers, partners, and society as a whole. Business strategy involves a company that outsteps classic telecom business and provides a wide range of services based on the development of digital financial technology, artificial intelligence and big data.
Revenue Growth

Beeline keeps its focus on cumulative revenue growth across the board: mobile and fixed-line telephony, retail chain, and new digital products for corporate and retail customers.

Customer Base Growth

Expanding the base of mobile communication customers is traditionally a key driver of revenue growth. The Company invests more in the mobile network to stay competitive in the core business segment. We will continue to make investments in fixed-line telephony so that our customers have a complete convergent service, including mobile communication, fixed Internet, and TV throughout Russia.

Cost Optimization

We are ambitious of to get the best cost efficiency in our industry as well as full transparency of our expenses.

For Beeline, operational efficiency is about finding the right balance between the resources involved and the result, as well as careful and rational attitude towards resource management is key for the culture and the Company's entire business. Therefore, Beeline’s strategy puts emphasis on the creation of tools for a deep and all-around analysis of business processes.

Building Partnerships

Contribution to internal and external partnerships also brings the Company closer to the implementation of its strategic goals.

Teaming up with partners, the Company responds to the changing needs of customers faster and thus boosts their loyalty.

We are introducing the terms “partner” and “customer” to our system of corporate values on an equal footing, which takes a fundamental restructuring of our relationships with partners, including general automation, speed-up of procedures, attention to the needs, and commitment to value creation.

Strengthening Internal Processes

Internal processes have to be in line with strategic objectives and provide for operational efficiency and effectiveness. To this end, the Company incorporates new tools for cross-functional work.

Beeline is continuously improving its financial and business models, IT systems, and business practices in contracting, sales, and marketing.

We aim to be the number one partner in Russia for B2B and B2C segments, as well as provide the conditions that would meet our partners’ strategic interests and maintain sustainable cooperation with them for the years ahead.

Expanding Our Service Portfolio

The evolution of new digital services is also to become one of the main revenue growth sources.

The Company considers the following areas as promising:
- Beeline TV and media;
- financial technologies and payment systems;
- digital advertising.

Beeline seeks to develop these areas both independently and in cooperation with partners while providing aggregated services and content and opening new opportunities for customers. We will keep watching for new bright ideas to create in-house products and services.

Performance Assessment of Investment Projects

The high efficiency of Beeline’s investment expenses is ensured by giving priority to investment projects based on their possible impact on business development. The Company takes good care of its resources, and at the same time is ready to invest more in projects that can generate better profitability.
## Sustainability Strategy (ESG Strategy)

The Sustainability Strategy of VimpelCom PJSC rests upon its values: customer focus, responsibility for results, team spirit, search for innovative solutions, honesty, reliability, and transparency.

Not only the quality of communication services but also system changes in various areas of life we see as our mission: from building a new digital economy model to creating and developing business solutions of major importance for society. Social innovation that has a huge effect on infrastructure remains our key priority. We strive to draw on telecom technologies to raise the living standards of all our stakeholders.

### VimpelCom’s Sustainability Principles

<table>
<thead>
<tr>
<th>Responsibility</th>
<th>Understanding the extent to which the Company influence economic, social and environmental areas and strives to make its influence as beneficial as possible with the help of technologies, expertise and brand power.</th>
</tr>
</thead>
</table>
| Social Relevance | Choosing projects and focus and investment areas that meet the three criteria:  
+ correlation with the core business,  
+ emphasis on technology and innovation development instead of direct financial investment, and  
+ important and consistent benefits for society. |
| Inclusion and Human Rights | Supporting the UN Guiding Principles on Business and Human Rights: creation of conditions, practices and provisions of fair and equal treatment for everyone regardless of health, gender, age, nationality, religion, etc. |
| Information Transparency | Clear intentions and decision-making principles in respect of issues that may have a significant impact on society, economy and environment: we are committed to explicit, timely and full reporting. |
| Good Business Practices | Behavior that meets the requirements of generally accepted practices of business conduct, including international ones. Zero tolerance for corruption and violations of business ethics. |

Maintaining an ongoing dialogue with stakeholders reflects how we approach sustainability. The Company’s core principles here are regular assessment of its impact on the economy, environment and society, as well as the pursuit to produce the most positive effect in these areas.
Sustainability Strategic Priorities

Our strategic ESG-priorities:

- business continuity
- responsible business practices
- environmental efficiency
- promotion of social progress
- development of inclusive practices
- development of a system of searching for missing people.

VimpelCom PJSC defines the following strategic priorities for sustainability:

**Responsible business practices, sustainable business processes and business continuity.**

Providing ongoing high-quality services for customers and building tolerant business processes in compliance with leading global requirements for business ethics, transparency, safety, and management, continuous improvement of corporate governance practices.

**Environmental management**

Developing and implementing a climate strategy, assessing and minimizing own environmental footprint, offering smart agricultural solutions and innovative products for corporate customers, and monitoring and preventing environmental disasters to improve energy efficiency and environmental protection.

**Developing technologies for social sector.**

Digitalization of economy, inclusion - providing access to health care and education, developing available infrastructure, considering equal rights and opportunities for everyone, supporting diversity and availability of services for older people, people with disabilities, and migration or involuntary resettlement experience; technologies and effective systems of searching for missing people and responding to emergencies.

Our approach to the sustainability strategy: responsible business practices, social technology and environmental efficiency.
# ESG Strategy and Goals Until 2023

**E – Environment**
- Energy efficiency: 100% of Beeline’s technological infrastructure is equipped with a carbon footprint metering system, and the Scope 2, Scope 3 metering system is implemented
- Environmental management: joining the Carbon Disclosure Project (CDP) initiative
- The Waste Disposal Regulation was developed and implemented
- Joining the GSMA Climate Action Taskforce Initiative
- ISO 14001 environmental management certification

**S – Social**
- Search for missing people: 100 thousand people are involved in volunteer search teams using Beeline technologies
- Diversity & Inclusion policy developed, initiatives to involve employees in educational initiatives
- Inclusion. A comprehensive ecosystem of inclusive projects based on digital technologies has been created: adaptive solutions, employment, programs to support equal access and inclusion in the main spheres of public and economic life
- Technologies for the social sector are an important part of the portfolio of innovative projects

**G – Governance**
- ESG aspects were introduced into all relevant procedures of the Company and distributed across the supply chain
- ISO 26000 certification
- A unified certification center for responsible practices was established
- Responsible supply chain-improving indicators of disclosure of the environmental footprint and social impact of suppliers (Scope 2, Scope 3)

By 2023, the Company plans to develop KPIs in the field of sustainable development until 2030 in accordance with the current trends of the ESG agenda.
Beeline and UN Sustainable Development Goals

When implementing the Sustainability Strategy, Beeline focuses on the UN Sustainable Development Goals (SDGs) adopted as part of the Sustainable Development Agenda at the UN General Assembly in 2015. They combine the world community’s key social, economic and environmental goals until 2030.

The particular nature of our business, which requires ongoing growth and introduction of high-end digital technologies, allows us to implement projects to develop infrastructure, digital transformation of the economy and society, provide access to health and education services, as well as support the diversity agenda and accessibility of services for older people, people with disabilities, migration and involuntary resettlement experience, etc. We strive to significantly contribute to implementing the UN Sustainable Development Agenda by creating an ecosystem of inclusive projects, expanding the high-speed network coverage in distant regions, and developing the new generation 5G network in the industry.

As part of our operations, VimpelCom identifies nine SDGs that are relevant for the business and share the same strategic priorities, with special attention given to goals 3, 8, 9, 10, and 17.

**Economic sphere**

Promoting economic development, contributing to building digital economies and sustainable cities

**Social sphere**

Promoting social development and the growth of human capital, social and technological innovation

**Environmental sphere**

Energy saving smart-solutions, reducing the ecological footprint
VimpelCom's key sustainability indicators of relevant SDGs in 2020

<table>
<thead>
<tr>
<th>SDG</th>
<th>UNCTAD GCI / GRI</th>
<th>Standards indicator</th>
<th>2020</th>
<th>Change YoY</th>
</tr>
</thead>
<tbody>
<tr>
<td>3</td>
<td>C.3.1. Expenditures on employee health and safety</td>
<td>GRI 403-9 Work-related injuries</td>
<td>23.8 million rubles&lt;sup&gt;4&lt;/sup&gt;</td>
<td>-78.6%&lt;sup&gt;5&lt;/sup&gt;</td>
</tr>
<tr>
<td></td>
<td></td>
<td>GRI 403-10 Work-related ill health</td>
<td>LTIFR = 0.22</td>
<td>Injury reduction (LTIFR = 0.24 in 2019)</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>0 cases of work-related ill health</td>
<td>-</td>
</tr>
<tr>
<td>4</td>
<td>C.2.1. Average hours of training per year per employee</td>
<td>20.6 hours per employee</td>
<td></td>
<td>+19.8%</td>
</tr>
<tr>
<td>5</td>
<td>C.1.1. Proportion of women in managerial positions</td>
<td>20% (4 out of 20)</td>
<td>Higher gender diversity in governance bodies (8.7% in 2019)</td>
<td></td>
</tr>
<tr>
<td>7</td>
<td>GRI 302-1 Energy consumption within the organization</td>
<td>3 304 GJ</td>
<td></td>
<td>+10.2%</td>
</tr>
</tbody>
</table>

4. 0.01% of the Company’s consolidated revenue in the Russia segment in 2020.
5. The decrease is due to completion of the large-scale project for the Company’s office renovation in 2019.
6. Excluding reimbursement for mobile communication costs.
### 4. Sustainable Business Strategy

#### A.1.1 Revenue

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2020</th>
<th>2019</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 401-1 New employee hires and employee turnover</td>
<td>274,4 billion rubles</td>
<td>-5.4%</td>
<td></td>
</tr>
<tr>
<td>C.2.3. Employee wages and benefits as a proportion of revenue, with breakdown by employment type and gender</td>
<td>15,992 newly hired employees</td>
<td>-18.4%</td>
<td></td>
</tr>
<tr>
<td>51,382 rubles – is the amount of average wage</td>
<td>-8.5%</td>
<td></td>
<td></td>
</tr>
<tr>
<td>17,676 rubles – is the amount of average social expenses per employee*</td>
<td>+16.3%</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

#### A.4.1. Percentage of local procurement

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Value (2020)</th>
<th>Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 203-1 Infrastructure investments and services supported</td>
<td>91%</td>
<td>-1 p. p.</td>
</tr>
</tbody>
</table>

#### A.10 Partnering for the Goals

<table>
<thead>
<tr>
<th>Indicator</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 203-1 Infrastructure investments and services supported</td>
<td>The Company continues to develop partnership projects that make difference to the society:</td>
</tr>
<tr>
<td></td>
<td>• A project to search for missing people in cooperation with the LizaAlert search-and-rescue team</td>
</tr>
<tr>
<td></td>
<td>• A platform for vocational training and recruitment of disabled people in cooperation with Everland</td>
</tr>
<tr>
<td>GRI 203-2 Significant indirect economic impacts</td>
<td>25% – is the growth of 4G network coverage in 2020</td>
</tr>
<tr>
<td></td>
<td>Increased coverage rates (16.2% in 2019)</td>
</tr>
<tr>
<td>GRI 203-3 Significant direct economic impacts</td>
<td>Results of the first year of Everland operation, a platform for vocational training and recruitment of disabled people:</td>
</tr>
<tr>
<td></td>
<td>• &gt; 200 people got jobs, and</td>
</tr>
<tr>
<td></td>
<td>• around 600 people were trained or continue to take training or the internship.</td>
</tr>
</tbody>
</table>
The Company's governance bodies and functional divisions are responsible for the fulfillment of sustainability goals and objectives of VimpelCom PJSC in accordance with their competencies, internal documents and applicable laws.

For more information on the Company's governance bodies, see section Corporate Governance.

VimpelCom's chart of sustainability management

<table>
<thead>
<tr>
<th>Function divisions</th>
<th>Sustainability aspects under the responsibility of the division</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales and Customer Service Division</td>
<td>• Service quality, customer experience</td>
</tr>
<tr>
<td>Corporate Business Development Division</td>
<td>• Service quality (including solutions for small and medium-sized businesses)</td>
</tr>
<tr>
<td>Infrastructure Development Division</td>
<td>• Network and infrastructure development in the regions • Energy consumption, rational use of natural resources</td>
</tr>
<tr>
<td>Financial Division</td>
<td>• Risk management and internal control • Tax administration</td>
</tr>
<tr>
<td>Human Resources, Organizational Development and Support Division</td>
<td>• Personnel management, personnel development • Occupational health and safety</td>
</tr>
<tr>
<td>Legal Issues, State Authorities Relations and Compliance Division</td>
<td>• Management of law and arbitration and antitrust sections • Business ethics, compliance • Anti-corruption</td>
</tr>
<tr>
<td>Communications and Sustainability Division</td>
<td>• Sustainability management framework • Social and charitable projects</td>
</tr>
<tr>
<td>Asset Management, Procurement and Logistics Division</td>
<td>• Supply chain management</td>
</tr>
<tr>
<td>Corporate Security Division</td>
<td>• Information security</td>
</tr>
<tr>
<td>Strategy and Business Development Division</td>
<td>• Corporate strategy and regional business development</td>
</tr>
</tbody>
</table>
A continuous dialogue with stakeholders is one of the prerequisites of VimpelCom’s sustainable development. The Company effectively communicates with all stakeholders on a regular basis in compliance with international standards for stakeholder engagement and AA1000 AP, AA1000 SES and GRI Standards reporting principles.

Various communication channels are used to engage stakeholders, including feedback forms, a hotline, regular visits, and events in different formats. The 2020 stakeholder ranking map is no different from the map of 2019. (102-43)

7. It is based on expert assessments of the mutual impact of the Company and its stakeholders, obtained during a survey of top management representatives (102-43)
### Interaction of VimpelCom PJSC with stakeholders. Key principles and mechanisms (102-43) (102-44)

<table>
<thead>
<tr>
<th>Stakeholder group</th>
<th>What we stand for</th>
<th>What is expected of the Company</th>
<th>Interaction mechanisms</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Customers and consumers</strong></td>
<td>• Meeting the needs of all customer categories.</td>
<td>• Ensuring information security and personal data protection.</td>
<td>• Surveying subscribers.</td>
</tr>
<tr>
<td></td>
<td>• Providing customers with a variety of high-quality goods and services.</td>
<td>• Improving the quality of communication.</td>
<td>• Interacting with customers on service quality.</td>
</tr>
<tr>
<td></td>
<td>• Ensuring prompt and easily accessible interaction with customers.</td>
<td>• Expanding the coverage area.</td>
<td>• Promptly responding to subscribers' requests.</td>
</tr>
<tr>
<td></td>
<td>• Ensuring information security, protection of personal data of customers and responsible marketing.</td>
<td>• Providing failure-free communication services.</td>
<td>• Flexible marketing policy.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Promptly responding to changes in user requests.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Using the Company's products with comfort.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• No mass email marketing.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Easy and quick troubleshooting.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Providing cost-efficient tariffs and terms of service.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Censoring banned content.</td>
<td></td>
</tr>
<tr>
<td><strong>Shareholders and investors</strong></td>
<td>• Ensuring the growth of the Company's value and return on shareholders' investment.</td>
<td>• Implementing the corporate strategy effectively.</td>
<td>• Functioning of corporate governance bodies in compliance with the Charter.</td>
</tr>
<tr>
<td></td>
<td>• Disclosing necessary information to shareholders and investors timely and in full, thus giving them an idea of the Company's current state of business.</td>
<td>• Strengthening the Company's position on the telecommunications market.</td>
<td>• Conducting an efficient risk management policy.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Ensuring operational and economic efficiency and business stability.</td>
<td>• Disclosing key information in compliance with the legislation, the Company’s internal requirements and stakeholder requests.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Providing effective risk management.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Disclosing key information in a timely manner.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Complying with national and international standards.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Ensuring transparency and accountability.</td>
<td></td>
</tr>
<tr>
<td><strong>Business partners and suppliers of goods and services</strong></td>
<td>• Interacting with business partners and suppliers in the long term.</td>
<td>• Providing transparency and effectiveness of procurement procedures.</td>
<td>• Concluding cooperation agreements.</td>
</tr>
<tr>
<td></td>
<td>• Following quality standards for products and services by partners and suppliers and complying with business conduct ethics.</td>
<td>• Ensuring operational and economic efficiency and business stability.</td>
<td>• Verifying business partners.</td>
</tr>
<tr>
<td></td>
<td>• Ensuring a responsible supply chain.</td>
<td>• Maintaining a stable customer base.</td>
<td>• Holding meetings, conferences and negotiations.</td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Addressing new challenges in no time.</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>• Protecting confidential information.</td>
<td></td>
</tr>
</tbody>
</table>
### Interaction of VimpelCom PJSC with stakeholders. Key principles and mechanisms (102-43) (102-44)

<table>
<thead>
<tr>
<th>Stakeholder group</th>
<th>What we stand for</th>
<th>What is expected of the Company</th>
<th>Interaction mechanisms</th>
</tr>
</thead>
</table>
| **Employees**     | - People are at the heart of our Company, and their contribution to the resilience of our business is crucial.  
                  - HR projects implemented in the Company aim to create an open environment that supports high efficiency and gives employees a feeling of happiness at work. | - Providing opportunities for career growth.  
                  - Granting social benefits and guarantees.  
                  - Providing favorable working conditions.  
                  - Ensuring decent wages.  
                  - Implementing a KPI system.  
                  - Establishing proper communication with management. | - Establishing joint commissions, committees, and working groups.  
                  - Implementing educational projects for employees.  
                  - Conducting surveys.  
                  - Preparing corporate media, brochures, information screens, and stands.  
                  - Operating corporate intranet portals and communities.  
                  - Having a personnel evaluation system in place.  
                  - Supporting employee initiatives. |
| **Local communities and population in the regions where the Company operates** | - Drawing on the best digital technologies to create and introduce solutions aimed at improving the quality of life of individual social groups and society as a whole and addressing acute social problems. | - Expanding the coverage area.  
                  - Ensuring equal access to the Company’s services for all social classes and integrating disadvantaged groups into society.  
                  - Developing socially significant services.  
                  - Censoring banned content.  
                  - Ensuring the safety of activities for the life and health of a person.  
                  - Creating new jobs. | - Implementing projects for social and economic well-being.  
                  - Promoting social innovation. |
| **Federal and regional state authorities and regulatory bodies** | - Carrying out certified activities in accordance with the legal requirements.  
                  - Ensuring sustainable cooperation with representatives of the authorities, and supporting the implementation of national and federal projects.  
                  - Protecting the Company's business interests, participating in establishing national industrial legislation.  
                  - Unconditional compliance with tax laws. | - Complying with national and international legislation.  
                  - Allocating tax deductions to budgets of different levels.  
                  - Carrying out certified activities in accordance with the legal requirements.  
                  - Participating in the law-making process.  
                  - Maintaining fair competition.  
                  - Cooperating with other players of the telecom services market to solve social problems.  
                  - Censoring banned content. | - Establishing working and expert groups, commissions and committees.  
                  - Providing public discussions of draft regulations.  
                  - Concluding cooperation agreements.  
                  - Elaborating plans for the social and economic development of the regions where the Company operates.  
                  - Holding conferences and display exhibitions. |
Beeline as a Driver of Digital Economy

Infrastructure development and contribution to the localities’ sustainable development ............................................. 34
Digital Solutions for Industry ............................................................................................................................... 39
Support for Small and Medium-Sized Businesses ................................................................................................. 41
Dialogue with Customers. Digital Communication Channels ................................................................. 42
Digital Accessibility. Assistive Technology and Universal Design ................................................................. 43
Infrastructure development and contribution to the localities’ sustainable development

Business continuity and provision of high-quality mobile and fixed communication services to all categories is the highest priority for the Company. The coronavirus pandemic has proven that today being able to stay connected at all times is crucial, and recognizing its role in the citizens’ social well-being, the Company is focused on continuously improving the quality of service and providing access to services even in the most remote areas of the country.

4G Base Stations Construction

In the reporting year, the Company continued its highest base stations construction on record. As many 4G base stations were built in 2018 and 2019 as in the Company’s previous history. In 2020, the high rate of network development was maintained despite the pandemic — there was a new Beeline base station approximately every half hour, including weekends, holidays and night time. During the year, the Company expanded its 4G network by another 25%.

The new base stations create additional network capacity, which helps customers to realize their tasks in different areas — communicate in social networks, watch highest-quality videos, and use mobile Internet for work and learning, download large files and meet online with colleagues from almost anywhere.

For more information on remote and unique areas the Company’s base stations are located in, visit: https://moskva.beeline.ru/about/press-center-new/press-releases/details/1519072/

Fixed Network Development vs COVID-19

In the spring and summer of 2020, at the height of the COVID-19 pandemic, there was a significant increase in the VimpelCom fixed-line network load, and the indicator reached the level exceeding 95% of the communication network maximum capacity as companies had shifted the majority of their employees to remote work. The Company implemented the necessary communication network extensions and upgrades to maintain a comfortable level of subscribers’ access to communication services.

From March to May 2020, data transmission fixed network capacity was urgently increased on the perimeter in the following cities: Moscow (+720 Gbit/s), Stavropol (+20 Gbit/s), Saratov (+20 Gbit/s), Krasnodar (+40 Gbit/s), Samara (+10 Gbit/s). The total investments in the expanded Company’s fixed-line network in 2020 exceeded 2 billion rubles.

“At the end of 2020, the number of Beeline 4G base stations increased 2.5 times compared to the end of 2017.

The Company’s base stations structure by station type

2019
- Integrated base stations 2G: 29%
- Integrated base stations 3G (NodeB): 40%
- Integrated base stations 4G (ENodeB): 31%

2020
- Integrated base stations 2G: 27%
- Integrated base stations 3G (NodeB): 35%
- Integrated base stations 4G (ENodeB): 38%

“We maintain a high rate of network development in assuming the main task of providing high-quality services to our customers. Many customers use their smartphones as the main source of Internet access. On the one hand, 4G-smartphones owners have become more numerous. On the other hand, network use profile is changing, as it shown in 2020 when in addition to entertainment, customers began to use their smartphones to launch online meetings, download large files and perform other operations while working remotely. The projects implemented in 2020 have increased mobile Internet speed and reliability throughout Russia, and in 2021 we will continue to develop the network for the benefit of our customers.”

Valery Shorzhin,
executive Vice-President for Technological Development at Beeline
In addition to the construction of new base stations in 2020, the Company implemented projects aimed at increasing network capacity in major cities. Performed operations resulted in the customers’ speed increase by 30% on average. For example, transmission speed in Astrakhan increased by 43%, and in Yoshkar-Ola — by 50%. And in Moscow, where Beeline was the first to complete the 2100-MHz band conversion from 3G to 4G, speed increased by 74%.

Along with the large-scale construction, Beeline switched to a new Huawei platform to provide VolTE service at a new high-quality level in Moscow, St. Petersburg, Moscow and Leningrad regions. VolTE allows having a conversation and using mobile Internet simultaneously — check emails, social networks or continue to download videos. Sound transmission is improved by HD Voice technology, providing the effect of living presence in a conversation. (102-10)

The use of VolTE technology reduces the technical infrastructure load and makes it possible to free up frequencies previously reserved by 2G and 3G networks for voice transmission for 4G development. The new platform may allow the transition of voice services to the 5G network in the future.

**SuperCity in Moscow**

In 2020, Beeline implemented a number of projects to strengthen its mobile and fixed network to provide continuous service in the capital city.

The SuperCity project’s first phase included the operator’s network infrastructure modernization in the city. The successful project phase implementation made it possible to activate additional technical capabilities in the shortest possible time to enhance the network’s operability under increasing loads. During the first implementation phase, the following was addressed:

- optimization of frequency range and LTE network settings;
- installation of additional equipment in the 2G network;
- activation of MIMO 4×4 technology, which significantly improves coverage quality, signal penetration and data transfer rate;
- expansion of the fixed network capacity by 40%;
- modernization of the transport network;
- enhancement of communication within medical facilities.

In the second phase, Beeline focused its efforts on developing new infrastructure and established a 2020 record in the pace and volume of new network construction in the Company’s history. In order for the operator’s customers to receive continuous service throughout the entire route during the day, Beeline implemented a set of measures to improve mobile communications availability and speed in the capital city:

- More than 10,000 new base stations were built: three times higher than in 2019. Thanks to the large-scale construction work the mobile Internet became even faster and more accessible for 800 thousand residents living in 80 new residential complexes and 70 cottage villages in Moscow and the Moscow region.
- Mobile Internet coverage and speed have been increased by expanding the LTE frequency range — 4G traffic share in Moscow already exceeds 92%, and the total volume of data downloaded by customers using 4G has increased by 60% compared to 2019.
- Voice communications quality and stability have been improved — based on 2020 results, 4G voice traffic has grown by more than 300 times and for the first time become equal to 2G in volume.

by 40% expansion of the fixed network capacity

10 000+ new base stations built
In 2020, the Company continued work to improve the quality of the communications in the Moscow Metro and brought 4G coverage in all Moscow Metro stations, as well as in most of the surrounding tunnels, to 100% by the end of the year. Now our customers can always stay connected on the go with Beeline mobile Internet.

To provide a more stable signal, Beeline optimized 4G network frequency resource — by aggregating several frequency bands at stations and in tunnels, it was possible to achieve a uniform and high-quality coverage to provide continuous service to Metro riders. Content peak download speed on a smartphone can be even 300 Mbps now, which allows downloading high-quality videos, watching movies and TV series online, making video calls and using other mobile services on the go.

The Metro network is built on equipment that supports expansion to the 5G standard.

By the end of 2020, Beeline tripled infrastructure facilities number compared to 2019 and built more than 1000 new Metro base stations.

In early 2020, the Company launched a new program for the construction of the SuperCity network in St. Petersburg. It will last for two years and includes a project to cover the remaining “white spots” in hard-to-reach places, additional construction on federal highways, deployment of the network in all new buildings in the city and the region, as well as a significant increase in network capacity and preparation of infrastructure for the introduction of new technologies.

In addition, Beeline signed an agreement with other mobile operators — MTS and Tele2 — for the construction of common infrastructure in the St. Petersburg Metro line sections to provide passengers with voice communications and high-speed mobile Internet throughout the entire route. At the initial stage, the operators have divided the work areas in their team. Construction is carried out according to unified terms of reference in all standards (2/3/4G) and provides access for each of the operators to a fragment of the network, already built by one of the parties to the agreement. The work is scheduled to be completed in 2021.

In addition, in 2020, together with Nokia and Qualcomm, a pilot 5G zone was launched in St. Petersburg in the Sevkabel Port public space.
Arctic Region: Infrastructure Construction

In 2020, the Company successfully launched the first LTE standard station on the Gyda Peninsula in the Yamalo-Nenets Autonomous District, while earlier in 2019, Beeline became the first operator to build a ground-based communications infrastructure, connecting the Yamal and Gyda Peninsulas with the “big land.”

As a result of the launch of the high-speed communication channel, the Salmanovskoye (Utnenneye) field employees got uninterrupted high-speed Internet access, which allowed them to promptly receive information and communicate with their loved ones via video conferencing.

Altai Krai: Communications Development

After the large-scale construction in 2019, Beeline continued to invest in increasing 4G coverage, speed and quality in the Altai Krai in the reporting year, and over the next two years, the investment in 4G improvement will amount to 0.7–1.2 billion rubles. In February 2020, the Company and the Ministry of Digital Development and Communications of Altai Krai signed an agreement on the development of telecommunications infrastructure and digital economy in the region for 5 years, which recognized Altai Krai as one of the priority regions of Beeline presence. The operator intends to direct investments into Altai Krai economy development within the framework of improvement of cellular networks, information and telecommunication technologies and infrastructure, implement innovative projects, including Information Infrastructure federal project of Digital Economy of the Russian Federation national program, carry out regional pilot projects in technical, marketing and other areas of Company’s activity.

Far East: High-Speed Content Access

In October 2020, Beeline completed work on a project to connect cities in the Far East with the largest Internet traffic exchange point in Japan. As a result, the bandwidth of Beeline data transmission channels in the direction of Asian countries increased by 30 Gbit/s and amounted to 50 Gbit/s.

Reached agreements with Internet resources partners and owners made it possible to connect the most demanded and access time-sensitive Internet services directly to the organized channel. The new routing scheme will provide Beeline subscribers with faster Internet connections to more than 200 Asian resources and international Internet services (gaming and streaming, shopping and other online venues), which are represented on the traffic exchange site in Japan.

SON automated optimization systems

In 2020, Beeline launched a new SON (Self-Optimized Networks) system in the regions with the maximum customer presence - Moscow, St. Petersburg and the Krasnodar Territory. The system is being scaled for the whole country. The SON system, using advanced practices in the field of artificial intelligence, examines the needs of customers and manages network resources to meet them 24/7. Analyzing the quality of services, network load, traffic migration and other network statistics, artificial intelligence selects individual network settings for each base station, thus constantly making millions of changes to the parameters on the network, which is impossible manually. All this allows customers to get the best quality and continuity of service when switching between the zones of operation of base stations.

“LTE standard network launch at Gydan has made it possible to quickly digitalize the field deposit. High-speed data transmission provides an impetus for the Internet of Things development and better life for the field deposit employees. We have already accumulated invaluable experience in the harsh conditions of the Far North. In the near future Beeline Business plans to significantly increase its presence both on the Gyda peninsula and on other territories of the Yamalo-Nenets Autonomous District taking into account our technological potential and leadership in the telecommunications infrastructure development in the Arctic.”

Herman Borodov, key Account Director at VimpelCom PJSC
Infrastructure Modernization

Yaroslavl technical data processing center (DPC) development

In 2020, we completed the construction of two new modules of the Yaroslavl technical center, tripling DPC capacity (from 1200 kW to 3600 kW). The expansion of the Yaroslavl technical center will help maintain high-quality customer service amid continuous traffic growth, increase network reliability, and enable the launch and development of additional customer services, including virtual platforms for BeeFREE project, as well as provide the technological foundation for 5G launch.

For more information on the Yaroslavl data processing center expansion project, see section Improving Energy Efficiency of Our Facilities.

Genesis Project

At the end of 2020, the Company announced the launch of the Genesis project, which aims at promoting the Company to bring outsourced technical expertise back in-house.

Previously, the technical functions of network leasing, planning, construction, and key infrastructure components operation were handled by Huawei and Nokia. The Company brings network planning and optimization, technology positions leasing, construction control and permitting activities, umbrella network operations center (NOC), business and operations support systems (OSSs) development, etc. back under its roof. From December 2020, VimpelCom PJSC brought back to insourcing the functions outsourced to Huawei, and to Nokia — from early 2021.

Partners will continue to conduct maintenance, accident recovery work, and control and change the mobile, fixed and transport network. (102–10).

As part of the transformation, the Company has recreated full-fledged technical teams at the level of branches (subjects of the federation). The presence of a technical team on the territory allows to accelerate the development of the network and improve the quality of operation. There is a high involvement of people who are responsible for everything that happens in the territory where they live. At the same time, in order to effectively develop highly qualified specialists, federal competence centers have been created – operational divisions, where expertise in planning, optimization and a number of other areas is concentrated.

The consolidation of technical functions within the Beeline structure will help to implement large-scale network development projects, increase the quality of operation and reliability of the infrastructure, and improve the customer experience, which complies with the key areas of the Company’s new customer-centric strategy. By concentrating technical expertise within the Company, Beeline will accelerate network development in line with growing customer needs.
Digital Solutions for Industry

Beeline considers its important mission to provide corporate customers with effective and innovative solutions that allow ensuring continuous operation in any environment. The Company’s line of services, aimed at meeting business needs, includes both classic telecom services and VAS solutions, as well as products based on the most relevant digital technologies. In the reporting year, Beeline focused on developing this area. B2B segment revenue growth amounted to 11% in 2020, also due to the expanded portfolio including new digital services.

Revenue from solutions based on Big Data technologies increased by 44%, mainly due to the increased penetration of geo-analytics services and digital marketing solutions. Industry 4.0 services development is difficult without a high-quality IT infrastructure with high bandwidth capacity and reliability. In 2020, Beeline implemented several projects aimed at launching high-speed communication channels, organizing cloud IT infrastructure, deploying the Internet of Things, introducing smart video surveillance and other high-tech services in the industry.

5G unmanned dump trucks

In 2020, Beeline deployed a pilot 5G zone using Huawei equipment in the territory of SUEK operating an open-pit coal mine. This is the first use of a fifth-generation network concerning production processes automation. The pilot is implemented on the basis of 130-t dump trucks BELAZ-7513R, controlled by the information system.

To conduct tests on the territory of the Chernogorsky open-pit coal mine, Beeline deployed a 1.5 km network fragment covering the route of the robot dump trucks.

High-resolution cameras for video streaming are installed on the dump trucks perimeter, and all video streams are transmitted to the information processing center for the equipment real-time control.

Private LTE in the nuclear industry

In November 2020, together with Greenatom, Beeline launched a pilot project for the allocation of Private LTE (pLTE) * technological wireless network on Mashinostroitelny Zavod PJSC test site.

The testing aimed to confirm the possibility of establishing an LTE-based unified environment for various digital services used and to be implemented in the nuclear industry — industrial Internet of Things, automated control systems, Push-To-Talk user terminals, as well as high-load IT platforms — intelligent video surveillance, remote piloting systems, robot automation, and some others.

Thus, the use of fifth-generation wireless network technology has resulted in increased movement accuracy and enhanced machine control safety compared to past wireless networks practice.

In the long run, high data transfer speeds, the actual delay absence makes the 5G standard indispensable within all unmanned systems, particularly in risky production. 5G networks, particularly private ones, provide a more stable connection, minimal delay in control signals — critical for remote control and traffic management — and are resistant to the interference caused by a variety of existing Wi-Fi networks.

The pilot zone launched with a rather tight deadline showed high technological readiness of the solution and provided a stable connection to several digital services which is urgent for the enterprise.
Beeline has been the first Russian operator to launch a high-speed communication line for one of the largest gas and condensate fields in the world — the Kovyktinskoye gas and condensate field. It provides the foundation for the Irkutsk Gas Production Center, which will start supplying gas through the Power of Siberia gas pipeline in late 2022 — the largest gas production and transportation system in Eastern Russia.

Establishing a full-fledged ground channel for high-speed data transmission ensured remote and operational management of the construction and production facilities of Gazprom Dobycha Irkutsk OOO. It enables the field employees to keep in contact with their relatives and friends, and in the near future Beeline intends to launch LTE standard mobile communication in this area to improve communication and Internet quality.

“In the operating environment of the nuclear industry, even simple functional tasks are much more complex compared to other facilities. If we’re talking about establishing a state-of-the-art wireless network with a whole set of user options, the project of unprecedented complexity shall be tested in compliance with all security requirements. Nevertheless, we have implemented the project within a tight time frame and showed a new level of LTE-based wireless networks technological capabilities, while ensuring compliance with information security requirements."

Herman Borodov,
Key Account Director at VimpelCom PJSC
Support for Small and Medium-Sized Businesses

Beeline.PROmotion

In 2020, Beeline continued to help small and medium-sized businesses adapt to the digital economy and launched Beeline.PROmotion multi-channel platform for customer search based on big data technologies.

The platform includes several customer audience communication channels: SMS messages, targeted voice calls and online promotion, which can be customized and combined depending on business characteristics and specifics. All advertising tools are available "in one window," and the platform personal account is designed for users who have no skills in marketing.

The platform becomes a single entry point for the marketing ecosystem and provides small businesses with access to advertising market key technologies. Big data-based solutions will enable entrepreneurs to analyze their customers in detail, perform the in-depth customer analysis by segment, identify and focus on the core target audience.

Mobile Surveys

In July 2020, new Mobile Surveys service became available on the Beeline.PROmotion platform, featuring a democratic price and ease of use. The service provides the possibility of efficient mobile surveys of any complexity — from simple, aimed at selecting a new logo or brand name, to strategic, related to market analysis, benchmarking or measuring the index of consumer loyalty.

Beeline experts help corporate customers provide fine-tuning of targeting based on more than 700 parameters, including users’ conceivable interests, income, social and demographic data, geographic location, and other characteristics that are designed to understand your prospective customers better.

All surveys are online and automated. The service also provides ongoing support from Beeline marketing analysts, who help customers both formulate questions on the survey and interpret the data obtained.

Business.Together Platform

One of the Company’s strategic areas of activity and an important focus of the SDGs is partnership. To support businesses in the challenging pandemic environment, Beeline launched a free platform for entrepreneurs to find business partners in their city or region, conduct joint promotions, attract new customers without additional investment, and share experiences. The service map enables the companies to mark their location across Russia and provide information on current or planned promotions. You can join the project from your personal Beeline.PROmotion account.

Retail Video Analytics

In 2020, Beeline launched a video analytics system that allows retail companies to effectively evaluate customer service quality in stores and sales offices. The video analytics system uses machine learning and artificial intelligence technologies to analyse surveillance cameras information. Its capabilities allow automated people to count in the queue, calculate customer wait time, control the staff presence in the workplace, assess cash registers load and self-service areas, reasonably distribute employees in workspaces, and increase conversion and turnover service quality and reducing queues. The international construction retail company Leroy Merlin was one of the first to test the new service.
Dialogue with Customers. Digital Communication Channels

To support continuous communication with our customers, there are several communication channels for subscribers to ask Company representatives for information they are interested in, solve a problem, or share their requests:

- chat in the mobile app personal account;
- hotline;
- E-mail;
- social networks (VKontakte, Facebook, Twitter, Odnoklassniki, Youtube);
- messengers (WhatsApp, Telegram);
- retail chain.

118 seconds
is the average waiting time for customers online in 2020.

19,6 minutes
instead of 46 minutes in 2019 — is the average response time to a client's request in social networks.

37,4%
is the Net Promotor Score (NPS) in 2020.

Number of customer requests by channel, thousand pieces

In 2020, we focused on improving the quality of online contact service based on customer feedback and launched a number of customer service projects:

- The Digital Code project provides a convenient way of remote customer identification with a plain SMS code. The code works for both call center operations and most of those past operations required a personal visit to the office.
- Super Service project: provides priority access to the call center for permanent subscribers in Moscow and nine other regions. Employees in this group are motivated to resolve customer issues from the first call due to expanded authority. B2B customers are enabled to select any of the service messengers — WhatsApp, Telegram and Viber.
- New structure of the electronic IVR (Interactive Voice Response) assistant based on the maximum simplification of texts, customer-relevant blocks selection and transparent access to the operator.
- TTinfo project for customers who contacted the call center with a complaint about the communication and mobile Internet quality due to the failure provides a personal website link for the customer to check the recovery work status on their own. The link provides both the work status and the time of issue consideration for the customer.

The variety of communication channels makes our approach as inclusive and accessible as possible for clients with special health conditions.
Digital Accessibility. Assistive Technology and Universal Design

Service for People with Special Needs

A comprehensive approach to establishing a service system available to all customers includes the Company's willingness to introduce appropriate products and services, and to adapt the customer service system. To tackle the issue, in 2018, the Autonomous Non-Commercial Organization Space for Equal Opportunities, with the support of Beeline and the Association of Financial Innovations, launched a project to develop recommendations for a variety of businesses on creating a universal design for products, services, and service standards for customers with disabilities. Experts with different types of disabilities participated in the project — Beeline customers with auditory, speech, visual, physical, and mental disabilities.

The work resulted in four guidelines for all possible communication channels: service in offices and salespoints, online resources, contact centers, and general customer service principles for people with disabilities.

There are a total of 542 Beeline offices in Russia that have been adapted to serve customers having low mobility, and most of the brand's offices are now equipped with navigation for visually impaired people. For the convenience of customer orientation, a map of available offices can be found in the My Beeline mobile app and on the Company's website: https://moskva.beeline.ru/customers/beeline-map/

Special Services

In addition, in 2020, the Company adapted the My Beeline mobile app, website, and all major brand storefronts for blind or visually impaired customers. For more information on the development of inclusive services, listen to the Company's podcast: https://soundcloud.com/user-707838434/nas-slyshat-no-govorim-pro-inklyuzivnost.

Digital Storefronts Availability

In December, beeline.ru received a Certificate in Compliance with the Code of Practice Accessibility of Websites and Applications for People with Disabilities, indicating a high level of accessibility of its functionality for customers with disabilities. Certification evaluated the following parameters: website layout and structure, links and clickable elements recognizability, forms and fields accessibility, interface sensitivity to keyboard and manipulator control, and other important elements that affect accessibility. The My Beeline app has also been certified for accessibility for people with disabilities. The app was certified by experts of the Space for Equal Opportunities inclusive project.

Other special services for users with disabilities:

- Social Package special tariff with remote sign interpreter option;
- subtitles for 700 TV channels in the Beeline TV app for deaf and hard of hearing-impaired users;
- available storefronts and website, etc.

For more information on the initiatives, visit https://beeinclusion.ru or see the Company's 2019 Sustainability Report, pages 26–28.

Map of available offices for customers having low mobility

8. The recommendations are freely available at http://disquestion.tilda.ws
Beeline as a Driver of Social Progress

Key Areas of Social Impact. Evolution of Impact Technologies

Search for Missing People. Cooperation with LizaAlert

Inclusion: An Equal Social Environment for All

Older: New Digital Generation of Seniors

Social Dialog: Interacting with the Community

Public Talk on Post-COVID Society

Public Talk on Integration of the Older Generation into Digital Environment

Public Talk on Inclusion: Experts with Disabilities and the Open Labor Market

Tech Solutions for Non-Profit Sector

Services and Innovative Solutions in the Field of Telemedicine
Key Areas of Social Impact. Evolution of Impact Technologies

Search for Missing People. Cooperation with LizaAlert

We draw on telecommunications to address major social issues. And one of them is developing a search and rescue system for missing and lost people nationwide.

Statistics reveal more than 120 thousand people lost or go missing in Russia every year, while about 65% of the missing ones are the elderly, often mentally impaired.

Fortunately, most of them are found in the first few days but in other cases the search may take longer, up to several years. Rescue activities tend to be a great deal more successful with digital technologies at hand: from the relevant equipment to SMS messaging, Big Data algorithms, AI, cloud storage, and drones.

Beeline’s telecommunications and digital services make it possible to quickly organize search activities, involve volunteers, ensure rapid exchange of information about missing people, and use special search equipment.

Technologies for rescuing people (203-1)

Since 2011, Beeline has been cooperating with the LizaAlert search and rescue team and developing technological solutions to search for missing people for all mobile subscribers, no matter what telecom operator they belong to. In the course of our cooperation, 85 thousand search activities were saved conducted and more than 60 thousand people’s lives saved.

A hotline for reporting missing people was the first solution deployed under the project. Since 2012, this search communication channel has been operating across Russia round the clock. In 2020, the hotline received 70 thousand calls.

Beeline’s telecommunications and digital services make it possible to quickly organize search activities, involve volunteers, ensure rapid exchange of information about missing people, and use special search equipment.

Highlights: searching for missing people in 2020

31 988 applications received by the LizaAlert team to search for missing people

23 294 people found alive

70 thousand calls to search for missing people received via the hotline organized by Beeline for LizaAlert

9.7 million SMS about participation in rescue operations sent to volunteers via Beeline’s SMS service
SMS service “To get lost does not mean to disappear”

In 2017, the SMS service “To get lost does not mean to disappear” was launched together with LizaAlert aimed at attracting volunteers nearby.

For three years, more than 13 million SMS were sent (including 9.7 million in 2020) and more than 70 thousand volunteers subscribed to the LizaAlert SMS messaging in 57 Russian regions.

The success of a rescue operation largely depends on how many people join the search team, and this also increases the chances of finding a person alive. Beeline and LizaAlert encourage all mobile subscribers to allow their operators to send free SMS, as this will help search for missing people in nearby areas.

By joining forces with LizaAlert, we develop unique solutions that work in the natural environment, cities and towns, on water and from the air. They may be further scaled up in the event of an emergency or artificial disaster.

For such solutions to be effective, digital technologies are extensively used. The Beeline AI — Search for Missing People neural net is one of our products for processing photos of localities taken by unmanned aerial vehicles during search operations. Thanks to this new technology, LizaAlert volunteers spend 2.5 times less viewing and sorting the images. Going by test images, the model’s accuracy reaches 98% (relevant for flights from 30 to 100 m).

The high social significance of the Company’s contribution to the search for missing people has been repeatedly confirmed by the expert community. Thus, Beeline AI — Search for Missing People solution based on a neural net won the international competition GSMA Global Mobile Awards 2020, the Change Management. Visionaries 2020 (it is the first Russian professional award in the field of assessing sustainability), as well as ranked first in the Corporate Philanthropy Leaders 2020 charity program competition. LizaAlert’s SMS service aimed at attracting volunteers from nearby locations “To get lost does not mean to disappear” won a silver EFFIE AWARDS EUROPE 2020 award and a bronze EFFIE AWARDS RUSSIA 2020 award.

Highlights: Beeline AI — Search for Missing People Neural Net in 2020:

- 27 people found from the air
- >650 thousand images processed by the neural net
- 15 thousand km is the total track length of drones used for search
- 336 km² of area recorded on images and analyzed by the viewing and analysis team
Search Center, an app for taking care of loved ones and personal safety

In 2020, work of the application launched jointly with LizaAlert to search for older adults missing in cities and towns continued. There are tools integrated into this solution to speed up search operations and prevent emergencies: a tracker with detailed information about movements and a history of previous dislocations, a preset profile of tracked people, including distinguishing features and medical needs, an SOS button, and the ability to call a hotline directly from the app or request a response from experts of the Center for Missing People. Location accuracy within a city or town is 45 m.

Beeline.Search: Big Data Analysis

We are expecting to introduce Beeline. Search in 2021, our new platform for search teams developed out of the Beeline. Search technological solution used for analyzing Big Data. Its user-oriented interface and Big Data capabilities make the app more efficient and faster, which is critical when it comes to saving lives. One can instantly search for potential witnesses or those who may know any additional information about a missing person. Information on missing persons, photos, notes, age, and the LizaAlert hotline number are then shared with such new contacts.

Inclusion: An Equal Social Environment for All

Business plays a significant role in achieving the goals of sustainable development. Beeline invests its efforts in Goal 3: Good Health and Well-Being and Goal 10: Reduced Inequalities on a regular basis, and believes that innovative technology and a paradigm shift in discussing disability, migration, involuntary resettlement, and natural aging can lead to qualitative changes in society. Implementing our digital solutions, we support people with special needs and provide communities, where global trends toward an aging population and, correspondingly, a growing number of people who will need assistive technology take place, with a new quality of life, integration into social processes, and confidence in the future.

The inclusion agenda began to develop inside the Company in 2007, just a few years before Russia ratified the Convention on the Rights of Persons with Disabilities. The Company, together with its customers, employees and partners, has come a long way in incorporating the inclusion agenda into various aspects of its business, from creating special tariffs to adapting the entire digital services system to meet universal design criteria.

In 2019, VimpelCom PJSC became the first Russian company to join the global movement The Valuable 500. It unites 500 major companies worldwide that address inclusion at the management and strategy levels, actively implement programs to create an accessible environment and give equal opportunities, as well as communicate the importance of these initiatives to their business partners, customers and society as a whole.

Highlights: Delivering On Inclusive Initiatives in 2020

Beeline offices are accessible to customers with disabilities

Beeline TV channels are subtitled

The website www.beeline.ru and the My Beeline app received a certificate of accessibility for users with motor and visual impairments

A single portal of Beeline’s inclusive projects and services, BeelInclusion, was launched

Yoga for the Visually Impaired, an online project started during the lockdown

Beeline as a Driver of Social Progress
In the reporting year, Beeline combined its technological and educational initiatives and rolled out the BeeInclusion platform, a unified ecosystem of inclusive projects that aims to more fully and systematically integrate people with disabilities into social life. The platform unified our in-house technological solutions as well as projects and technologies created by partners both with and without disabilities. We have directed systemic efforts toward educational programs designed to expose the inclusion agenda in terms of human rights and new customer service standards.

BeeInclusion follows the steps of the Company’s initiatives to afford more access not only to its own services, but also services offered by the society. The inclusion agenda requires attention to some of the most essential aspects of human life: family, work, social life, self-fulfillment, and access to public infrastructure.

During lockdown in 2020, when online fitness has become especially popular, it turned out that people with visual impairments were left out completely, as no such Internet activities were adapted for them. Having analyzed this problem, Everland, with the support of Beeline, decided to create an adapted online yoga course for people with visual impairments.

“BeeInclusion invites to look at the social development through the lens of equal and fair treatment of everyone. In today’s world, equality is provided not only by means of accessibility, but also with open discussion of topics and issues that are sometimes still stigmatized as awkward, inappropriate and unacceptable. The platform can give new impetus to this dialogue and a space for people with disabilities to talk about their real needs, including self-fulfillment, motivate them to be active members of society, influence social agenda, build personal relationships, and drive new business environment through inclusion and respect for diversity and experiences.”

Evgeniya Chistova,
Head of Sustainability at VimpelCom PJSC
Solutions for Adaptation and Employment. Everland Platform

Employment is one of the pressing issues due to changing stereotypes and standards of business interaction. However, it is the aspect that has the greatest impact on overall inclusion in society. More than 13 million people with disabilities live in Russia. As a rule, working-age people become disabled but only 28% of them are employed. Since remote employment and digital economy are rapidly evolving, the solution to this problem may be seen in a brand new way.

Everland digital platform was developed by Autonomous Non-Commercial Organization Space for Equal Opportunities and supported by Beeline. It is aimed at training and further employment of specialists with disabilities in the open labor market. The platform is focused on training in sought-after digital professions (text and video content specialists, PR, graphic and web designers, web developers, lawyers) that are commonly needed and allow working remotely.

Creating an effective system of professional online training for disabled specialists as well as involving businesses interested in qualified people and filling quotas provide a profound synergistic effect: the quality of life and financial independence for people, possible improvement in operational efficiency by developing new customer niches and product lines, and an opportunity to use the potential of people with disabilities in the national economy and ensure better social protection of citizens.

The project was launched in 2019, and by the end of 2020 more than 850 users from Russia and the CIS were registered on the platform, with the third employed. In 2022-2023, Beeline plans on cooperating with other companies under the project to raise the awareness of inclusive employment and produce a large-scale social effect to solve this issue.

How the platform works

<table>
<thead>
<tr>
<th>Stage</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Stage 1</td>
<td>Motivation</td>
</tr>
<tr>
<td>Stage 2</td>
<td>Testing</td>
</tr>
<tr>
<td>Stage 3</td>
<td>Skills upgrading and mentoring</td>
</tr>
<tr>
<td>Stage 4</td>
<td>Work</td>
</tr>
</tbody>
</table>

For the first year of the Everland platform existence:

- >200 people got jobs
- ~600 people were trained or continue to take training or the internship

The concern

- 28% Work at least two months a year
- 72% Don't work

About 8,500

Specialists with disabilities graduate from universities and colleges every year

95%

Mismatch between professional skills and market requirements

In 2019, Everland was presented at the United Nations Office at Geneva as part of joining The Valuable 500. VimpelCom PJSC continues to fulfill its commitments under the global business partnership to promote the inclusion agenda. A letter to this effect was sent to the organizing committee and posted on [https://www.thevaluable500.com/the-valuable-500/](https://www.thevaluable500.com/the-valuable-500/).
Older: New Digital Generation of Seniors

In the era when innovative technologies are rapidly developing, older people more and more feel excluded from the digital environment and their social ties get weaker. To address these issues, Beeline became a partner of the Young Old project lab that studies the lifestyle and values of seniors. In autumn 2020, a large-scale joint study was conducted, devoted to the preferences and interests of the new generation of seniors, whose significant part of life was under intensive digital development. This generation cannot be stereotyped as ordinary people over 55. 3,7 thousand users of social media aged 50-60 were surveyed and Beeline.Analytics data gathered among Beeline’s subscribers in 15 Russian million cities were used. The results are based on anonymized Big Data on using Internet traffic by those who consented to personal data processing (January–May: 2019 and 2020).

The study showed that the older generation needs to fulfill its creative and professional potential, has an itch to live a full life and develop, and considers freedom to be the key value. Seniors are becoming familiar with online. They use the Internet for entertainment, relaxation or other strategic purposes: monetization of their hobbies, business development, communities of interest, and learning. Despite their active lifestyle and online opportunities, they want to expand the circle of acquaintances and have some quality time with like minds who share their interests and fulfill self-development needs.

Takeaways

<table>
<thead>
<tr>
<th>%</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>129%</td>
<td>growth of Internet traffic in messengers among users over 50 years old for the past year</td>
</tr>
<tr>
<td>71%</td>
<td>increase in popularity of social media among users over 50 years old for the past year</td>
</tr>
<tr>
<td>81%</td>
<td>seniors would like to have a wider and more diverse social circle</td>
</tr>
<tr>
<td>34%</td>
<td>growth of Internet cinema traffic among the older generation during lockdown</td>
</tr>
</tbody>
</table>

"I watch younger colleagues on the Internet and take the cue. For example, I started working out online."

"Of course I help my daughter and my grandchildren, but at the same time I do not forget about myself. They know that today their granny takes a dance class, tomorrow she will be doing sports, and the day after tomorrow she will be hanging out with her friends. So they need to make arrangements with me in advance."

What Project Participants Think
Social Dialogue: Interacting with the Community

Beeline seeks to use the power of its brand to start public discussions on sensitive and often stigmatized topics: aging, exclusion of the older generation from working and social life, real job opportunities for people with disabilities, and the readiness of the open labor market to meet these challenges, as well as the changes in social institutions in a post-Covid world, including under the influence of digital environment.

In 2020, Beeline held three online discussions and invited prominent civic and business leaders, journalists and representatives of the scientific community. The total number of participants exceeded 10 million users across various social media.

Public Talk on Post-COVID Society

Beeline held a talk in July, Great Self-Isolation as Viewed by a Telecom Operator, dedicated to the Beeline. Analytics research mini-project timed to 100 days of lockdown. The invited experts spoke about communication services and shifts in the consumption behavior.

They became the starting point of numerous third-party services that ‘clicked’ in the corona crisis: delivery and logistics, educational courses, online movie theaters, navigation apps, and many others. Besides, they created new habits and trends in online behavior, as well as new interests that may affect the lifestyle in the post-pandemic era and, therefore, telecom operators in the near future.

It was noted that the mobile Internet traffic consumption per subscriber rose by 10.2% during the “great self-isolation”, and fixed traffic surged by 20% year-over-year.

Furthermore, one of the speakers was Homo Remotecus. This is how the Company called a modern remote employee working during the lockdown in its analytical report. This is a person whose one of the basic needs includes access to the Internet, a tool that gives the right to self-expression and self-fulfillment, as well as the way to vital aspects of human life. In this reality, telecom operators provide basic communication services to its customers and become their most important sociological centers.

Public Talk on Integration of the Older Generation into Digital Environment

The New Seniors: Generation That Will Surprise Us public talk took place in September following the study, held by the Young Old project lab and supported by Beeline, of the values and profile of telecom services users over 55 years old.

The speakers discussed how older people live, communicate and get to know each other and whether “new seniors” can be considered a separate generation with their own values and lifestyle challenging stereotypes. The experts noted that society has to create easy-to-use technologies for improving the quality of life, ensuring greater inclusion of seniors in the modern context, and expanding their social ties.

Seniors’ biggest pain is finding a romantic relationship, and in the study they pointed that existing dating websites and apps do not satisfy their needs. In this regard, the development of Older — a free communication service for friendly and romantic dating for seniors — was announced during the public talk. This project will be based on Beeline technologies whose brand power will accelerate the initiative that is aimed at addressing an urgent social concern.

10 https://gggggreport.ru
11 https://myolder.ru/#rec216298752
“We had no idea whether we could prepare not just a few professionals but a large enough number of specialists via our platform through automated integration of disabled people and online format. For the years of work, our platform proved it is capable of leveling up and integrating people with various nosologies into the labor market, regardless of their location or age.”

Elena Martynova,
co-founder of the Everland inclusive project

Public Talk on Inclusion: Experts with Disabilities and the Open Labor Market

As part of the public talk Inclusion as a Business Case, Does Russia Have a Viable Chance to Develop Mass Inclusive Employment in December, a digital platform for training and subsequent employment of specialists with disabilities in the open labor market Everland shared its first-year results? Inclusiveness as a practical value for people, society and business was the topic of the dialogue.

Business people with disabilities, managers of large companies, social entrepreneurs, and disabled experts discussed how disabled and non-disabled employees have become equal during the pandemic.

They talked about the unique skills of people with disabilities, about giving new meanings to this phenomenon, the quota and marking of such vacancies, the readiness of the open labor market for inclusive employment, successful Russian projects for employing disabled people and their possible scaling.

The experts said, that we should view inclusion as a new practical value that gives a powerful boost to the human rights agenda and new standards of today’s business and society.
Tech Solutions for Non-Profit Sector (203-1)

>700 million rubles

donated to charity foundations via Beeline’s Mobile Charity

18,2 thousand people

got help from palliative care hotline specialists of the Vera foundation

4,3 thousand people

were advised on family issues by specialists from the Foundation Volunteers to Help Orphans

Highlights: M-Charity in 2020

701 million rubles

donated by Beeline subscribers to charitable foundations

982 thousand people

took part in charity events supported by Beeline

1,9 million rubles

is the average daily amount of donations made via Beeline’s services

The Company’s approach lies in the preparation of tech projects that can become the basis for system solution to charity problems.

M-Charity Service: Mobile Charity

M-Charity was established in 2013 together with the Podari Zhizn Foundation. By the end of 2020, it helped raise more than 4 billion rubles for the foundation’s charitable programs. In the reporting period, the charitable sector experienced a high pandemic-related load. In March–April, there was a downward trend in the number of donations, while more and more people came to foundations for help. Many charities had to cut their administrative costs in order to be able to support more wards. The possibility of making regular donations from mobile accounts enabled them to finance target programs for more than 70 million rubles. The service significantly contributed to the development of private charity in 2013–2017. But today the Company and its partners are recording lower amounts of SMS donations. Thanks to developing e-commerce, charity donations via websites and apps loom large.

“The challenging era of COVID-19 pandemic has raised a number of social issues, including quite a topical one related to encouraging people to continue to make private donations and save hundreds of thousands of people. Via SMS donations from the mobile account, an easy and accessible way to help, we managed to support outstanding communication campaigns implemented by foundations in 2020. The social activism of people, the devotion of foundation employees and effective fundraising solutions provided support for the charity sector and provided the necessary assistance.”

Evgeniya Chistova,
Head of Sustainability at VimpelCom PJSC
Beeline is the first corporate partner of the ProCharity technological platform for smart volunteering created by the Friends Foundation and Mastercard. The platform brings together experts, who are willing to donate their personal time and share their professional skills, and foundations that need to solve their internal organisational problems. At the same time, the platform acts as a security guarantor. It makes a professional selection of participating nongovernmental organisations (NGOs), as well as creates ProCharity communities of smart volunteers based on their competencies.

Launching palliative care hotlines is one of the most important solutions aided by our technologies that has a significant social impact.

Since 2016, Beeline has been supporting a hotline for terminally ill people, created by the VERA Fund together with the Russian Association of Hospice Care Professionals. Line operators provide palliative care counseling for terminally ill patients and their relatives, which is free and round-the-clock. In 2020, 18 234 calls were received and handled, with 8 772 calls coming from Moscow and 9 460 — from other regions.

The sustainability of charitable foundations is ensured, among other things, by sufficient resources and competencies for administrative and managerial tasks. In the meantime, NGOs have to solve professional tasks as any other business. For instance, the survey conducted by the Friends Foundation revealed that 77% of foundations need web development, 68% — design and layout, 62% — marketing experts and strategies, and 50% of foundations are in need of lawyers.

Under the Family Placement program by the Foundation Volunteers to Help Orphans supported by Beeline, a hotline was created to provide legal, psychological and informational assistance to stepparents and those who prepare to become one. In 2020, more than 4,3 thousand people were counseled on family placement.
Services and Innovative Solutions in the Field of Telemedicine

This complicated year with restricted physical movement and forced self-isolation resulted in higher demand for online services and communications, including health care. A wide range of people, including those living in remote areas, can get access to medical care and effective communication with doctors using digital technology. Moreover, health and healthy lifestyles have been gaining momentum over the past years around the world and particularly in Russia, thus becoming the main catalyst for the intensive development and distribution of telemedicine solutions.

Monitoring of Smart Bionic Prostheses

According to experts, by 2025 about 15% of the world’s population will have varying disability degrees and smart assistive services will be in demand. VimpelCom PJSC is creating a stepping stone for the future and implements projects that aim to develop bionic technologies and telemedicine services.

A joint project of Beeline and Motorica tackles a crucial issue: making adaptation to bionic prostheses easier. Learning to live with a smart prosthesis takes patience and supervision by intensive care specialists, and you need time to make the best out of it. The project implies remote monitoring of assistive devices, which is ensured thanks to connecting the Stradivari smart prosthetic arms, with a GSM module, to Beeline’s IoT platform.

The smart device receives signals from Myo sensors that catch changes in electric potential upon muscle activity. The information is sent to the hand’s microprocessor, and as a result, the prosthesis performs a specific gesture or grip. Attending physicians will always be able to use their personal accounts on the online platform to monitor how a prosthesis works and adjust the learning process. This will reduce both the time needed for learning and the number of appointments, as well as make the rehabilitation more comfortable for patients and greatly improve the quality of life. Connecting a bionic prosthesis to the Internet and the operator’s technology platforms were the first step in building a digital space for people with special needs.

“Digitization and remote control of exercises and procedures tailored to each patient are the future of rehabilitation. This is necessary for objective control and analysis of rehabilitation practices and equipment and understanding of their impact on people’s lives. Beeline acts as a communications provider for eSIM IoT chips, which we use to connect any rehabilitation equipment to the PRM (Patient Rehabilitation Management) system, as well as a full-fledged integration partner that aggregates and processes all data and ensures their secure storage under the certificates of the Federal Service for Technical and Export Control of Russia (FSTEC).”

Ilya Chekh, Head of Motorica

For more information on the Company’s other telemedicine projects, see the Sustainability Report for 2019, pages 39–41.
07 HR Policy. Development of Human Capital

Corporate Culture .......................................................... 57
Remuneration ................................................................. 60
Work-Life Balance .......................................................... 61
Personnel Development and Training ............................... 62
Employee Motivation and Performance Evaluation ............ 65
Social Support ................................................................. 65
Occupational Health and Safety ....................................... 66
Corporate Culture

Ambitious and motivated employees are Beeline’s main asset, they make it possible to implement the Company’s strategic goals and projects aimed at sustainable business. We work hard to maintain employee well-being and high levels of satisfaction by developing new courses and programs for professional and personal growth each year, providing competitive rewards and work-life balance opportunities, and ensuring a safe workplace. This comprehensive approach to providing decent employment enables us to maintain a highly effective workforce, enhance employee engagement and increase productivity.

Corporate Culture basic principles:

• fair remuneration;
• non-discrimination and equal opportunities for career growth and development;
• comprehensive incentive system;
• adherence to values and result orientation.

Employee relations are based on the principles of mutual respect, non-discrimination, and human rights support. Employee skills and accomplishments are the only criteria for hiring and promotion; gender, age, racial identity, and other socio-cultural attributes are not applied. The wide range of career opportunities for people with disabilities in the Company’s contact centers confirms the inclusiveness of our HR Policy.

Highlights 2020: ensuring decent employment, work-life balance, professional development, and growth opportunities

29 329
the number of the Company’s employees at the end of the year, 59.5% of them are women

The minimum wage in the Company is 1.7 times higher than the minimum wage in Russia

94%
of office employees and 60% of the Company’s total headcount, including sales offices, implemented BeeFREE platform for remote work

20,6 hours
average annual number of training hours per employee

Beeline University and VDNH launched a joint educational portal for continuous learning

0.22
the Lost Time Injury Frequency Rate

by 10.4%
increased the Company’s expenditures for life and health insurance and VHI
HR Policy Principles

The Company’s average number of full-time employees in 2020 amounted to 23,259 people. The labor force participation rate for women in the Company is 59.5%. In the reporting year, we hired 15,992 new employees in various functions of our Company. At the same time, the share of employees aged 50 and older increased by 5.8% compared to 2019 and amounted to 3.3% of the Company’s total workforce. (102-7)
## New employee hires by gender, age group (401-1)

- **2020**
  - Men: 8,145
  - Women: 7,647

## Senior executives 14

(405-1) (202-2)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Men</td>
<td>18</td>
<td>21</td>
<td>16</td>
</tr>
<tr>
<td>Women</td>
<td>2</td>
<td>2</td>
<td>4</td>
</tr>
<tr>
<td>Russian citizens</td>
<td>19</td>
<td>20</td>
<td>18</td>
</tr>
<tr>
<td>Foreign citizens</td>
<td>1</td>
<td>3</td>
<td>2</td>
</tr>
<tr>
<td>Aged under 30</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Aged 30 to 50</td>
<td>17</td>
<td>17</td>
<td>13</td>
</tr>
<tr>
<td>Aged 50 and older</td>
<td>3</td>
<td>6</td>
<td>7</td>
</tr>
</tbody>
</table>

14. Senior executives include the Company’s CEO and President, their direct subordinates who are executives, and D. Zinin, the Company’s Honorary President and Founder.
Remuneration

Providing equal pay for equal work is our priority for employee support and development, and we provide our employees with competitive salaries. The Company believes all employees should be given fair wages for the work they complete, regardless of gender. Employees who hold junior positions receive the same remuneration, then, depending on the employee's performance indicators, bonuses are calculated and wages are reviewed.

The Company's minimum wage in 2020 amounted to 20,9 thousand rubles, which is 1.7 times higher than the minimum wage in Russia.

---

### Minimum wage in the Company and in Russia (202-1)

<table>
<thead>
<tr>
<th>Year</th>
<th>Company's Minimum Wage (rubles)</th>
<th>Russia's Minimum Wage (rubles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>12,130</td>
<td>20,900</td>
</tr>
<tr>
<td>2019</td>
<td>11,280</td>
<td>23,750</td>
</tr>
<tr>
<td>2018</td>
<td>11,163</td>
<td>23,750</td>
</tr>
<tr>
<td>2017</td>
<td>7,800</td>
<td>20,000</td>
</tr>
<tr>
<td>2016</td>
<td>7,500</td>
<td>20,000</td>
</tr>
</tbody>
</table>

---

### Average monthly wages at VimpelCom PJSC, rubles

<table>
<thead>
<tr>
<th>Year</th>
<th>Average Monthly Wages (rubles)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>51,362</td>
</tr>
<tr>
<td>2019</td>
<td>47,282</td>
</tr>
<tr>
<td>2018</td>
<td>45,492</td>
</tr>
<tr>
<td>2017</td>
<td>49,243</td>
</tr>
<tr>
<td>2016</td>
<td>48,358</td>
</tr>
</tbody>
</table>

---

15. When calculating the indicator, actual payments for the period under the Wage item were taken into account excluding bonuses to employees.
Work-Life Balance

In 2016, Beeline was one of the first in Russia to launch a full-scale remote employment project called BeeFREE, which has now become an integral part of the Company’s business and corporate culture.

Remote work provides greater benefits for employees in the context of COVID-19. In this regard, the Company has developed a BeeFREE solution suite for its customers to organize remote work based on the WorkPlace-as-a-Service (WaaS) concept.

For more information on the way BeeFREE project helped many Russian companies to tackle the consequences of the COVID-19 global pandemic and ensured continuous business, see section COVID Response 2020.

In today’s world, the flexibility provided by BeeFREE is one of the necessary conditions for effective work, as well as for retaining valuable employees and attracting new candidates from the labor market. Internal research and industry rankings have recognized BeeFREE as an effective tool both for business and increasing employee motivation and productivity.

According to the results of internal surveys, 98% of employees and managers say that efficiency has remained at the same level as when working in the office or increased. Also, due to the implementation of the initiative in the reporting year, the area of administrative offices was reduced by 25%, and, as a result, the cost of renting and operating office space was reduced.

At the end of 2020, 94% of office employees and 60% of the Company’s total headcount, including sales offices, implemented the BeeFREE platform for remote work.

Flexible work arrangement provided by the Company allows young parents to combine professional and career development with their families. In 2020, 1,317¹⁶ of our employees took child care leave for parents with children below 1.5 years. A total of 3,277 people, including 44 men, were on child care leave at the end of the year under review. The Company’s BeeFREE initiative allows young families to effectively combine work and childcare.

More than 43% of the Company’s employees call the possibility of remote work and flexible schedules one of the determining factors for working in the Company.

94% of office employees implemented the BeeFREE platform for remote work

98% of employees say that efficiency has remained at the same level as when working in the office or increased

¹⁶ The number excludes maternity leave and child care leave for parents with children below 3 years.
Personnel Development and Training

Continuous education allows a person to adapt to changing economic, business, and cultural environments. VimpelCom PJSC pays great attention to professional training and employees competence development with focus training programs and individual development plans throughout the career path in the Company.

In 2020, 99% of trainings were moved online because of the COVID-19 spreads. In three weeks, the Company managed to move virtually all major employee development programs to a remote environment: 360° competence assessment, individual development plan, leadership programs, on-demand assessments, talent calibration, and other training-related processes.

In 2020, the average hours of face-to-face training and remote training per employee amounted to 10,6 (+31% over 2019) and 10,0 (+10% over 2018) respectively.

---

Total and average hours of employee training by gender and position\(^\text{17}\) (404-1)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Total hours of employee training, including</strong></td>
<td>390 404,5</td>
<td>474 296,5</td>
<td>604 733,25</td>
</tr>
<tr>
<td>among women</td>
<td>182 099,5</td>
<td>228 510</td>
<td>303 636,25</td>
</tr>
<tr>
<td>among men</td>
<td>208 305</td>
<td>245 786,5</td>
<td>301 087</td>
</tr>
<tr>
<td>among senior executives</td>
<td>564,5</td>
<td>1316</td>
<td>1236</td>
</tr>
<tr>
<td>among employees</td>
<td>389 840</td>
<td>472 980,5</td>
<td>603 497,25</td>
</tr>
<tr>
<td><strong>Average annual hours of training per employee</strong></td>
<td>13,7</td>
<td>17,2</td>
<td>20,6</td>
</tr>
<tr>
<td>among women</td>
<td>13,4</td>
<td>15,7</td>
<td>17,4</td>
</tr>
<tr>
<td>among men</td>
<td>14,0</td>
<td>18,9</td>
<td>25,3</td>
</tr>
<tr>
<td>among senior executives</td>
<td>28,2</td>
<td>57,2</td>
<td>61,8</td>
</tr>
<tr>
<td>among employees</td>
<td>13,7</td>
<td>17,2</td>
<td>20,6</td>
</tr>
</tbody>
</table>

---

\(^{17}\) In 2019 and 2020, training for a broader range of employees, particularly customer support center employees, was taken into account. 2019 figures may therefore not comply with those disclosed in the Company’s 2019 Sustainability Report.
Top courses and programs (404-2)

In addition to mandatory and scheduled training, Company employees have the opportunity to submit their own training requests. In 2020, on average, there were 6 compulsory e-courses per employee and 2 more courses employees could choose.

Top 4 vocational training programs:
- PowerPoint presentations
- A result-oriented negotiator
- Be determined: examples of winning arguments
- Python programming

Top 4 competency programs:
- System thinking
- Generation of trend-driven ideas
- Life in changes
- Anti-burnout engine

Top 4 competency e-courses:
- Performance management with LEAN
- How to be SMART?
- Be in control of the changes
- Trendspotting: how to jump on trends?

TOP-S courses chosen

- Adding a phone number to the SPACE directory: 14,316
- Being SMART: 1,375
- LEAN-based performance management: 1,251
- Change management: 1,223
In 2020, VimpelCom developed a model of employee digital skills based on global and Russian experience analysis, which included:
- digital environment communications;
- digital security;
- technical competence;
- new training formats;
- creativity and content;
- data processing.

A training program including e-courses and books was developed for each model element on the Beeline University portal.

Leadership Programs

Since 2018, the Company has introduced the Go Learn and Go Lead programs for intermediate and top management, aimed at developing the skills of a modern leader-manager. The training focuses on system and strategic thinking, building well-coordinated teamwork, awareness, emotional intelligence, and change management. In 2020, the Company launched new projects to promote the skills of top talents - GO3, IndiGo, LeadershipUPGRADE. In 2020, 357 people participated in the programs, and some of them were promoted the same year. (404-2)

The high proficiency and strong professional reputation of the Company's top management are confirmed by external experts. In 2020, 9 heads of functional areas were listed among Top 1000 Russian Managers. They are:
- Executive Vice President for Brand Marketing
- First Executive Vice President for Mass Market Development
- Executive Vice President and Chief Financial Officer
- Executive Vice President for Human Resources, Operational Development and Support
- Lead Procurement Manager
- Head of Sustainability
- Corporate Governance Director
- Executive Vice President for Legal Support, Government Relations and Compliance
- Vice President for Communications and Sustainability

Beeline University for Society

Beeline University is one of the first corporate universities in Russia with enormous expertise in introducing relevant educational courses that meet society's modern requirements. During the COVID-19 pandemic, the most sought-after educational product was courses aimed at increasing awareness and building good coping skills. In 2020, Beeline University and VDNH launched a joint educational portal for the continuous learning process students.vdnh.ru for schoolchildren and students, particularly negatively impacted by a period of self-isolation; the portal offers a lot of free educational content:
- recorded webinars on issues particularly relevant in the context of self-isolation: solving non-standard problems, maintaining inner balance in a changing environment, preventing emotional burnout, and others;
- online courses to develop skills useful in the new environment (including emotional intelligence, change management, conflict settlement, etc.);
- video recordings of speeches by renowned experts in various fields, from reflections on the future of cinema to new rules of business correspondence.

The portal totals more than 15 courses developed by Beeline University.

Antistress Support

The pandemic has affected the mental health of a large number of individuals around the globe. In an effort to support its employees, VimpelCom launched a series of anxiety elimination and control training programs: a total of 45 training sessions were attended by 640 people. In addition, there were two marathons with invited mental health experts – a stress management marathon (1,5 thousand participants) and a self-care marathon (950 participants) – as well as therapy sessions (80 customers). Upon completion of the programs, there was a lot of positive feedback from the Company’s employees.

“I want to express my deep gratitude for the marathon! I've learned to enjoy the little things in everyday life. Found the right balance between work and life priorities. Learned to look at the situation differently.”

Stress management marathon participant
Employee Motivation and Performance Evaluation

Our feedback and mentoring system enable all Beeline employees to regularly receive feedback on their work and advice on professional development. VimpelCom constantly uses a system of setting goals and evaluating personnel (KPI), which allows us to motivate employees to improve efficiency. (404-3)

The Company’s incentive system consists of material and non-material incentives, including payment of bonuses for various reporting periods (month, quarter, year), a package of social benefits, and contests and promotions with drawing of monetary and non-monetary prizes. (401-2)

The SOTo non-material motivation project is particularly popular among employees; the project enables employees to thank their colleagues for showing value behavior, outstanding results, and the implementation of projects of priority importance to the Company’s operations.

In 2020, pro bono projects took Beeline employees 576 hours to develop own and partner programs.

For more information on the elements of the employee motivation system, see the Sustainability Report 2018 (p. 50)

Social Support (401-2)

The Company provides significant social support to its employees, providing a package of social benefits, including:

- voluntary health insurance (VHI);
- accident and life insurance;
- financial aid;
- New Year gifts to children of employees;
- various types of moving expense reimbursements;
- reduced telecommunications costs;
- partial reimbursement for employee sick leave.

General social expenses for the Company’s employees, million rubles18

<table>
<thead>
<tr>
<th></th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2018</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Voluntary health Insurance and accident Insurance</td>
<td>381,8</td>
<td>349,7</td>
<td>343,9</td>
<td>332,9</td>
<td>367,6</td>
</tr>
<tr>
<td>Financial aid</td>
<td>49,5</td>
<td>46,3</td>
<td>44,8</td>
<td>49,9</td>
<td>53,6</td>
</tr>
<tr>
<td>New Year gifts to children of employees</td>
<td>7,6</td>
<td>8,0</td>
<td>9,1</td>
<td>9,2</td>
<td>11,8</td>
</tr>
<tr>
<td>Moving expense reimbursements (reimbursement of expenses for relocation to other regions, fixed payment for settling in at a new location, rent reimbursement)</td>
<td>72,6</td>
<td>92,5</td>
<td>57,2</td>
<td>24,1</td>
<td>17,6</td>
</tr>
<tr>
<td>Reimbursement of expenses for travel and luggage transportation to and from the place of annual paid vacation for VimpelCom PJSC employees working in the Far North and equivalent areas</td>
<td>1,3</td>
<td>2,1</td>
<td>2,4</td>
<td>2,9</td>
<td>2,1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>512,8</td>
<td>498,6</td>
<td>457,3</td>
<td>419,0</td>
<td>452,6</td>
</tr>
<tr>
<td><strong>Total per employee, thousand rubles</strong></td>
<td>21,7</td>
<td>23,0</td>
<td>16,1</td>
<td>15,2</td>
<td>17,7</td>
</tr>
</tbody>
</table>

18. Excluding cell phone reimbursement.

Beeline also continued its transition to an electronic recordkeeping system in the reporting year. By the end of 2020, 7,083 employees of the Company switched to electronic employment record books.
Occupational Health and Safety

Beeline pays special attention to preserving the employees' health and guarantees a high level of personnel safety. We continuously improve our occupational health and safety system and ensure work to prevent occupational injuries and illnesses.

The Company's occupational health and safety system fully complies with legal requirements and national and international standards and covers the activities of all Company employees. VimpelCom PJSC employees shall familiarize themselves with the Company's internal health and safety documentation, study instructions related to safety precautions and measures, and undergo training and take a knowledge test.

Amid the spread of coronavirus infection in 2020, we effectively disinfected our offices and stores, provided employees with personal protective equipment, and monitored their well-being. Thousands of our employees worked from their homes, safe and secure with their loved ones.

Compared to 2019, health and safety expenses decreased by 4.7 times in the reporting year due to the completion of a large-scale office renovation in 2019, during which the ventilation system was replaced, new furniture and other household goods were purchased for the organization of workplaces in accordance with mandatory standards. Compared to the average annual health and safety expenses in 2016–2018, the indicator value for 2020 increased by 1.8 times.

In 2020, we continued to work on the process to ensure acceptable levels of artificial lighting in the workplace. All of our office workers are provided with drinking water and medical examinations in accordance with Russian legislation.

<table>
<thead>
<tr>
<th>Year</th>
<th>Health and safety expenses, thousand rubles</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>23 812,1</td>
</tr>
<tr>
<td>2019</td>
<td>11 887,8</td>
</tr>
<tr>
<td>2018</td>
<td>13 270,4</td>
</tr>
<tr>
<td>2017</td>
<td>14 289,5</td>
</tr>
<tr>
<td>2016</td>
<td>111 425,8</td>
</tr>
</tbody>
</table>
During the financial period, the Company had no fatal accidents, and there were no cases of serious injuries. In 2020, 10 minor accidents were registered (in accordance with the classification adopted in the Russian Federation), the causes of which were falls and injuries resulting from collapses and falling of objects, falling on slippery surfaces, including those covered with snow and ice. The frequency rate of minor occupational injuries among the Company’s employees amounted to 0.22.\(^{403-9}\)

There were no accidents in 2020 in contractors operating at the Company’s facilities.

### Number of accidents and fatalities\(^{19}\)

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of fatalities</td>
<td>1</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Total number of accidents</td>
<td>6</td>
<td>5</td>
<td>5</td>
<td>13</td>
<td>10</td>
</tr>
<tr>
<td>Including men</td>
<td>4</td>
<td>3</td>
<td>3</td>
<td>7</td>
<td>5</td>
</tr>
<tr>
<td>Including women</td>
<td>2</td>
<td>2</td>
<td>2</td>
<td>6</td>
<td>5</td>
</tr>
</tbody>
</table>

**Lost Time Injury Frequency Rate\(^{20}\) (403-9)**

All accidents that occur to employees during the performance of their official duties, regardless of their severity, are investigated in accordance with the current legislation. Based on the results of the study, we develop measures to eliminate the causes of the accident and make every effort to minimize the risk of re-occurrence of the incident.\(^{403-2}\)

Each accident provides for the establishment of a commission, whose tasks include conducting an investigation, analyzing the causes of the incident and developing further actions to reduce the number of such situations and, ultimately, to completely eliminate their occurrence.

The task of the commission is to determine accident cause factors, including those associated with shortcomings of the organization in carrying out production processes, errors in the occupational health and safety employees training, and to identify the main and contributing causes, develop preventive measures.

In 2020, we developed and adopted hazard identification and risk assessment procedure. The occupational risk assessment procedure is shown in the diagram below. Regular analysis, control, relevant risks registration, and third-party audit of the process are provided as part of the procedure in accordance with international standards.

---

\(^{19}\) Data for 2019 is refined from similar data published in the 2019 Sustainability Report.

\(^{20}\) The LTIFR indicator was calculated for 1 million hours worked.
Employee Voluntary Health Insurance

We appreciate to know the right to social insurance is fully realized and all of our employees get high-quality health care services. All employees who have worked for the Company for more than three months are entitled to a corporate VHI policy, which includes outpatient and dispensary services, dental services, and planned and emergency inpatient treatment. Voluntary health insurance enables employees to undergo regular mandatory medical examinations and be vaccinated against influenza. In 2020, the Company’s expenses for health and life insurance and VHI increased by 10.4% compared to the previous reporting period. (401-2) (403-6)

---

The occupational risks assessment procedure

- Establishment of an occupational risk assessment commission
- Approval of the list of workplaces (WP) subject to occupational risk assessment
- Collection of information about the workplaces (employee survey, WP examination, consideration of production control and SAWC results)
- Hazard identification at the WPs
  - Risk level identification
    - Risk level = The severity of possible damage * Risk probability
- Drawing up of occupational risk maps
- Preparation of a register of hazards (hazards affecting the Company’s employees)
- Development of measures to reduce occupational risks
- Use of the findings of occupational risk assessment. Implementation of occupational risk assessment methods in the Company’s OHSMS
- Monitoring and review of workplace risk levels, if necessary

---

21. WP — workplace, SAWC — special assessment of working conditions, OHSMS — occupational health and safety management system.
08 Information Security and Data Protection

Key Principles and Tools in Information Security ........................................... 70
Cyber Protection Service ............................................................................. 72
Safe Internet ............................................................................................... 73
Key Principles and Tools in Information Security

The right to privacy is the basis of international and local instruments in the area of fundamental human rights and freedoms. Information security and personal data protection remain among our key priorities. Late provision, misrepresentation, loss or unauthorized disclosure of information about users represent significant risks and a powerful negative effect on the Company’s reputation.

Beeline’s approaches to information security comply with all provisions of Russian legislation, as well as leading international standards such as PCI DSS, COBIT, ISACA, etc.

Beeline’s key principles in the field of information security:

01. ensuring continuity of service delivery when providing services to customers
02. avoiding distortion, blocking and destruction of data
03. ensuring confidentiality of information
04. supporting the digital transformation strategy to ensure asset security
05. protecting customers from cyber threats
06. complying with the requirements of Russian and international legislation
07. improving the information security system on an ongoing basis

Priority attention at the Company-wide level is given to reducing the risks of leakage of customers’ personal data. For these purposes, the Company has adopted the Personal Data Processing Policy which defines general provisions on the legality of processing and ensuring the security of processed personal data, as well as created a system of personal data protection, whose basic principles are as follows:

• an integrated approach that implies the adoption of a set of legal, organizational and technical measures aimed at ensuring the security of personal data, complementing and supporting each other;
• promptness and preventiveness, which means that personal data security measures applied within the protection system should be prompt as well as preventive in nature;
• reliability, which means that the Company’s system of personal data protection should guarantee that processed personal data is protected in accordance with legal requirements.

In addition, the Company has established personal data protection and processing regime to ensure that each VimpelCom employee follows Russian law and corporate regulatory documents. The means of protection of personal data processed are in line with the requirements of Federal Law of No. 152-FZ dated July 27, 2006, on data processing centers.

During the reporting period, the Company once again successfully passed the PCI DSS v3.2 certification and thus confirmed its compliance with the payment system security standard. The certificate of IP/MPLS network compliance with Class 1G security requirements was also renewed.

The Company also has a license from the FSTEC (Federal Service for Technical and Export Control) of Russia for the technical protection of confidential information and a license from the Federal Security Service (FSB) of Russia for development, production, and distribution of encryption (cryptographic) tools, information systems, and telecommunications systems protected using such tools.
The key tools for protecting Beeline’s personal data are

Mobile Security
A free application launched by Beeline and ESET to ensure the protection of customers’ smartphones on the Android OS from virus attacks.

Hotline
Our hotline (007) has been successfully operating for five years now. Beeline subscribers can send there suspicious SMS they receive on their phones free of charge. Company specialists quickly analyze and, if necessary, block the offender.

SecretNet
For several years, the Company has been running the SecretNet information security system. It is a series of security mechanisms that support simultaneous security at various levels: data, applications, network, operating system and equipment.

Comprehensive solution against DDoS attacks
A service for corporate customers that protects their information resources against the widest range of attacks in just 18 seconds, without affecting the Internet traffic consumed.

The number of personal data leaks in 2020 went down by 54% compared to 2019, owing to the system-wide work to stop such violations conducted by the Company’s Corporate Security Division, as well as the increased level of control over activities of subordinate specialists by the officials directly in the sales offices.

In order to prevent such leaks, VimpelCom PJSC makes every effort to identify and prosecute intruders, actively cooperates with law enforcement agencies, and improves its own information security systems.

In addition, the Corporate Security Division undertakes ongoing awareness and preventive training among employees, whose purpose is to inform about the cases of violations and prevent possible offenses. For each confirmed leakage, a corporate audit is carried out, and the results are used to make informed managerial decisions.

In the reporting year, the Company also incorporated Web Application Firewall (WAF, a set of monitors and filters designed to detect and block network attacks on the web application), which will protect web applications, including personal accounts. Furthermore, a system of secure data exchange with the Ministry of Emergency Situations was rolled out (for calls to the emergency number 112).

Total number of leaks, thefts or losses of customer data identified (418-1)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>65</td>
<td>98</td>
<td>45</td>
</tr>
</tbody>
</table>
Cyber Protection Service

Information security and cyber protection are the most important areas of digital service development for business. In December 2020, Beeline, together with Group-IB, launched a comprehensive solution Cyber Threat Protection Service for the medium and large business segments. The system protects customers’ IT infrastructure from advanced targeted attacks and APT threats, including those that use encryption viruses, banking Trojans, spyware and other types of viruses that are not detected by standard means: antivirus, firewalls and intrusion prevention systems.

Previously, this class of protection was only available to corporations as part of expensive hardware and software systems.

Anomalies detected by the service are transmitted to the emergency response team, whose specialists analyze incidents around the clock, and the customer is informed about critical threats that require attention by email, phone or online via a convenient web interface. The response time to critical events does not exceed three hours.

Cooperation with the Federal Antimonopoly Service of Russia

In the course of the reporting year, Beeline Business became a provider of a unified virtual private network (IP VPN) of the Federal Antimonopoly Service (FAS) offices throughout Russia. FAS offices moved the system-critical data to our secure corporate network.

We provided FAS Russia with a virtual network with an increased data transfer rate and redundant communication channels in case of attacks or critical loads for customer continuity, as well as a monitoring system for all communication channels of this IP VPN.

“...We know how important it is to deliver quality digital services that ensure a seamless operation of public institutions in a dynamically changing environment. At the same time, we feel the weight of data protection issues faced by the authorities, emerging in connection with state digitalization. It is advanced technologies for the protection of public service data, such as virtual private networks with monitoring systems and secure data transmission channels, that will help move to the effective exchange of data without the risk of leaks of important information. We are pleased to offer our technical expertise to the Federal Antimonopoly Service of Russia. As representatives of large Russian businesses, we feel the pressure of necessity of competition and healthy development of entrepreneurship in the country...”

Alexander Shvedov,
Director for State Customer Engagement
at VimpelCom PJSC
Beeline attaches great importance to the formation of responsible Internet content and complies with the requirements of legislation in the field of safe Internet development. The main mechanism for ensuring Internet security is DPI (Deep Packet Inspection), which allows you not only to detect and block viruses, but also not to pass legally prohibited information that does not meet the specified criteria (for example, BitTorrent protocols, gambling sites, etc.). In addition to whole virus software, the DPI service is designed to identify and block fragments that match computer viruses. DPI is also used to prevent accidental data leaks.

The Company’s activities in the field of safe Internet are subject to Federal law No. 139-FZ of July 28, 2012. Monitoring the compliance with the requirements for safe Internet is the responsibility of the Vice President for Relations with Public Authorities and the Infrastructure Development Division. The Company regularly interacts with regulatory authorities and receives feedback on these issues.
The Impact of Mobile Communications on Health

- Research and Standards ................................................................. 75
- Radiophobia .................................................................................. 75
- Information Campaigns ................................................................. 76
- Customer Care, Conscious Consumption of Digital Products and Services ......................................................... 77
The global telecommunications industry recognizes public and regulatory concerns about the possible risks to human health from exposure to radiofrequency electromagnetic fields from mobile communications as the 5G network expands. VimpelCom is engaged in a constructive dialogue with all stakeholders on this matter.

Radiophobia

In the year marked by coronavirus, people’s anxiety has increased, leading to a new round of radiophobia associated with the fear of the installation of cell phone towers in residential areas and the possible negative impact on the human body. In 2020, cell phone towers in North Ossetia (in the village of Nogir and the settlement of Mizur) were burned, and rallies against the installation of base stations were held in Dagestan, Karachay-Cherkessia and a number of cities of the Stavropol territory.

A new wave of speculation about the detrimental effects of 5G on human health was due to the testing of 5G pilot areas by mobile operators in major cities and the low awareness of the technology.

VimpelCom, as well as other operators, fosters the dialogue with the population and seeks to offer the best solutions, openly sharing research data and conducting large-scale educational campaigns for stakeholders.

“...”

Research and Standards

Numerous studies on the effects of electromagnetic radiation have shown that there is no serious impact on human health.

In particular, it has been established that radio facilities do not cause health problems provided that telecom operators comply with international and national requirements and 5G standards when building their networks.

In creating new infrastructure, VimpelCom is guided by the national standards and principles, including:

- Hygienic Requirements for Arrangement and Operation of Land Mobile Radiocommunication Facilities, Ministry of Health, 2003 (SanPIN 2.1.8/2.2.4.1190-03);
- Hygienic Requirements for Arrangement and Operation of Transmitting Radio Communication Equipment, Ministry of Health, 2003, as amended on December 19, 2007 (SanPIN 2.1.8/2.2.4.1383-03);
- Sanitary and Epidemiological Requirements to Physical Factors at Working Places, Ministry of Health, 2016 (SanPIN 2.2.4.3359-16).

---


---

Evgenia Chistova,
Head of Sustainable Development of PJSC VimpelCom
Information Campaigns

In addition to complying with national safety standards, VimpelCom carries out educational work on radiophobia issues.

In 2020, during a special information campaign, Beeline continued to dispel myths about the negative impact of base stations and the network on human health on its social media pages. A mini-game — Major Development. Help the City Connect to the Cellular Service — was launched. The players had to place base stations in the most convenient locations in order to get points.

Besides, Moscow, Barnaul, Astrakhan, Cheboksary, Stavropol, Volgograd, Rostov-on-Don and 16 other Russian regions held a comprehensive information campaign in July and August 2020: I Don’t Want to Be Afraid in Vain! Four Strong Arguments Against Radiophobia. Around 22.5 million people took part in it.

In 2021, Beeline continued to bust myths about the harm of cell towers and help fight phobias associated with the emergence of new technologies by launching in May a special project:

https://moe-online.ru/preview/1094087

It was rolled out in seven regions of the South. And within a year it will expand throughout Russia.

FACT №1

The 5G mobile network standard, the star of many scare stories, is transmitted over ordinary radio waves. In fact, Bluetooth, wi-fi, and 3G and 4G networks are in the same frequency range.

FACT №2

The more base stations around, the less often a smartphone will look for its tower to get in touch. Hence the fewer radio waves it will emit during the day.

FACT №3

Radiation of any home microwave is four times more powerful than that of an entire base station.

FACT №4

“There are too many cell towers, they spread the coronavirus with 5G, and will control our minds in the future...” If you hear this and look around cautiously at every base station you meet on the way, or get more anxious when reading another “scare story” about some obscure but sinister technology, it’s time to remember simple arguments that will help you not to poison your life with unnecessary fears. Share these arguments with your close ones, too, if they suddenly start to give in to the fear of radiation.

Remember, that construction of base stations is strictly regulated. All of them are inspected by Rosprortenadzor. In Russia, the standards for maximum permissible levels of electromagnetic radiation for inhabited areas are 10 times stricter than, for example, in the United States, Sweden or Norway — 10 μW/cm² versus 100 μW/cm² in Western countries.

Only ionizing and ultraviolet radiation can cause cancer and other diseases. Hundreds of thousands of scientific studies over the past decades have found no negative effects of cellular network signals on the human body. In the meantime, for the same 10 years, simple sunlight has been a reason for numerous health conditions (ultraviolet radiation from the sun causes melanoma). You may be wearing a tin foil cap, but do not forget to put on sunscreen as well!

Summing it up, radiophobia has no scientific basis. Often it is the poor knowledge of school physics that makes people feel that way. Next time you will be having debates with conspiracy theorists, do not hesitate to refer to our crash course. After all, the construction of base stations brings tangible benefits, like better signal quality and faster mobile Internet. And that means more opportunities for development, work and leisure.

Customer Care. Conscious Consumption of Digital Products and Services

We understand that advanced technology has a huge impact on people's lifestyles and habits. According to numerous studies, sedentary lifestyles, fatigue and stress, depression and sleep deprivation can result from the excessive and uncontrolled use of computers and smartphones.

Being aware of this, Beeline conducts educational activities regarding healthy behavior and conscious consumption of digital products and services.

With the Company's solutions GB for Sleep, GB for Detox, GB for Brains, GB for Steps, our customers can get additional Internet traffic for healthy habits: an 8-hour sleep without a smartphone, not using a smartphone for at least 2 hours every day, or reading at least 30 minutes in the Bookmate app. For fulfilled conditions, 50 MB of additional traffic to the main package will be credited for each promotion, and users of tariffs with unlimited Internet will be able to share their traffic with other devices (one hour per day) for 1 000 steps.

Due to the pandemic, GB for Steps took a new format on April 1–30, 2020. Instead of the usual 10 000 steps, you only had to walk 1 000. This is enough to get additional traffic to the package included in the tariff: 100 MB every day or up to 3 GB per month. Users of tariffs with unlimited Internet got the opportunity to share their traffic with other devices (one hour per day) for 1 000 steps.
The Planet.
VimpelCom's Climate Agenda

Environmental Management .............................................................................. 80
Improving Energy Efficiency of Our Facilities .................................................. 82
Energoconsult by Beeline: A Solution for Small and Medium-sized Businesses .................. 85
Supporting Biodiversity: Save the Bees Information Platform .......................... 86
Sustainable Use of Resources ........................................................................ 87
Waste Management ....................................................................................... 88
The international climate agenda requires every industry to take action to combat climate change. To address this issue, the cell phone industry aims to achieve zero carbon emissions by 2050, in line with the global warming limit of 1.5°C.

The concern

The life-cycle carbon footprint of the information and communications technology (ICT) sector totals about 700 million t of CO₂ eq. per year, which is equivalent to 1.4% of global carbon emissions and about 4% of global electricity consumption. The carbon footprint of ICT sector includes emissions from:

- production of network equipment,
  construction of network sites and mobile masts, and network operation and maintenance;
- production and use of custom devices;
- construction and operation of data centers.

To reduce the risks associated with global warming, companies in the telecom sector need to incorporate a number of initiatives to curb temperature rise. These include switching to renewable energy sources, implementing energy-efficient technologies, assessing the supply chain to set an emissions reduction goal, and spreading smart technology.

Though Beeline is a telecommunications operator, it has a relatively small influence on the natural environment compared to companies in many other industries. We believe it is important to maintain ongoing development and launch of innovative projects that can contribute to solving the most pressing environmental issues faced by our country and the whole planet.
Environmental Management

Beeline takes a responsible approach to environmental aspects and makes every effort to lessen its impact by constantly improving the efficiency of technologies used and promoting a culture of conscious production and consumption among both employees and partners.

Thus, in 2020, we drew up and adopted the Environmental Policy. It records the Company's main obligations, goals and objectives in the field of energy efficiency, climate change, rational use of resources, waste management, emissions management, as well as mechanisms for environmental risk management.

The policy rests upon:

- UN Sustainable Development Goals approved by UN General Assembly resolution A/RES/70/1 on September 25, 2015;
- recommendations and reports of non-profit organizations and international initiatives: UN Global Compact, IPCC, World Wildlife Fund, and GRI;
- Federal Law No. 7-FZ dated January 10, 2002, On Environmental Protection;
- Decree of the President of the Russian Federation No. 204 dated May 7, 2018, On National Goals and Strategic Objectives of the Russian Federation through to 2024, as well as other strategic documents on environmental protection and environmental safety.

The Vice President for Communications and Sustainability oversees the implementation, execution, development and review of our Environmental Policy.
Climate Risk Management

The Company’s business does not produce significant air emissions, but we are committed to helping implement the Paris Agreement to keep the global average temperature rise below 2°C and limit this rise to 1,5°C.

With a view to advancing the management of climate change risks, the Company monitors such possible physical risks on a regular basis. Our experts trace the impact of emergencies on infrastructure caused by adverse weather conditions: snowfalls, floods, hurricanes and other natural disasters.

Over the past three years, no major accidents due to emergencies or natural disasters were registered by the Company. The Technology Division reported local incidents owing to atmospheric conditions, but they did not affect the region as a whole and were generally associated with a temporary degradation of service rather than a complete disconnection. And like that, the Company’s strong infrastructure enables us to ensure the continuity of business processes and the availability of services, despite the occurrence of natural weather events.

For more information on business continuity, see COVID Response 2020 section.

---

### Direct greenhouse gas emissions²² (thousand tons of CO₂ eq.) (3OS-1)

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total</td>
<td>2,35</td>
<td>2,17</td>
<td>1,97</td>
</tr>
</tbody>
</table>

---

### Incidents related to adverse weather conditions

<table>
<thead>
<tr>
<th>Region/year</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Greater Moscow</td>
<td>16</td>
<td>10</td>
<td>13</td>
</tr>
<tr>
<td>East</td>
<td>33</td>
<td>12</td>
<td>23</td>
</tr>
<tr>
<td>West</td>
<td>12</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Center</td>
<td>16</td>
<td>6</td>
<td>11</td>
</tr>
<tr>
<td>South</td>
<td>35</td>
<td>19</td>
<td>29</td>
</tr>
<tr>
<td>Total</td>
<td>112</td>
<td>55</td>
<td>83</td>
</tr>
</tbody>
</table>

---

²² Estimate that includes carbon dioxide (CO₂) emissions. The calculation procedure takes into account coefficients approved by the Order of the Ministry of Natural Resources and Environment of Russia no. 15-R dated April 16, 2015.
Improving Energy Efficiency of Our Facilities

In order to reduce the load on the environment and improve the energy efficiency of our operations, Beeline is introducing innovative products.

For our data centers, we choose locations with a moderately cold climate. This allows us to minimize the consumption of electricity which is needed to remove excess heat from telecom and IT equipment during the fall, winter and spring seasons. Our data centers are powered by energy-saving Free Cooling technology.

To be sustainable, we are abandoning rechargeable batteries, sources of electrochemical current and replace them with high-performance dynamic uninterruptible power supplies. One such solution is our data center in Yaroslavl. It has been operating since 2013.

In the course of the reporting year, the construction of two new modules of the Yaroslavl technical data center was finished. We increased the data center’s usable capacity threefold (from 1 200 kW to 3 600 kW), and 88% of cooling was done by Natural Free Cooling (outdoor air cooling) technology by Schneider Electric and HiRef, with a cooling capacity of 50 kW each (26 units per data center).

Our data center was built following international and national environmental standards. The air conditioning systems use environmentally friendly refrigerant Freon R410A instead of Freon R22, and the average power usage effectiveness (PUE) is provided at a level up to 1,35.

---

Base Stations

Our base stations are also equipped with software-integrated technology solutions that increase energy efficiency and decrease the environmental footprint.

We timely disable outdated and unused equipment, activate energy-saving functions of the software (built-in by the manufacturer) and replace monolithic base stations with distributed ones, which raises energy efficiency by 10–20% on average.

Free Cooling systems installed in container base stations provide an average 7–15% increase in efficiency, and a target air conditioner temperature of at least 26˚C and regular monitoring of compliance frees up about 9% of the energy consumed by air conditioners. Introduction of the Automated Information and Measuring System of Commercial Electricity Metering and transition to a 4-rate group allows us to optimize electricity tariffs. We also replace and tune low-efficiency uninterruptible power supplies with a single power supply.

Heat and electricity consumption (thousand kWh) (302-1)

The volume of solar energy consumption by the grid, provided by the solar panels’ own generation of electricity, amounted to 29.5 GJ.

The Company’s energy consumption in 2020 totaled 3 304 TJ. The rise in the total energy consumption indicator for 2019 is due to the significant expansion of telecommunications infrastructure in the reporting year.

<table>
<thead>
<tr>
<th>Indicator</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Heat</td>
<td>10 627</td>
<td>21 290</td>
<td>19 894</td>
<td>20 154</td>
</tr>
<tr>
<td>Electricity</td>
<td>675 813</td>
<td>820 971</td>
<td>804 058</td>
<td>897 681</td>
</tr>
<tr>
<td>Total energy consumption</td>
<td>886 440</td>
<td>842 261</td>
<td>823 952</td>
<td>917 835</td>
</tr>
</tbody>
</table>
Improving Energy Efficiency in Our Offices

To improve the energy performance of our offices, we look to implement automated consumption management systems, minimize vehicle fuel costs, and replace face-to-face meetings with video conferences.

All our offices have modern heating radiators with the ability to regulate the flow of the coolant, as well as optimized ventilation and heating systems. This can significantly reduce heat consumption in the off-hours. Some offices are equipped with dimming devices to regulate the intensity of artificial light, depending on the level of natural light.

In 2020, we were able to reduce the amount of energy used to transport equipment and personnel by downsizing the fleet in favor of public transportation and taxis, as well as by limiting the physical movements of employees due to self-imposed restrictions.

<table>
<thead>
<tr>
<th>Type of fuel</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Diesel fuel</td>
<td>6,970</td>
<td>10,030</td>
<td>8,936</td>
</tr>
<tr>
<td>Motor gasoline</td>
<td>26,417</td>
<td>20,559</td>
<td>18,848</td>
</tr>
<tr>
<td>Total</td>
<td>33,387</td>
<td>30,589</td>
<td>27,784</td>
</tr>
</tbody>
</table>

Fuel consumption from non-renewable energy sources (GJ) (302-1)
Energoconsult by Beeline: A Solution for Small and Medium-sized Businesses

In June 2020, Beeline Business launched Energoconsult, a service for small and medium-sized business customers who consume large amounts of electricity.

Expert support to optimize electricity costs became especially relevant for businesses that continued to work during the pandemic, for offices opened back up after days off, and for owners of commercial property who suffered financial damage due to the self-isolation regime.

To calculate the energy efficiency of an enterprise, Beeline Business experts provide:

- audit of technical documentation and energy supply contracts to ensure the correctness of unregulated electricity prices and accrual of electricity losses;
- analysis of tariff setting in regions where the facilities are located;
- advice on choosing the best price category for electricity rates;
- other recommendations on reducing electricity costs.

Payment for consulting services is charged upon achievement of the economic effect.

"Resources rational use is both an important aspect in reducing the costs of coming out of self-isolation and the key to sustainable finance and environment in the long run. We want to help companies be more conscious of electrical energy consumption, so they can not only save their money but also lessen their environmental burden. A proper audit will allow for reducing electricity expenses by 10–15%. Based on the Beeline Business internal assessment, the savings of a small office building can reach up to 800 thousand rubles per year, and of a large business — about 50 million rubles per year. Beeline Business seeks to further develop its electricity projects, and our in-house highly-skilled teams are ready to share their expertise."

Alexander Popov,
Director for Fixed Business and Convergent Solutions
Development at VimpelCom PJSC
Supporting Biodiversity: Save the Bees Information Platform

VimpelCom’s main activities provide no material negative impact on biodiversity changes in the regions where it operates. On the contrary, the huge potential of our technologies enables us to create solutions for flora and fauna preservation and conservation in traditional agricultural areas of Russia.

According to the Food and Agriculture Organization of the United Nations, more than 70% of the world’s crops, which the global food system depends on, are pollinated by insects. The decline in their numbers leads to a decrease in food production and job cuts, as well as global genetic and species diversity losses. By 2035, the honey bees may disappear from the list of pollinators. According to experts, the main causes of their death are improper use of pesticides and the lack of farmer knowledge. Farmers often demonstrate improper handling of pesticides and treating of fields.

In the summer of 2019, the mass death of bees was observed in 30 regions of Russia: about 80,000 bee colonies collapsed. In some of them, the proportion of dead bees reached 40%, and the damage to beekeepers amounted to about 2 billion rubles.²⁸

A Technological Solution: Launch of Save the Bees Information Platform

In 2020, Beeline launched Save the Bees, a service for farmers to notify beekeepers about crop treatment, thus reducing the risk of poisoning and saving the insects from extinction. The platform is free for subscribers of all mobile network operators.

When connecting to the system, beekeepers need to specify the exact location of their apiaries and farmers — of their fields. All registered farmers will have a personal account and the opportunity to indicate the exact time and method of treatment, as well as the agents used. It takes just 10 minutes to upload information to the platform. Beekeepers whose apiaries are located within a radius of 7 km from a treated area receive SMS alerts so that they have enough time to take protective measures. In addition, they will be notified of unscheduled work or its cancellation.

By the end of 2020:

- 400,000 unique users have applied to the platform’s website, and 300,000 of them are beekeepers;
- 4 partnership requests from government agencies and honey-producing regions registered.

²⁸ According to the Scientific Center for Beekeeping.
Rational Use of Resources

Water Consumption (303-1) (303-5)

Improving the efficiency of water consumption in Beeline’s offices is the main goal of the Company’s water management activities. Special meters are installed there to control water usage. In 2020, water consumption totaled 64,7 thousand m³, a drop of 46,8 thousand m³ or 42% compared to the previous year. The significant reduction is due to the transfer of a large number of employees to remote work. In addition, Beeline offices have eco-friendly plumbing, which saves up to 30% of water.

Communication Z Tariff for Conscious Consumption of Mobile Services

In recent years, conscious consumption and zero waste concept are gaining popularity among the young generation: every supermarket sells eco-friendly bags to minimize the use of plastic bags, stores and brands collect various items for recycling, fashion clubs host swaps, and the fashion industry is actively developing capsule wardrobes. To support this trend, in the fall Beeline presented a new tariff plan, Communication Z, that is aimed at zero waste. The new service does not charge a subscription fee: the Internet, minutes and SMS packages are purchased separately and have no expiration date for as long as customers are on this tariff. You can choose as many packages as you like: one, two or all three at once depending on the needs and requirements, or not to buy packages you don’t need. The payment will be written off upon activation. The tariff offers unlimited options that can be connected for a day or even forever. Thus, Beeline helps its consumers to be conscious by refusing to purchase unnecessary products and start to follow zero waste practices with one simple step: rational use of mobile communications.

Yulia Galina,
Director for Brand and Marketing Communications at Beeline

"Communication Z is a next-generation service for conscious consumption: our subscribers may use their minutes or gigabytes until none are left. We hope that this new approach to the use of mobile services will promote the habit of in other spheres of life as well."

Total water consumption (thousand m³)

<table>
<thead>
<tr>
<th>Year</th>
<th>Consumption (thousand m³)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>64,7</td>
</tr>
<tr>
<td>2019</td>
<td>111,5</td>
</tr>
<tr>
<td>2018</td>
<td>128,7</td>
</tr>
<tr>
<td>2017</td>
<td>128,5</td>
</tr>
</tbody>
</table>
Waste Management

Following the global sustainability trends, we transfer most of our processes into a digital environment using a document management system and go paperless. In accordance with the Environmental Policy adopted in 2020, Beeline integrated a commitment to zero waste concept into its operations. Subscriber contracts are signed in electronic form, and electronic applications are generated when customers apply for services. In the reporting year, this allowed us to reduce our paper consumption by 67% compared to 2019.

If there is a need to print a document, we have a sustainable printing practice in place to reduce ink consumption.

The Company’s consumption waste is transported to specialized landfills that work under existing waste management contracts. The average consumption waste volume is 750 t per year.

Disposal of telecommunication equipment

The potential source of the Company’s waste is obsolete or defective telecommunication equipment. Instead of handing it over to landfills, Beeline sells such equipment to third-party organizations as scrap in accordance with the corporate procedure for examination, write-off, and disposal of inventory, recycling, and reuse of materials.

In some cases, equipment that has retained its use-value is sold on special platforms by the Corporate Business Development Division.

If used equipment or scrap cannot be sold (for example, if the materials pose an environmental threat), the Company engages certified outside contractors to decontaminate, destroy or dispose of it.

Penalties for Violation of Environmental Legislation

In 2020, VimpelCom paid 1 055 thousand rubles as penalties for violations of environmental legislation. The Company was also subject to two non-financial sanctions in the form of assignment and precaution during the reporting period. Most of the penalties were received for violations of fire safety rules. The Company took appropriate actions.

Each violation was investigated, and appropriate measures were adopted to prevent similar incidents in the future.

---

28. The calculation of paper consumed by offices included VimpelCom PJSC, without taking into account the Beeline mono-brand network’s sales offices.

30. The calculation takes into account the administrative and technical offices of VimpelCom PJSC.

---

<table>
<thead>
<tr>
<th>Year</th>
<th>Paper consumption (t)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>34,0</td>
</tr>
<tr>
<td>2019</td>
<td>102,8</td>
</tr>
<tr>
<td>2018</td>
<td>122,4</td>
</tr>
</tbody>
</table>

---

Waste Management

The Planet. VimpelCom’s Climate Agenda
11 Corporate Governance

Governing Bodies ........................................................................................................... 90
Risk Management Framework ......................................................................................... 92
Business Ethics and Compliance ...................................................................................... 97
Human Rights ................................................................................................................. 99
Responsible Supply Chain .............................................................................................. 100
Governing Bodies

According to the Charter, the Company’s governing bodies are the General Meeting of Shareholders, the Board of Directors, and sole executive bodies: the President and the Chief Executive Officer. The management and divisions are responsible for the implementation of sustainability goals and objectives of VimpelCom PJSC in line with their competencies, internal documents, and applicable laws. (102-18)

General Meeting of Shareholders

The highest governing body is the General Meeting of Shareholders, which resolves corporate issues as stipulated in the Charter and current legislation and elects the Board of Directors.

Board of Directors91

VimpelCom’s Board of Directors defines the general principles and approaches to sustainability goals and objectives. Review and approval of internal documents (top-level) that regulate the Company’s activities in the area of sustainable development also fall within the scope of its competence. (102-19) (102-20)

The Board of Directors makes strategic decisions by interacting with the Company’s management and shareholders, sets the directions of the Company’s policy and basic principles of its economic, environmental, and social projects, draws the line between areas of responsibility, and evaluates the performance results. (102-26)

In 2020, the Board comprised 5 non-executive directors, and at the year-end, it was chaired by Muhterem Kaan Terzioglu, Co-Chief Executive Officer of VEON Ltd.

The matters of quantitative Board composition, the election of members, and early termination of their powers are governed by the General Meeting of Shareholders.

Nomination and election of candidates is a transparent procedure, where the views of shareholders are taken into account; the Board composition shall comply with legal requirements and include experts of finance as well as portfolio and strategy management, and the presence of law, compliance and taxation competencies is ensured. Board members are appointed at the General Meeting of Shareholders for the period until the next Annual General Meeting.

In 2020, the Audit Committee was established to promote the effective implementation of the Board of Directors’ functions related to monitoring VimpelCom’s financial and business activities. Preliminary consideration and preparation of recommendations to the Board of Directors on risk management and internal control, internal and external audits, countering illegal and/or dishonest actions of Company employees and third parties are the responsibility of the Audit Committee. In 2020, the Committee had three members. As of the end of 2020, it was chaired by Serkan Okandan, Chief Financial Officer of VEON Ltd. (102-18)

The Committee composition is elected by the resolution of the Board of Directors. The procedure for nomination and election of candidates is clearly defined in the Regulations on the Audit Committee. There is also an opportunity to include persons who are invited on a regular basis and participate in an advisory capacity. Members of the Audit Committee are appointed for the term of office of the respective Board of Directors.

The Board of Directors gives weight to building effective communication with stakeholders and informing them on the Company’s operations. To maintain an open and meaningful dialogue with the investment community, the Company employs various communication channels: a feedback mechanism, a hotline, submission of key issues to the governing bodies for further consideration, organization of regular visits and events in different formats. Information is disclosed pursuant to the applicable laws, corporate requirements and upon request of stakeholders.

For more information about the Board composition, including the changes in membership that took place in 2020, as well as profiles and career background of its members, see the Annual Report of VimpelCom PJSC for 2020 (Section 12).
Conflict of Interest

VimpelCom PJSC takes all necessary measures to prevent and eliminate the conflict of interest as per the Code of Conduct. The Company has also introduced the Conflict of Interest Policy that defines the behavior of its employees and directors in case of any conflict of interest, including membership on other boards of directors or possession of shares/stakes in the Company’s counterparties, and developed a relevant procedure for disclosing such conflicts of interest and risk mitigation activities.

VimpelCom PJSC provides full disclosure in accordance with the current securities law of the Russian Federation on the Company’s website at http://moskva.beeline.ru/about/about-beeline/disclosure/documents/, where counterparties and other stakeholders can find all the relevant information on the financial and economic activities as well as the lists of affiliates. The information about the participation of Board members in governing bodies of other entities is published in VimpelCom’s quarterly reports, while the data on related (third) parties is presented in the consolidated financial statements prepared as per International Financial Reporting Standards (IFRS). (102-25)

Social Investment Committee

The Social Investment Committee performs day-to-day management of sustainability issues and is responsible for approval of the Company’s Sustainability Strategy, social initiatives, and projects as well as other important decisions on sustainable development. In the meantime, the Vice President for Communications and Sustainability carries out overall coordination of the Company’s actions. (102-19)

The Company’s social and charitable projects seek the approval of the Committee and then are coordinated by the Company’s governing bodies and the parent company VEON Ltd. The procurement and compliance bodies also take part in the preliminary approval and give the green light to these projects. (102-18)

The Social Investment Committee comprises 11 members from the Company’s top management, including the CEO. The Committee is chaired by the Vice President for Communications and Sustainability.

Executive Bodies32

The Company has two sole executive bodies: the President and the Chief Executive Officer, who act independently of each other and are entitled to speak on behalf of the Company on the matters reserved to them by the Charter.

For more information on the scope of competencies of the above-mentioned governing bodies, see VimpelCom’s Charter.

---

32. For more up-to-date information on the Company’s executive bodies and top management, follow the link: https://moskva.beeline.ru/about/about-beeline/management/top-management/
VimpelCom’s risk management framework aims to ensure the effective management under uncertainty and related risks as well as to take the advantage of opportunities and achieve strategic and operational objectives. The Company manages risks in accordance with international and Russian standards. In particular, we rely on the Enterprise Risk Management – Integrated Framework of the Committee of Sponsoring Organizations of the Treadway Commission (ERM COSO). The Company’s risks are classified into four groups: strategic, operational, financial, and compliance.

The Company has the Risk Management Policy in place to increase shareholder value and corporate governance quality. To achieve these goals, risk management is integrated into all business activities of VimpelCom as well as its investment and business planning. When making management decisions, a comprehensive approach to risk management is applied:

- Analysis of risk, which is necessary for the achievement of short- and long-term goals set by the Company.
- Development and introduction of measures to reduce the key risks.
- Tests of risk mitigation measures for effectiveness.

The Company’s fundamental risk management document is the Risk Management and Internal Control corporate standard, which defines risk management at several functional levels. To make management decisions that would take risks into account, the Company has created an appropriate internal collective body, and to improve the efficiency of risk-oriented planning and ensure compliance with the basic risk management regulations, VimpelCom PJSC has the Risk Management and Internal Control Department.

Thus, the Company supports continuous improvement in these areas and advanced training of its employees in risk management and internal control.

Moreover, VimpelCom passed an external assessment of sustainability principles integration into the Company’s management system and its exposure to ESG risks. As part of the comprehensive audit conducted by the EcoVadis rating agency, the Company’s strengths and growth areas in the field of sustainability were determined. Four aspects were assessed: environment, labor, and human rights, ethics, and sustainable procurement. Based on the results, the Company prepared action plans to bring its operations to a new level and incorporate the best practices of sustainable development.

The Company’s key sustainability risks are listed below.

A complete list of risks is presented in VimpelCom’s 2020 Annual Report.
### Management of Key Risks

<table>
<thead>
<tr>
<th>Strategic risks</th>
<th>Response measures</th>
</tr>
</thead>
</table>
| VimpelCom PJSC defines strategic risks as risks related to the achievement of long-term strategic goals arising from changes in the external business environment, in the Company's legal form and organizational structure, and approval of other strategic decisions that shape the Company's strategic goals. The dynamic development of the telecommunications industry causes the risk that the strategy adopted by VimpelCom may become irrelevant as a result of new technological products entering the market, competitors introducing new products and technologies in telecommunications services, changes in demand profile and subscriber behavior, as well as changes in the regulatory and legal landscape. The telecommunications market where VimpelCom PJSC operates features serious competition. The potential growth of financial and managerial opportunities, new marketing methods, and new products and services of other operators only make the competition stronger, while expenses on the expanding and retaining of the subscriber base grow and the average revenue per subscriber goes down. Globalization and headwinds in the global economy may lead to the deterioration of the economic environment. The deterioration of the economic or political situation may impinge upon the solvency of population and the Company’s costs, which will inevitably influence the Company’s financial performance. | • Keeping the Company’s strategy up to date, taking into account the current state and expected development of consumer demand and technology, both in telecommunications services and related areas.  
• Continuous monitoring and analysis of competitive behavior and the market.  
• Ongoing monitoring and timely response to changes in the regulatory framework.  
• Support of innovative activities including by assistance to the contest of technological startups. |

<table>
<thead>
<tr>
<th>Operational Risks</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>VimpelCom PJSC defines operational risks as risks related to its operational activities associated with unlawful actions against the Company, inefficient internal processes, the negative impact of the human factor, failures in information systems, as well as by external factors (including environmental) that affect the reliability of service</td>
<td>• Regular monitoring and testing of the network, infrastructure maintenance, upgrade.</td>
</tr>
</tbody>
</table>

---

33. The table contains core sustainability risks (environmental, technological, social, reputational, etc.) classified into four groups according to the ERM COSO recommendations.
Management of Key Risks (102-15)

Risk description

Provided to customers as well as results of the Company's operating, investment, and financial activities.

Inadequate infrastructure or technical failures may lead to worsening of the quality of communication services or interrupted access to the network and related digital services.

Imported equipment and materials comprise a large proportion of VimpelCom's procurements, so that the Company depends on various changes in equipment and services pricing purchased in the external market due to currency fluctuations.

The Company may be subject to a large number of unlawful acts by third parties, affecting loss of revenue and other financial losses.

In terms of occupational health and safety, the Company identifies the risks arising from working with electricity and at heights, laying cable lines, and using corporate vehicles. Injuries caused by these risks lead to temporary disability of our employees and the resulting reputational and financial consequences. (403-2)

The emergence of reputational risks is associated with the occurrence of any risk from other groups. Reputational risks are the result of a negative perception of the Company's financial and social resilience, the quality of its products and services, or its business nature. Risk implementation is triggered by negative financial factors.

The Company may face energy and climate risks or risks related to natural disasters. Temperature fluctuations associated with climate change can affect the need to adapt ventilation and cooling systems in data processing centers. Higher air temperature may lead to increased energy costs related to the equipment cooling systems. In addition, global warming will lead to an overall increase in electricity costs due to lower volumes of available hydropower, which now accounts for 17% in the world, and accelerated transition to cleaner but more expensive energy sources. Another possible effect of global warming is the thawing of soils in northern regions, which will require the Company to take additional security measures for infrastructure facilities located in these regions.

The Company faces the risk of natural disasters in certain Russian regions, including the regions prone to floods or located in seismic hazards. Upon the occurrence of this environmental risk, base stations of VimpelCom PJSC may completely or partially fail and require repair, which will result in additional costs for the Company as well as reduced quality of communications and/or interrupted access to communication services for stakeholder groups. Furthermore, the threat of disruption of transport links to remote regions of the country can make it difficult to carry out reconstruction.

As a result of changes in environmental legislation, VimpelCom may face higher prices for materials and resources, as well as the need to replace used equipment in order to meet new environmental standards.

Response measures

- Price fixing and currency clauses in equipment procurement contracts aimed at reducing the impact of ruble weakening against foreign currencies.
- Use of advanced tools for continuous monitoring of suspicious actions with traffic, balance, and other indicators that warn about potential wrongdoings.
- Hotline support for subscribers to report problems with services or suspicious activities (deteriorating communication, problems with services, spam, fraud calls, and others).
- Business continuity and control system to avoid service interruptions in the event of a catastrophe.
- Maintenance of the quality control of services provided and feedback from subscribers to assess customer experience at the Company.
- Implementation of the corporate sustainability strategy.
- Development of programs and trainings to ensure compliance with universal design criteria in the creation and provision of products and services for customers with special needs.
- Annual audits of the compliance with occupational health and safety procedures in all regional divisions.
- Timely update of instructions and labor protection briefings.
- Proper employment conditions and onboarding for employees with disabilities.
- Monitoring of the changes in national and international environmental legislation and taking a proactive approach to compliance with leading standards.
- Implementation of advanced energy-efficient technologies to reduce energy consumption for cooling equipment.
- Use of the precautionary principle: assessing environmental risks upon making decisions about infrastructure and other projects that provide for environmental interaction. (102-11)
Management of Key Risks (102-15)

Risk description

Financial Risks

PJSC VimpelCom defines financial risks as risks related to the structure of financing, capital, cash flows, financial instruments, insurance instruments, and tax policies that prevent the Company from maintaining the required level of profitability, as well as risks related to information disclosure, financial and tax reports prepared by the Company.

Compliance Risks

VimpelCom PJSC defines compliance risks as risks arising from non-compliance with applicable Russian or international laws and internal regulations, including non-compliance with the Company’s standards of corporate culture, ethics and conduct, to meet the current legislation. Risks of non-compliance with applicable laws include compliance, regulatory, legal and sanctions risks, which may potentially lead to legal liability, which may be applied by the state authorities of the Russian Federation.

With more than 50 million subscribers’ data, VimpelCom PJSC is responsible for its storage and non-proliferation. If the data is leaked, human rights to privacy and confidentiality will be violated and the Company’s reputation will be adversely affected, which may reduce the Company’s ability to attract new subscribers and result in lawsuits filed by them.

Beeline considers the violated human rights of its customers, employees and other stakeholders to be unacceptable. We focus on the risks associated with right violations to just and favorable working conditions, children’s right to special protection and assistance, including protection from adverse information, protection of civil and political rights, including the right to confidentiality, protection of freedom of expression and opinion, personal integrity, as well as social, cultural and economic rights infringed when bribery and corruption occur.

The infringement of the above rights by VimpelCom employees poses a serious reputational risk for the Company and leads to negative legal consequences.

VimpelCom’s operations are critically dependent on compliance with the terms of its telecommunications licenses and related standards. In case of non-compliance with these conditions, as well as violations of the Russian legislation, licenses may be suspended or revoked.

Response measures

- Organization and maintenance of a controls system to ensure the completeness and accuracy of financial and tax reporting.
- Implementation of information security solutions to ensure data integrity and protection against external attacks.
- Continuous monitoring of compliance with ethics and business standards and recording violations via the SpeakUp hotline.
- Introduction of initiatives to build a responsible business structure based on respect for human rights; implementation of the Time H project.
- Intra-corporate training in business ethics and anti-corruption activities.
- Compliance with the Anti-Corruption Charter of the Russian Business and internal regulatory documents.
- Round tables on compliance in the Chamber of Commerce and Industry of the Russian Federation (CCI of Russia).
- In terms of respect for human rights, the Company implements a number of programs that provide equal opportunities to access Beeline’s services for people with disabilities, older people, and people with migration or involuntary experience.
- Strict compliance with tax, customs, licensing, currency laws and general and industry (communications) laws, tracking changes and implementing timely response measures.
### Management of Key Risks (102-15)

<table>
<thead>
<tr>
<th>Risk description</th>
<th>Response measures</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tightening of regulatory practices on roaming services and inter-operator interaction may create certain risks for the financial and economic performance of the Company. Since some of VimpelCom's subsidiaries operate in the CIS and Georgia, the Company is also indirectly exposed to the risks of non-compliance with the laws of these countries. Beeline's core business is providing opportunities for convenient communication but the risk of using these opportunities for criminal purposes, including terrorism, jeopardizes lives and the reputation of the Company.</td>
<td>• Meaningful dialogue with regulating authorities on enforcement issues.</td>
</tr>
<tr>
<td></td>
<td>• Maintenance of a controls system to reduce the risks of money laundering and terrorist financing.</td>
</tr>
</tbody>
</table>
Business Ethics and Compliance

Adhering to international and national legal standards as well as ethical business conduct are essential to the Company’s sustainable development and its key principles. VimpelCom PJSC pursues to maintain its good standing and trust of communities. And in order to do so, the Company not only applies the high standards of business integrity from the inside but also shares them with the partners.

The Business Ethics and Compliance Division is responsible for the compliance, development of an ethical culture, and respect for anti-corruption measures. In addition, the Company has a number of other functions that are responsible for related areas such as compliance with antitrust laws, sanctions and expert controls, and personal data protection.

For more information about the ethics and compliance program and the Company’s activities in each of the two areas, see the CSR Report for 2016–2017 (pages 22–30).

Code of Conduct (102-16)

The VEON Group has the Code of Conduct, a statement of legal and ethical principles of conduct for employees and principles of business conduct that should always be strictly observed, regardless of location or circumstances. Its universal principles apply to each company of the Group, including VimpelCom PJSC.

Besides, additional in-person training has been conducted for employees of different risk levels.

In the reporting period, Beeline continued to deliver the Time H (Time of Honesty) project, which includes the development of three key areas: ethical leadership, ethical training and ethical research.

For more information about the project, see VimpelCom’s 2019 Sustainability Report, page 65.

In 2020, the 3.0 Time H project was presented provided for the implementation of a new Ethical Dilemmas direction, part of the ethical leadership, where the top management discussed ethical dilemmas in monthly business meetings with their teams. This enabled the Company to increase employees’ awareness of the ethical agenda, their involvement and ability to make the right decisions.

The Code outlines the values to guide Company employees in their attitude towards each other, customers and business partners, i.e., mutual respect, trust, cooperation, and open dialogue. It is important for us that employees do not hide conflicts of interest, do not give bribes, do not abuse their official duties, and do not violate other Company rules.

For these and other principles which the Company and our employees adhere to, the Code of Conduct is publicly available34.

Promoting the Company’s Ethical Culture

With a view to supporting the high level of ethical culture, the Company reviews its corporate regulations and develops projects in the field of ethical leadership and internal employee training on an ongoing basis.

Online training is available in the following areas:

- The VEON Group Code of Conduct.
- Anti-bribery and anti-corruption.
- Conflict of interest.
- Countering money laundering and terrorist financing.
- Sanctions and export controls.

External Audit of Corporate Ethical Culture

In 2020, an independent, comprehensive assessment of anti-corruption management was conducted in the Company. The audit complied with the Regulations on Anti-Corruption Rating of the Russian Business and the Method on Anti-Corruption Rating of the Russian Business on 37 criteria of ISO 37001:2016 Anti-Bribery Management Systems — Requirements with Guidance for Use that are included in the criteria for independent assessment aimed at publicly confirmed implementation of the Anti-Corruption Charter of the Russian Business.

As a result of a comprehensive assessment, measurable indicators were obtained that characterize:

- Internal regulatory documents containing terms/definitions/principles of anti-corruption management.
- Internal regulatory documents with the description of procedures/functions, anti-corruption management, anti-corruption performance indicators.
- Disclosure of information on anti-corruption management and measures are taken throughout the year preceding the assessment.

As a result of the comprehensive review, a specific indicator of compliance of VimpelCom PJSC’s activities with the above standards was calculated, amounting to 82.38%. The assessment resulted in assigning an A2 rating class to the Company that confirms its high anti-corruption level, with a low related threat to investors, creditors, partners, and other stakeholders.

Anti-Corruption (102-16)

The Company has an Anti-Bribery and Anti-Corruption Policy, which meets the requirements imposed by VEON on its subsidiaries and provides for compliance with all anti-bribery and anti-corruption laws in force in the regions where it operates. The Policy provisions are binding for employees of VimpelCom and its subsidiaries, as well as the Company’s business partners. Relevant requirements are communicated to partners as an anti-corruption clause in the contracts with all of the Company’s counterparties. (205-2)

Every new employee or manager of the Company is introduced to the Company’s key business ethics and anti-corruption principles — a course on the Code of Conduct. Regular training is also provided on this course for employees who have not yet taken it in the current year. In 2020, 99% of Beeline employees completed this course.

In addition, 11 184 employees of the Company (38.1% of the total headcount), as well as 95% of VimpelCom PJSC’s senior executives, took a special anti-corruption course as part of the training campaign in 2020.

35. 19 out of 20 top managers took the course, except for D. B. Zimin, honorary president and founder of the Company (currently is not involved in the Company’s daily operational activities; neither cooperates with business partners nor participates in procurements).
Human Rights


The core principles and approaches to respect for human rights are set out in the VEON Group Code of Conduct, the SpeakUp Hotline Policy, and the Sustainability Strategy of VimpelCom PJSC.

We strive to provide every Company employee with equal rights and opportunities regardless of gender, age, origin, race, color, language, nationality, residence, social, property, marital and employment status, religion, beliefs, membership, or non-membership in public associations or any social groups. The Company does not tolerate any form of discrimination and has zero tolerance for the use of child and forced labor. (408-1) (409-1)

Part of our operating activities is implemented in the regions where indigenous and minority peoples live. We respect the customs, interests and rights of indigenous peoples and make no negative impact on their traditional way of life. (411-1)

SpeakUp Hotline

The Company has set up a SpeakUp hotline to report possible or known violations or attempts to conceal possible or known violations of the Company’s Code of Conduct, other internal regulations and national legislation. The line also accepts reports of possible or known cases of unethical behavior affecting the Company, the VEON Group, or their employees, or implying their involvement in such cases, and other problems related to ethical business conduct, including possible requests for advice on ethical issues. It can be used by both the Company and third parties. (102-17)

The Company takes all necessary measures to maintain confidentiality and anonymity and respects the human right to be presumed innocent in the absence of evidence, guaranteeing a fair investigation in every case.

For more information about the SpeakUp hotline, see the Sustainability Report for 2019, page 82.

In 2020, the Company had no violations of human rights.
Changes to the Code of Conduct for business partners of Beeline:

01. The Code includes procedures for assessing the social and environmental risks of business partners.

02. The UN Guiding Principles on Business and Human Rights are considered.

03. Requirements for the Company’s activities and business partners in terms of avoiding risks leading to environmental disasters or discrimination against human rights are set.

04. Requirements for technical and operational readiness of business partners for emergencies (including foreseeable ones) and immediate response, and dealing with possible health issues of employees and environmental consequences.

05. The requirement to make partners’ business processes more sustainable and ensure their responsible practices in economic, social, and environmental impact is included.

06. The Company’s right to audit business partners and request their data to verify compliance with the requirements of this Code is settled.

Responsible Supply Chain

Procurement management in VimpelCom PJSC aims to maximize business development and satisfy the Company’s needs for goods, works and services with reasonable prices, time and quality.

The Company’s procurement procedures comply with internal regulations and Russian legislation. Each procurement participant has equal competitive opportunities and single participation rules, and the offers are evaluated following objective and measurable criteria. The Company’s relations with all suppliers are based on integrity, honesty and openness.

When selecting a contractor, the terms of reference consider the entire life cycle of the product and the applicable requirements of international standards, inspection and licensing organizations.

Requirements for Suppliers and Business Partners

In 2020, we started updating the Code: the main agenda for change was the ESG requirements for suppliers’ business conduct.

A mandatory component of the Company’s contracts is the terms and conditions under which the Company’s counterparties and persons acting on their behalf:

- got acquainted with the VEON Group Code of Conduct and the Code of Conduct for business partners;
- undertake to comply with these requirements;
- undertake to report on actual or potential cases of violating these requirements.

If a partner is revealed to violate the Code of Conduct, we will refuse to cooperate with this partner.

To reduce reputational risks and comply with ESG best practices, Beeline seeks to extend its ethical business standards to its suppliers and business partners. In this regard, corporate audits are conducted for all participants of the Company’s procurement procedures to identify the risks related to unfair business conduct, violated legal requirements, including the anti-corruption legislation and financial, tax, and compliance risks.

The main issues of ethical behavior, fair business conduct, conflicts of interest, safe working conditions, and other business ethics issues on the part of Beeline’s business partners are set forth in the Code of Conduct for business partners developed by the Company and apply to all suppliers and contractors.
Supplier and Business Partner Engagement

We always aim to purchase services and products from local suppliers, thus promoting economic development in the regions and countries where the Company operates. In 2020, we maintained contractual relations with 5,986 suppliers that included 98% of Russian suppliers (5,896 organizations). Russian legal entities accounted for 91% of total expenses for procurement categories.

If a supplier considers that openness, integrity and transparency of competitive procedures are violated, he or she can contact the Conflict Commission of VimpelCom PJSC for a detailed analysis of the situation and an objective solution. In 2020, 10 supplier appeals were handled this way.

Improving Procurement Efficiency

Beeline is constantly implementing initiatives to increase transparency and improve the efficiency of tender procedures in order to reduce the cost of purchasing necessary resources, optimize related business processes, and improve the terms of cooperation with the Company for partners.

To accelerate decision making, we introduced a number of changes to the counterparty selection process:

1. The process of preparing a procurement plan is described.
2. The distribution of responsibilities in the course of the procurement event is detailed.
3. The procedure for amending the results of procurement activities is described.

In the reporting year, the procurement function was also successfully transformed, namely, the services of selecting a counterparty and concluding contracts for all procurement categories are transferred from the purchasing division of the VEON Ltd. headquarters to the Procurement Directorate of VimpelCom PJSC. These services were transferred without affecting the Company's operations.
Contacts

VimpelCom PJSC

Address: Russian Federation, 127083, Moscow, 10 Vosmogo Marta str., bldg. 14

Sustainability Contacts

Evgeniya Chistova,
Head of Sustainability

EChistova@beeline.ru

Anastasiya Potapova,
Manager for Sustainability / Project Manager for Report Preparation

AEPotapova@beeline.ru (102-53)
Appendices

Appendix 1. Definition of Material Topics ................................................................. 104
Appendix 2. UN Sustainable Development Goals and Company initiatives .............................................. 107
Appendix 3. GRI Standards Content Index .............................................................................. 111
Appendix 4. Detailing GRI Standards’ Indicators ............................................................................ 133
Appendix 5. Glossary and Abbreviations ...................................................................................... 136
Appendix 6. Independent Auditor’s Report .................................................................................... 138
Appendix 1. Definition of Material Topics

When preparing the Report, we focused on the 10 principles of content definition and quality assurance that should be met in accordance with the GRI Standards, which require the Company to identify material topics for disclosure and involve representatives of both internal and external stakeholders. (102-46)

According to the GRI Standards, material topics are those that, on the one hand, reflect the significant impact of VimpelCom PJSC on the economic, environmental and social aspects of life in the regions where the Company operates, and on the other hand, have a strong impact on the assessment of its activities and decisions made by the Company’s stakeholders regarding these activities.

During the preparation of this Report, the identification of material topics was carried out in three stages.

At the first stage, trends in the reporting of Russian and international telecommunications companies were analyzed, the relevance of material topics highlighted in the past year was assessed, and media reports were monitored. Based on the results, a basic list was formulated, including 19 relevant topics.

At the second stage, a survey of stakeholders was conducted to rank material topics. Representatives of the Company’s management, employees and external stakeholders (including business partners, rating agencies, environmental and educational organizations, etc.) took part in the survey. To maintain the balance of answers, the questions were diversified into groups of stakeholders depending on their professional competencies.

The respondents assessed the materiality of the topics based on the following parameters:

- impact on VimpelCom’s performance and achievement of strategic goals;
- impact on the economic, environmental and social spheres in the regions where VimpelCom operates;
- impact on assessments and decisions made by stakeholders.

A total of 149 people took part in the survey: 13 management representatives, 24 external stakeholders and 112 employees. The survey covered 26% more people compared to the year before. (102-43)

Moreover, as part of this stage, we identified a list of topics that are most relevant to Beeline subscribers. In the social network VKontakte, we offered the subscribers to assess 10 topics (summarized from the topics included in the basic list) that are of the greatest interest to them. And this assessment was used to calculate the average value of the final score on the influence on the interests of Stakeholders scale. A total of 1 229 people took part in the survey.

At the third stage, after building the matrix based on the survey, corrective factors were applied that raised the status of topics often disclosed in reports of leading industry companies (for these purposes, a special benchmarking was conducted), or particularly important for the Company’s business and shareholders.

The criterion for selecting the topic as the most material was that the topic on both matrix axes fell into the “High” category. (102-49)

In the reporting period, the list of material topics was updated by adding the topics Business Ethics and Anti-corruption and Decent Working Conditions and Safety. As a result, the most important topics are:

- business ethics and anti-corruption;
- privacy and data security;
- service quality;
- development of telecommunications infrastructure;
- economic development and performance;
- decent working conditions and safety.

The respondents assessed the materiality of the topics based on the following parameters:

- impact on VimpelCom’s performance and achievement of strategic goals;
- impact on the economic, environmental and social spheres in the regions where VimpelCom operates;
- impact on assessments and decisions made by stakeholders.

The criterion for selecting the topic as the most material was that the topic on both matrix axes fell into the “High” category. (102-49)
List of material topics in accordance with the GRI Standards and other material topics disclosed in the Report* (102-47)

<table>
<thead>
<tr>
<th>Topic No.</th>
<th>Wording</th>
<th>GRI standards used for topic disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Economic development and performance</td>
<td>GRI 201: Economic Performance</td>
</tr>
<tr>
<td>2.</td>
<td>Corporate Governance</td>
<td>GRI 102-18: Governance structure</td>
</tr>
<tr>
<td>3.</td>
<td>Business ethics and anti-corruption</td>
<td>GRI 205: Anti-corruption</td>
</tr>
<tr>
<td>4.</td>
<td>Compliance with international and national telecommunications standards</td>
<td>GRI 307: Environmental Compliance</td>
</tr>
<tr>
<td>5.</td>
<td>Responsible Supply Chain</td>
<td>GRI 204: Procurement Practices</td>
</tr>
<tr>
<td></td>
<td></td>
<td>GRI 206: Anti-competitive Behavior</td>
</tr>
<tr>
<td></td>
<td></td>
<td>GRI 414: Supplier Social Assessment</td>
</tr>
<tr>
<td>6.</td>
<td>Stakeholder engagement, including public authorities</td>
<td>GRI 102-43: Approach to stakeholder engagement</td>
</tr>
<tr>
<td></td>
<td></td>
<td>GRI 201: Economic Performance</td>
</tr>
<tr>
<td>7.</td>
<td>Privacy and data security</td>
<td>GRI 418: Customer Privacy</td>
</tr>
<tr>
<td>8.</td>
<td>Secure Internet development and content responsibility</td>
<td>-</td>
</tr>
<tr>
<td>9.</td>
<td>Quality of service</td>
<td>-</td>
</tr>
<tr>
<td>10.</td>
<td>Health Effects of Mobile Communications</td>
<td>GRI 416: Customer Health and Safety</td>
</tr>
</tbody>
</table>
### Definition of Material Topics

<table>
<thead>
<tr>
<th>Topic No.</th>
<th>Wording</th>
<th>GRI standards used for topic disclosure</th>
</tr>
</thead>
<tbody>
<tr>
<td>11.</td>
<td>Development of telecommunications infrastructure</td>
<td>GRI 203: Indirect Economic Impacts</td>
</tr>
<tr>
<td>12.</td>
<td>Contribution to the development of the digital economy (digital innovations and smart technologies)</td>
<td>GRI 203: Indirect Economic Impacts</td>
</tr>
<tr>
<td>13.</td>
<td>Development of digital skills of the population (improving digital literacy)</td>
<td>GRI 203: Indirect Economic Impacts</td>
</tr>
<tr>
<td>14.</td>
<td>Innovations to solve environmental and social problems, including the development of inclusiveness</td>
<td>GRI 203: Indirect Economic Impacts GRI 304: Biodiversity</td>
</tr>
<tr>
<td>15.</td>
<td>HR management, employee training and development, attraction, retaining and development of STEM* talents</td>
<td>GRI 404: Training and Education</td>
</tr>
<tr>
<td>18.</td>
<td>Energy efficiency and rational use of resources (energy, greenhouse gas emissions, water consumption)</td>
<td>GRI 302: Energy GRI 303: Water and Effluents GRI 305: Emissions</td>
</tr>
<tr>
<td>19.</td>
<td>Control over waste generation, reception and recycling (including old electronic equipment)</td>
<td>-</td>
</tr>
</tbody>
</table>

* Bold are the topics recognized as material according to the GRI Standards. Furthermore, according to the stakeholder survey, the Company decided to include Responding to the Coronavirus Pandemic and Ensuring Business Continuity in the list of material topics.

**STEM** is a term used to refer to the four academic disciplines: science, technology, engineering and mathematics; an approach to the education according to which the basis of knowledge acquisition is a simple and accessible visualization of scientific phenomena, which allows easy coverage and gaining of knowledge through practice and deep understanding.
## Appendix 2.
### UN Sustainable Development Goals and Company Initiatives (102-15)

<table>
<thead>
<tr>
<th>Goals for SDG achievement</th>
<th>Company initiatives</th>
<th>Link to the corresponding page/section of the Report</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SDG 3: Ensure healthy lives and promote well-being for all at all ages (focus SDG)</strong></td>
<td>Development of digital health technologies and access to quality medical care. Implementation of a voluntary health insurance program for Company employees.</td>
<td>For more information, see sections Services and Innovative Solutions in the Field of Telemedicine and Occupational Health and Safety</td>
</tr>
<tr>
<td>3.8. Achieve universal health coverage, including &lt;...&gt; access to quality essential health services &lt;...&gt;.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SDG 4: Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all</strong></td>
<td>Personnel training activities. BeeWINNER Project. students.vdnh.ru, a joint educational portal of Beeline University and VDNH. ProCharity Intellectual volunteering.</td>
<td>For more information, see sections HR Policy, Developing Human Capital, Tech Solutions for Non-Profit Sector, and COVID Response 2020.</td>
</tr>
<tr>
<td>4.3. By 2030, ensure equal access for all women and men to affordable and quality technical, vocational and tertiary education, including university.</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>SDG 5: Achieve gender equality and empower all women and girls</strong></td>
<td>Implementation of the principles of ethical business, including the establishment of remuneration for employees regardless of their gender.</td>
<td>For more information, see sections Corporate Culture and Business Ethics and Compliance</td>
</tr>
<tr>
<td>5.1. End all forms of discrimination against all women and girls everywhere.</td>
<td>Organization of the BeeWoman club for women, cooperation with the Women Leadership Forum and the Women&amp;Tech conference to support women’s leadership and professional development of women in business.</td>
<td>For more information about the initiative, see VimpelCom’s 2018 Sustainability Report, page 47.</td>
</tr>
<tr>
<td>5.5. Ensure women’s full and meaningful participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### SDG 7: Ensure access to affordable, reliable, sustainable and modern energy for all

<table>
<thead>
<tr>
<th>Goals for SDG achievement</th>
<th>Company initiatives</th>
<th>Link to the corresponding page/section of the Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>7.3 Double the global rate of improvement in energy efficiency by 2030</td>
<td>Introduction of energy-saving Natural Free Cooling technology used to cool equipment in the data processing center in Yaroslavl and some base stations.</td>
<td>For more information, see section Improving Energy Efficiency of Our Facilities</td>
</tr>
</tbody>
</table>

### SDG 8: Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all (focus SDG)

<table>
<thead>
<tr>
<th>Goals for SDG achievement</th>
<th>Company initiatives</th>
<th>Link to the corresponding page/section of the Report</th>
</tr>
</thead>
<tbody>
<tr>
<td>8.2. Achieve higher levels of economic productivity through diversification, technological upgrading and innovation &lt;...&gt;.</td>
<td>Business transformation, including the transition to a digital business model and the development of digital services that increase the innovation of the Company and the telecommunications sector. This allowed not only to improve business efficiency, but also to reduce environmental risks.</td>
<td>For more information, see section Corporate Strategy. Focus on Business Sustainability</td>
</tr>
<tr>
<td>8.3. Promote development-oriented policies that foster &lt;...&gt; creativity and innovation, and encourage the formalization and growth of micro-, small- and medium-sized enterprises, including by providing them with access to financial services.</td>
<td>Beeline PROmotion platform, Energoconsult service and other solutions for small- and medium-sized businesses. Implementation of the BeelFREE remote project, including a package of technological solutions, expertise and consulting.</td>
<td>For more information, see sections Support for Small and Medium-Sized Businesses, Improving Energy Efficiency of Our Facilities, and COVID Response 2020</td>
</tr>
<tr>
<td>8.4. Improve progressively, through 2030, the global resource efficiency of use in consumption and production and endeavor to decouple economic growth from environmental degradation &lt;...&gt;.</td>
<td>Reduction of the amount of energy used for equipment and personnel transportation. Reduction of the use of resources, including energy, through innovation.</td>
<td>For more information, see section Improving Energy Efficiency of Our Facilities</td>
</tr>
<tr>
<td>8.5. By 2030, achieve full and productive employment and decent work for all women and men, including for young people and people with disabilities, and equal pay for work of equal value.</td>
<td>Application of the principles of responsibility and non-discrimination in the HR Policy, providing employees with a decent salary and fair promotion conditions. Provision of a wide range of career opportunities for people with disabilities.</td>
<td>For more information, see section HR Policy. Developing Human Capital</td>
</tr>
</tbody>
</table>
### Goals for SDG achievement

| SDG 9: Build resilient infrastructure, promote sustainable industrialization and foster innovation (focus SDG) |
|---|---|---|
| 9.1. Develop quality, reliable, sustainable and resilient infrastructure, including regional and cross-border infrastructure, to support economic development and human well-being, with a focus on affordable and equitable access for all. | Compliance with strict labor protection rules, as well as regular audits of compliance with relevant requirements in all regional divisions. | For more information, see section Infrastructure Development and Contribution to Sustainable Communities |
| 9.3. Increase the access of small-scale industrial and other enterprises, in particular in developing countries, to financial services and their integration into value chains and markets. | Social support for employees, including accident and life insurance. | For more information, see sections Support for Small and Medium-Sized Businesses, Improving Energy Efficiency of Our Facilities |
| | Development and improvement of the principles of the BeeFREE program, which allows employees to work remotely and plan their own schedule. | |

### SDG 10: Reduce inequality within and among countries (focus SDG)

| SDG 10: Reduce inequality within and among countries (focus SDG) |
|---|---|---|
| 10.2. By 2030 <...> promote the social, economic and political inclusion of all, irrespective of age, gender, disability, race, ethnicity, origin, religion or economic or other status. | Development of assistant technologies that help people with disabilities integrate into society without barriers. | For more information, see section Inclusion: An Equal Social Environment for All |
| | Support for The Valuable 500, a global movement of large companies to promote the agenda on inclusivity and equal opportunities. | |
| | Beeline.Inclusion and Everland platforms. | |
## UN Sustainable Development Goals and Company Initiatives

### Appendix

#### 2. Goals for SDG achievement

<table>
<thead>
<tr>
<th>SDG 11: Make cities inclusive, safe, resilient and sustainable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>10.3.</strong> Ensure equal opportunities and reduce inequalities of outcome, including by eliminating discriminatory laws, policies and practices and promoting appropriate legislation, policies and action in this regard.</td>
</tr>
<tr>
<td>Ensuring of equal opportunities for all employees, including opportunities for promotion, training and development.</td>
</tr>
<tr>
<td>For more information, see section Corporate Culture</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SDG 11: Make cities inclusive, safe, resilient and sustainable</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>11.a.</strong> Support positive economic, social, and environmental ties between urban, peri-urban and rural areas by strengthening national and regional development planning</td>
</tr>
<tr>
<td>Improvement of customer experience and continuous technical support for subscribers regardless of the region of presence; development of telecommunications infrastructure.</td>
</tr>
<tr>
<td>For more information, see sections Infrastructure Development and Contribution to Sustainable Communities</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development (focus SDG)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>17.1.</strong> Strengthen domestic resource mobilization, including through international support for developing countries, in order to improve domestic capacity for tax and other revenue collection.</td>
</tr>
<tr>
<td>The Company is making significant efforts to improve its ethical business practices and fight corruption.</td>
</tr>
<tr>
<td>For more information, see section Business Ethics and Compliance</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>SDG 17: Strengthen the means of implementation and revitalize the global partnership for sustainable development (focus SDG)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>17.1.</strong> Strengthen domestic resource mobilization, including through international support for developing countries, in order to improve domestic capacity for tax and other revenue collection.</td>
</tr>
<tr>
<td>Increase of the number of base stations and expansion of the geographical area of Internet coverage.</td>
</tr>
<tr>
<td>For more information, see section Infrastructure Development and Contribution to Sustainable Communities</td>
</tr>
</tbody>
</table>
### Appendix 3.
GRI Standards Content Index\(^{37}\) (102-55)

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 101: FOUNDATION (2016)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 102: General Disclosures (2016)</td>
<td></td>
<td>Organizational profile</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-1</td>
<td>Name of the organization</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-2</td>
<td>Activities, brands, products, and services</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-3</td>
<td>Location of headquarters</td>
<td>-</td>
<td></td>
<td>The VimpelCom headquarters is located in Moscow.</td>
<td></td>
</tr>
<tr>
<td>102-4</td>
<td>Location of operations</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-5</td>
<td>Ownership and legal form</td>
<td>15</td>
<td></td>
<td>For more information on ownership, see p. 4 of the explanatory note to VimpelCom’s Annual Accounting (Financial) Statements for 2020</td>
<td></td>
</tr>
<tr>
<td>102-6</td>
<td>Markets served</td>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

37. GRI standards term “sole region of the Company’s operation” refers to the territory of the Russian Federation.
38. The Russian business unit includes all enterprises of the VimpelCom Group operating in the Russian Federation and National Tower Company JSC.
<table>
<thead>
<tr>
<th>GRI Standard No.</th>
<th>Indicator</th>
<th>Page(s)</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>102-7</td>
<td>Scale of the organization</td>
<td>16, 58</td>
<td></td>
<td>For more information on the total capital and the number of divisions, see p. 8 of VimpelCom’s Annual Accounting (Financial) Statements for 2020. The Company conducts its core business and operates four branches in the Russian Federation.</td>
<td></td>
</tr>
<tr>
<td>102-8</td>
<td>Information on employees and other workers</td>
<td>133</td>
<td></td>
<td>The amount of the organization’s work performed by people other than employees is insignificant.</td>
<td></td>
</tr>
<tr>
<td>102-9</td>
<td>Supply chain</td>
<td>101</td>
<td></td>
<td>For more information on key suppliers, see p. 90 of the issuer’s Quarterly Report for Q1 2021.</td>
<td></td>
</tr>
<tr>
<td>102-10</td>
<td>Significant changes to the organization and its supply chain</td>
<td>35, 38</td>
<td></td>
<td>In the reporting period, no significant changes were made to the scale of the organization’s business and shareholding structure.</td>
<td></td>
</tr>
<tr>
<td>102-11</td>
<td>Precautionary Principle or approach</td>
<td>95</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| 102-12           | External initiatives | 6       |                      | Mandatory compliance:  
- In its operations, VimpelCom PJSC makes every effort to follow the principles and recommendations of the Corporate Governance Code recommended by the Bank of Russia  
Voluntary compliance:  
- UN Sustainable Development Goals  
- UNCTAD Guidance on Core Indicators of the UN SDGs | |
<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
</table>
|             | 102-13 | Membership of associations                                  |      |                                                                                       | • UN Guiding Principles on Business and Human Rights  
• The Valuable 500  
In 2021 the Company joined the Social Charter of the Russian Business  
For more information on the membership in unions, bank groups, bank holdings, holdings and associations, see p. 132 of the issuer's Quarterly Report for Q1 2021. | VimpelCom PJSC                                                                 |
<p>| Strategy    | 102-14 | Statement from senior decision-maker                        | 4    |                                                                                       |                                                                                                                                                                                                         | VimpelCom PJSC     |
| Ethics and integrity | 102-15 | Key impacts, risks and opportunities                        | 93-96 |                                                                                       |                                                                                                                                                                                                         | VimpelCom PJSC     |
|             | 102-16 | Values, principles, standards, and norms of behavior, codes of conduct/codes of ethics | 23, 97-98 |                                                                                       |                                                                                                                                                                                                         | VimpelCom PJSC     |
|             | 102-17 | Mechanisms for advice and concerns about ethics              | 99   |                                                                                       |                                                                                                                                                                                                         | VimpelCom PJSC     |</p>
<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td><strong>Corporate Governance</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-18</td>
<td></td>
<td>Governance structure</td>
<td>90-91</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>102-19</td>
<td></td>
<td>Delegating authority</td>
<td>90-91</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-20</td>
<td></td>
<td>Executive-level responsibility for economic, environmental, and social topics</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-23</td>
<td></td>
<td>Chair of the highest governance body</td>
<td>-</td>
<td></td>
<td>Chairman of the Board of Directors is not an executive director.</td>
<td></td>
</tr>
<tr>
<td>102-25</td>
<td></td>
<td>Conflicts of interest</td>
<td>91</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-26</td>
<td></td>
<td>Role of highest governance body in setting purpose, values, and strategy</td>
<td>80</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td><strong>Stakeholder Engagement</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-40</td>
<td></td>
<td>List of stakeholder groups</td>
<td>30</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>102-41</td>
<td></td>
<td>Collective bargaining agreements</td>
<td>-</td>
<td></td>
<td>There is no practice of collective bargaining at Beeline.</td>
<td></td>
</tr>
<tr>
<td>102-42</td>
<td></td>
<td>Identifying and selecting stakeholders</td>
<td>30</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Reporting practice

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>102-43</td>
<td>102-45</td>
<td>Entities included in the consolidated financial statements</td>
<td>30, 31-32</td>
<td></td>
<td>The list of subsidiaries included in the consolidated financial statements for 2020 is disclosed on page 37 of the Notes to the Consolidated Financial Statements of VimpelCom PJSC.</td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>102-44</td>
<td></td>
<td>Key topics and concerns raised</td>
<td>9, 31-32</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-46</td>
<td></td>
<td>Defining report content and topic Boundaries</td>
<td>6, 104</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-47</td>
<td></td>
<td>List of material topics</td>
<td>105-106</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-48</td>
<td></td>
<td>Restatements of information</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-49</td>
<td></td>
<td>Changes in reporting</td>
<td>6, 104</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-50</td>
<td></td>
<td>Reporting period</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>102-51</td>
<td></td>
<td>Date of most recent report</td>
<td>-</td>
<td></td>
<td>November 2020</td>
<td></td>
</tr>
</tbody>
</table>
**GRI Standards Content Index**

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>102-52</td>
<td>Reporting cycle</td>
<td>-</td>
<td></td>
<td>Annual</td>
</tr>
<tr>
<td></td>
<td>102-53</td>
<td>Contact point for questions regarding the report</td>
<td>102</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>102-54</td>
<td>Claims of reporting in accordance with the GRI Standards</td>
<td>-</td>
<td></td>
<td>The Report has been prepared in accordance with the GRI Sustainability Reporting Standards: Core option</td>
</tr>
<tr>
<td></td>
<td>102-55</td>
<td>GRI Content Index</td>
<td>111</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>102-56</td>
<td>External assurance</td>
<td>138</td>
<td></td>
<td>The auditor was selected on the basis of a competitive procurement procedure. The Company's top management did not participate in the selection process in accordance with the established practice.</td>
</tr>
</tbody>
</table>

**ECONOMIC PERFORMANCE**

<table>
<thead>
<tr>
<th>GRI 103: Management Approach (2016)</th>
<th>103-1 Explanation of the material topic and its boundary</th>
<th>104, 111</th>
<th>Russia business unit</th>
</tr>
</thead>
</table>
### Financial Assistance Received from Government

In 2020, VimpelCom PJSC received no financial support from the government. The government is not a company shareholder.

### Market Presence

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103: Management Approach</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>57, 60</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>60</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>GRI 202: Market Presence</td>
<td>202-1</td>
<td>Ratios of standard entry level wage by gender compared to local minimum wage</td>
<td>60</td>
<td></td>
<td>Proportion of senior management hired from the local community is 90%.</td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>202-2</td>
<td>Proportion of senior management hired from the local community</td>
<td>59</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
</tbody>
</table>

### Indirect Economic Impacts

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103: Management Approach</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>GRI Standard</td>
<td>No.</td>
<td>Indicator</td>
<td>Page</td>
<td>Excluded information</td>
<td>Comments</td>
<td>Reporting boundaries</td>
</tr>
<tr>
<td>--------------</td>
<td>-----</td>
<td>-----------</td>
<td>------</td>
<td>----------------------</td>
<td>----------</td>
<td>----------------------</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>39, 45, 47, 52</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>39, 45, 47, 53</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 203: Indirect Economic Impacts (2016)</td>
<td>203-1</td>
<td>Infrastructure investments and services supported</td>
<td>28, 45, 53, 135</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>203-2</td>
<td>Significant indirect economic impacts</td>
<td>28, 39, 47</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
</tbody>
</table>

**PROCUREMENT PRACTICES**

<table>
<thead>
<tr>
<th>GRI 103: Management Approach (2016)</th>
<th>103-1</th>
<th>Explanation of the material topic and its boundary</th>
<th>104, 111</th>
<th></th>
<th></th>
<th>VimpelCom PJSC</th>
</tr>
</thead>
<tbody>
<tr>
<td>103-2</td>
<td>The management approach and its components</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 204: Procurement Practices (2016)</td>
<td>204-1</td>
<td>Proportion of spending on local suppliers</td>
<td>101</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
</tbody>
</table>

**ANTI-CORRUPTION PRACTICES**

<table>
<thead>
<tr>
<th>GRI 103: Management Approach (2016)</th>
<th>103-1</th>
<th>Explanation of the material topic and its boundary</th>
<th>104, 111</th>
<th></th>
<th></th>
<th>Russia business unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>103-2</td>
<td>The management approach and its components</td>
<td>97</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Evaluation of the management approach

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 205: Anti-Corruption (2016)</td>
<td>205-2</td>
<td>Communication and training about anti-corruption policies and procedures</td>
<td>98</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>97</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>97</td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 206: Anti-Competitive Behavior (2016)</td>
<td>206-1</td>
<td>Legal actions for anti-competitive behavior, anti-trust, and monopoly practices</td>
<td>135</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

In the reporting year, the case for antitrust law violation initiated by the Federal Antimonopoly Service in 2018 was closed. The Company appealed the decision taken by the FAS and the trial was completed in December 2020. At the same time, in May 2020, the FAS instituted another proceeding for administrative offense based on this decision, which resulted in a fine. This court decision was appealed first in accordance with administrative procedures with the involvement of the head of the FAS of Russia and then through legal proceedings. The court upheld the decision and the Company paid the fine.
### ENERGY

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>Russia business unit</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>82</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>82</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 302: Energy (2016)</td>
<td>302-1</td>
<td>Energy consumption within the organization</td>
<td>27, 83</td>
<td></td>
<td>Electricity and heat consumption are calculated based on average tariffs.</td>
<td>VimpelCom PJSC</td>
</tr>
</tbody>
</table>

### WATER AND EFFLUENTS

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>87</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>87</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 303: Water and Effluents (2018)</td>
<td>303-1</td>
<td>Interactions with water as a shared resource</td>
<td>87</td>
<td></td>
<td>The Company uses water mainly for domestic and technical purposes. The main water consumer is the Company’s offices. Water is withdrawn and discharged from/into municipal water supply (water cycle) sources under contracts with the operators. The Company does not consume water in areas with water shortages.</td>
<td>VimpelCom PJSC</td>
</tr>
</tbody>
</table>
### Minimum quality standards for water discharged by the Company into water bodies are determined by the Russian legislation.

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>303-2</td>
<td></td>
<td>Management of water discharge-related impacts</td>
<td>-</td>
<td>Minimum quality standards for water discharged by the Company into water bodies are determined by the Russian legislation.</td>
<td>VimpelCom PJSC</td>
<td></td>
</tr>
<tr>
<td>303-5</td>
<td></td>
<td>Water consumption</td>
<td>87</td>
<td>The Company does not consume water in areas with water shortages.</td>
<td>VimpelCom PJSC</td>
<td></td>
</tr>
</tbody>
</table>

### BIODIVERSITY

**GRI 103: Management Approach (2016)**

<table>
<thead>
<tr>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>103-2</td>
<td>The management approach and its components</td>
<td>86</td>
<td></td>
</tr>
<tr>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>86</td>
<td></td>
</tr>
</tbody>
</table>

**GRI 304: Biodiversity (2016)**

<table>
<thead>
<tr>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>304-2</td>
<td>Significant impacts of activities, products, and services on biodiversity</td>
<td>86</td>
<td></td>
</tr>
</tbody>
</table>

### EMISSIONS

**GRI 103: Management Approach (2016)**

<table>
<thead>
<tr>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>103-2</td>
<td>The management approach and its components</td>
<td>81</td>
<td></td>
</tr>
<tr>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>81</td>
<td></td>
</tr>
</tbody>
</table>
## ENVIRONMENTAL COMPLIANCE

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 305: Emissions (2016)</td>
<td>305-1</td>
<td>Direct (Scope 1) GHG emissions</td>
<td>81</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 307: Environmental Compliance (2016)</td>
<td>307-1</td>
<td>Non-compliance with environmental laws and regulations</td>
<td>88</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
</tbody>
</table>

## EMPLOYMENT

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>57-58</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>57-58</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 401: Employment (2016)</td>
<td>401-1</td>
<td>New employee hires and employee turnover</td>
<td>27, 59, 135</td>
<td></td>
<td>The list of items covered by the indicator provides no breakdown by gender or age for labor turnover</td>
<td>VimpelCom PJSC</td>
</tr>
</tbody>
</table>
The turnover rate (monthly) is calculated as the ratio of the number of dismissals to the total number of employees dismissed and employed at the end of the month.

The benefits are available to all full-time and part-time employees who have signed the employment agreement (other than employees who have multiple jobs). They do not apply to temporary contracted staff.

**LABOR/MANAGEMENT RELATIONS**

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td>VimpelCom PJSC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>57-58, 65</td>
<td></td>
<td>VimpelCom PJSC</td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>57-58, 65</td>
<td></td>
<td>VimpelCom PJSC</td>
<td></td>
</tr>
<tr>
<td>GRI 402: Labor/Management Relations (2016)</td>
<td>402-1</td>
<td>Minimum notice periods regarding operational changes</td>
<td>–</td>
<td></td>
<td>VimpelCom PJSC</td>
<td></td>
</tr>
</tbody>
</table>

If job cuts or liquidation take place, the Company will notify employees two months in advance, or three months in the event of mass job cuts (more than 30 people) in accordance with the Russian legislation.
### OCCUPATIONAL HEALTH AND SAFETY

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>GRI 103: Management Approach (2016)</strong></td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>66-67</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>66-67</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>GRI 403: Occupational Health and Safety (2018)</strong></td>
<td>403-1</td>
<td>Occupational health and safety management system</td>
<td>66</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>403-2</td>
<td>Hazard identification, risk assessment, and incident investigation</td>
<td>67, 94</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>403-3</td>
<td>Occupational health services</td>
<td>-</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
</tbody>
</table>

The Company has developed the OHS Instruction for the service and sales office specialists. Clause 7 of the Instruction stipulates that all defects detected in the Company's equipment shall be reported to the supervisor, as well as any other deficiencies. The work with such equipment may only continue after repair. The clause also defines the procedures for safe workplace practices.

The Company has a special unit responsible for occupational health and safety, whose tasks include, but are not limited to:
- identification of hazardous and harmful production factors in the workplace;
- analysis of the status and causes of occupational injuries;
- informing of employees about the working conditions;
Paragraph b of indicator 403-4 is not applicable to VimpelCom PJSC, as the Company has no such committees.

As part of planned revisions/updates of occupational safety documentation (programs, elements of the occupational safety management system, and projects), all the Company’s core business units take part in the discussion of drafts of revised documents.

Occupational health and safety training for employees is based on mandatory briefings and familiarization with the Company’s internal regulatory documents. There is also a practice of additional (voluntary) training in various programs and work types both in the Company or special centers that have signed agreements with VimpelCom.
### GRI Standard No. | Indicator | Page | Excluded information | Comments | Reporting boundaries
--- | --- | --- | --- | --- | ---
403-6 | Promotion of worker health | 66, 68 | | | VimpelCom PJSC
403-7 | Prevention and mitigation of occupational health and safety impacts directly linked by business relationships | - | | The Company’s occupational health and safety unit provides introductory training to cleaning contractors. | VimpelCom PJSC
403-9 | Work-related injuries | 27, 67 | The list of items covered by the indicator gives no information on work-related hazards that pose a risk of serious injury. The Company will consider developing such a reporting system within the next few years. | Each accident is investigated, and based on the results, the Company makes adjustments to its occupational health and safety approaches (if necessary). The total number of hours worked amounts to 44,5 million. | VimpelCom PJSC
403-10 | Work-related ill health | 27 | The list of items covered by the indicator gives no information on work-related hazards that pose a risk to employee health, nor information on contractors. The Company will consider developing a reporting system in the medium term. | In 2020, no occupational diseases or fatalities related to occupational diseases occurred in the Company. | VimpelCom PJSC

**TRAINING AND EDUCATION**

<p>| GRI 103: Management Approach (2016) | 103-1 | Explanation of the material topic and its boundary | 104, 111 | | VimpelCom PJSC |</p>
<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>62</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>62</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 404: Training and Education (2016)</td>
<td>404-1</td>
<td>Average hours of training per year per employee</td>
<td>62</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>404-2</td>
<td>Programs for upgrading employee skills and transition assistance programs</td>
<td>63-64</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>404-3</td>
<td>Percentage of employees receiving regular performance and career development reviews</td>
<td>65</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
</tbody>
</table>

**DIVERSITY AND EQUAL OPPORTUNITY**

| GRI 103: Management Approach (2016) | 103-1 | Explanation of the material topic and its boundary | 104, 111 |                      |          | VimpelCom PJSC        |
| 103-2 | The management approach and its components | 57, 97, 99 |                      |          |          |                      |
| 103-3 | Evaluation of the management approach | 57, 97, 99 |                      |          |          |                      |
### CHILD LABOR

**GRI 103: Management Approach (2016)**
- **103-1** Explanation of the material topic and its boundary  
  - Page: 104, 111  
  - Reporting boundaries: Russia business unit
- **103-2** The management approach and its components  
  - Page: 99
- **103-3** Evaluation of the management approach  
  - Page: 99

**GRI 408: Child Labor (2016)**
- **408-1** Operations and suppliers at significant risk for incidents of child labor  
  - Page: 99  
  - Comment: Activities of the Company, including those of its headquarters, sales offices, contact center, and contractors, are governed by the Russian legislation which prohibits the use of child labor.  
  - Reporting boundaries: Russia business unit

### FORCED OR COMPULSORY LABOR

**GRI 103: Management Approach (2016)**
- **103-1** Explanation of the material topic and its boundary  
  - Page: 104, 111  
  - Reporting boundaries: Russia business unit
- **103-2** The management approach and its components  
  - Page: 99
- **103-3** Evaluation of the management approach  
  - Page: 99
### Rights of Indigenous Peoples

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>Russia business unit</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>99</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>GRI 411: Rights of Indigenous Peoples (2016)</td>
<td>411-1</td>
<td>Incidents of violations involving rights of indigenous peoples</td>
<td>99</td>
<td></td>
<td>No cases of violation of the rights of indigenous peoples and native minorities were recorded in 2020.</td>
<td>Russia business unit</td>
</tr>
</tbody>
</table>

### Supplier Social Assessment

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>100</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
New suppliers that were screened using social criteria

The share of screened suppliers is 100%. All new suppliers follow the Code of Conduct which includes social requirements. The assessment is carried out by the Procurement Committee.

CUSTOMER HEALTH AND SAFETY

Explanation of the material topic and its boundary

The management approach and its components

Evaluation of the management approach

Assessment of the health and safety impacts of product and service categories

100% of the Company’s products and services are evaluated for compliance with health and safety requirements under the Russian legislation.

CUSTOMER PRIVACY

Explanation of the material topic and its boundary

The management approach and its components

Evaluation of the management approach
<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td>GRI 418: Customer Privacy (2016)</td>
<td>418-1</td>
<td>Substantiated complaints concerning breaches of customer privacy and losses of customer data</td>
<td>71</td>
<td></td>
<td></td>
<td>Russia business unit</td>
</tr>
</tbody>
</table>

**CORPORATE GOVERNANCE**

<table>
<thead>
<tr>
<th>GRI 103: Management Approach (2016)</th>
<th>103-1</th>
<th>Explanation of the material topic and its boundary</th>
<th>104, 111</th>
<th></th>
<th></th>
<th>VimpelCom PJSC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>90</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>90</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**QUALITY OF SERVICE**

<table>
<thead>
<tr>
<th>GRI 103: Management Approach (2016)</th>
<th>103-1</th>
<th>Explanation of the material topic and its boundary</th>
<th>104, 111</th>
<th></th>
<th></th>
<th>VimpelCom PJSC</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>42</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>42</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**SECURE INTERNET DEVELOPMENT AND CONTENT RESPONSIBILITY**
### 3. Appendix

#### GRI Standards Content Index

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>73</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>73</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### CONTROL OVER THE WASTE FORMATION, RECEPTION AND TREATMENT

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>88</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>88</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### COUNTERING THE CORONAVIRUS PANDEMIC AND ENSURING BUSINESS CONTINUITY

<table>
<thead>
<tr>
<th>GRI Standard</th>
<th>No.</th>
<th>Indicator</th>
<th>Page</th>
<th>Excluded information</th>
<th>Comments</th>
<th>Reporting boundaries</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>103-1</td>
<td>Explanation of the material topic and its boundary</td>
<td>104, 111</td>
<td></td>
<td></td>
<td>VimpelCom PJSC</td>
</tr>
<tr>
<td>GRI 103: Management Approach (2016)</td>
<td>103-2</td>
<td>The management approach and its components</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>103-3</td>
<td>Evaluation of the management approach</td>
<td>11</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Appendix 4.
### Detailing GRI Standards' Indicators

#### Information on employees and other workers* (102-8)

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees with a permanent employment contract</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>including women</td>
<td>10 383</td>
<td>13 730</td>
<td>13 362</td>
<td>16 148</td>
</tr>
<tr>
<td>including men</td>
<td>9 092</td>
<td>12 787</td>
<td>12 234</td>
<td>11 151</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees with a temporary employment contract</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>including women</td>
<td>1382</td>
<td>1145</td>
<td>1181</td>
<td>1303</td>
</tr>
<tr>
<td>including men</td>
<td>883</td>
<td>785</td>
<td>796</td>
<td>727</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of employees</td>
<td>21 739</td>
<td>28 447</td>
<td>27 573</td>
<td>29 329</td>
</tr>
<tr>
<td>including women</td>
<td>11 764</td>
<td>14 875</td>
<td>14 543</td>
<td>17 451</td>
</tr>
<tr>
<td>including men</td>
<td>9 975</td>
<td>13 572</td>
<td>13 030</td>
<td>11 878</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of full-time employees (40 working hours per week)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>including women</td>
<td>13 413</td>
<td>14 468</td>
<td>13 649</td>
</tr>
<tr>
<td>including men</td>
<td>12 841</td>
<td>13 006</td>
<td>11 582</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of part-time employees (less than 40 working hours per week)</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>including women</td>
<td>1462</td>
<td>75</td>
<td>569</td>
</tr>
<tr>
<td>including men</td>
<td>731</td>
<td>24</td>
<td>252</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th></th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of employees on parental leave**</td>
<td>—</td>
<td>—</td>
<td>3 277</td>
</tr>
<tr>
<td>including women</td>
<td>—</td>
<td>—</td>
<td>3 233</td>
</tr>
<tr>
<td>including men</td>
<td>—</td>
<td>—</td>
<td>44</td>
</tr>
</tbody>
</table>

---

* The data in the section are presented for full-time employees of VimpelCom PJSC. In 2020, the system for presenting information on the number of employees changed: data on the number of employees for 2020 are presented by the physical number of people (for 2018 and 2019, data are displayed at rates (FTE)).

** For 2018 and 2019, the number of employees on parental leave is not displayed, since they were taken into account at zero rates in the FTE approach.
## Diversity of management representatives and employees (405-1)

### Diversity of management bodies, including by gender and age in 2020

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>under 30 years old</th>
<th>30–50 years old</th>
<th>aged 50 and older</th>
<th>Total number of management representatives</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of management representatives</td>
<td>253</td>
<td>1346</td>
<td>91</td>
<td>1680</td>
</tr>
<tr>
<td>including women among management</td>
<td>119</td>
<td>674</td>
<td>44</td>
<td>837</td>
</tr>
<tr>
<td>including men among management</td>
<td>134</td>
<td>672</td>
<td>47</td>
<td>853</td>
</tr>
<tr>
<td>Proportion in total number of management</td>
<td>15%</td>
<td>79,6%</td>
<td>5,4%</td>
<td>100%</td>
</tr>
<tr>
<td>including women among management</td>
<td>7,1%</td>
<td>39,9%</td>
<td>2,6%</td>
<td>49,5%</td>
</tr>
<tr>
<td>including men among management</td>
<td>7,9%</td>
<td>39,7%</td>
<td>2,8%</td>
<td>50,5%</td>
</tr>
</tbody>
</table>

### Diversity of employees excluding management, including by gender and age in 2020

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>under 30 years old</th>
<th>30–50 years old</th>
<th>aged 50 and older</th>
<th>Total number of employees</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of employees</td>
<td>13 952</td>
<td>12 808</td>
<td>879</td>
<td>27 639</td>
</tr>
<tr>
<td>including women among employees</td>
<td>8 113</td>
<td>8 114</td>
<td>387</td>
<td>16 614</td>
</tr>
<tr>
<td>including men among employees</td>
<td>5 839</td>
<td>4 694</td>
<td>492</td>
<td>11 025</td>
</tr>
<tr>
<td>Proportion in total number of employees</td>
<td>50,5%</td>
<td>46,3%</td>
<td>3,2%</td>
<td>100%</td>
</tr>
<tr>
<td>including women among employees</td>
<td>29,4%</td>
<td>29,4%</td>
<td>1,4%</td>
<td>60,1%</td>
</tr>
<tr>
<td>including men among employees</td>
<td>21,1%</td>
<td>16,9%</td>
<td>1,8%</td>
<td>39,9%</td>
</tr>
</tbody>
</table>
## New employee hires by age (401-1)

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>under 30 years old</th>
<th>30–50 years old</th>
<th>aged 50 and older</th>
<th>total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of employees, persons</td>
<td>12 259</td>
<td>3634</td>
<td>99</td>
<td>15 992</td>
</tr>
</tbody>
</table>

## Employee turnover rates (401-1)

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Employee turnover, %</td>
<td>33</td>
<td>35</td>
<td>43</td>
<td>60</td>
<td>62</td>
</tr>
</tbody>
</table>

## Number of employee retires by gender and age in 2020

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>women</th>
<th>men</th>
<th>total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of employees, persons</td>
<td>8 845</td>
<td>9 240</td>
<td>18 085</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>under 30 years old</th>
<th>30–50 years old</th>
<th>aged 50 and older</th>
<th>total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total number of employees, persons</td>
<td>13 107</td>
<td>4 879</td>
<td>99</td>
<td>18 085</td>
</tr>
</tbody>
</table>

## Number of cases of anticompetitive behavior and anti-trust violations (206-1)

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number of cases of anticompetitive behavior and anti-trust violations</td>
<td>4</td>
<td>2</td>
<td>1</td>
</tr>
</tbody>
</table>

## Social investments (203-1)

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Social investments in local communities, thousand rubles</td>
<td>9952</td>
<td>11 763</td>
<td>6761</td>
<td>7766</td>
</tr>
</tbody>
</table>

## Investment in infrastructure development

<table>
<thead>
<tr>
<th>Name of the indicator</th>
<th>2016</th>
<th>2017</th>
<th>2018</th>
<th>2019</th>
<th>2020</th>
</tr>
</thead>
<tbody>
<tr>
<td>Investment in infrastructure development, million rubles</td>
<td>42 697</td>
<td>40 017</td>
<td>48 517</td>
<td>63 688</td>
<td>73 788</td>
</tr>
</tbody>
</table>
Appendix 5.
Glossary and Abbreviations

123

3G (3rd Generation), the third generation is a set of services that combines both high-speed mobile access to the Internet, services, and radio communication technology. This type of mobile communication is based on package data transmission. Third generation networks operate at decimeter range frequencies (in the range of about 2 GHz), transmitting data at speeds not exceeding 3.6 Mbit/s.

4G/LTE (4th Generation), the fourth generation (LTE, Long-Term Evolution) is a mobile communication generation characterized by high-speed data transmission and improved voice quality. The fourth generation usually includes promising technologies that allow a mobile subscriber to transfer data at a speed exceeding 10 Mbit/s.

5G is the fifth generation of mobile communications under development, capable of providing higher throughput compared to fourth generation technologies. Data transfer speeds in fifth generation mobile networks should reach 10 Gbit/s.

Broadband Internet access (BIA) is a high-speed Internet access. Unlike dial-up Internet access, broadband provides many times faster data exchange speed and does not monopolize the telephone line. In addition to high speed, broadband access provides a continuous connection to the Internet and so-called two-way communication, that is, the ability to both receive and transmit information at high speeds.

COVID-19 (Coronavirus disease 2019) is a dangerous disease that can occur both in the form of an acute respiratory viral infection of a mild course and in a severe form. On March 13, 2020, the spread of the virus was recognized as a pandemic.

DDoS attacks (Distributed Denial of Service) is a hacker attack on a computer system carried out simultaneously from a large number of computers in order to create conditions under which bona fide users of the system cannot access the servers provided, or this access will be difficult.

Employees' involvement is an emotional and intellectual state that motivates employees to perform their work effectively.

Global Reporting Initiative (GRI) standards are an internationally accepted system for reporting on economic, environmental, and social performance in the field of sustainability.

GRI is a Global Reporting Initiative.

GSM (Global System for Mobile Communications) is a global standard for digital mobile cellular communications.

HR Policy is a set of standards, rules, goals, and concepts that determine the content of work with personnel (planning and personnel records, search and selection, adaptation, training and development, labor organization, remarriage, and motivation, certification, social security, etc.). In accordance with the Company's development strategy.

Inclusivity is a practice of social integration of people with disabilities.

Intellectual volunteering is a kind of volunteering aimed at organizing and conducting intellectual events.

Internet is a worldwide system of unified computer networks based on the use of the TCP/IP Protocol and data packets routing. The Internet forms a global information space and serves as the physical basis for the World Wide Web (WWW) and many other data transmission systems (protocols).

Internet of Things (IoT) is a concept of a computer network of physical objects ("things") equipped with built-in technologies for interacting with each other or with the external environment, which considers the organization of such networks as a phenomenon that can restructure economic and social processes, ruling out the need for human participation in some actions and operations.

IoT networks (Internet of Things Networks) is a set of autonomous physical devices connected to a single network through digital communication channels.

APN is an autonomous non-profit organization.

B2B (Business to business) is a term that refers to commercial relationships between legal entities.

B2C (Business to consumer) is a term that refers to commercial relationships between a legal entity and a consumer.

Big Data is a series of approaches for processing data of huge volumes and significant diversity in order to obtain human perceived results.

Blogger is a person who runs a blog, a website whose main content is posts regularly added by the blogger and containing text, images, or multimedia.

Cloud is a virtual automatic telephone exchange on a cloud server.

Competencies are knowledge, skills, abilities, and behavioral characteristics required for a certain position.

Conformity is compliance with any internal or external requirements or standards.

Convergence is a process of an approach of diverse electronic technologies as a result of their rapid development and interaction.

Corporate social responsibility (CSR) is the Company's responsibility to its stakeholders, ensuring that the Company makes business decisions taking into account the interests of its stakeholders. It is a part of the Company's ongoing strategy to increase its presence in society and to develop its business; a chance to make a positive impact on the community in which the Company operates.

COVID-19 (Coronavirus disease 2019) is a dangerous disease that can occur both in the form of an acute respiratory viral infection of a mild course and in a severe form. On March 13, 2020, the spread of the virus was recognized as a pandemic.

DDoS attacks (Distributed Denial of Service) is a hacker attack on a computer system carried out simultaneously from a large number of computers in order to create conditions under which bona fide users of the system cannot access the servers provided, or this access will be difficult.

Employees' involvement is an emotional and intellectual state that motivates employees to perform their work effectively.

Global Reporting Initiative (GRI) standards are an internationally accepted system for reporting on economic, environmental, and social performance in the field of sustainability.

GRI is a Global Reporting Initiative.

GSM (Global System for Mobile Communications) is a global standard for digital mobile cellular communications.

HR Policy is a set of standards, rules, goals, and concepts that determine the content of work with personnel (planning and personnel records, search and selection, adaptation, training and development, labor organization, remarriage and motivation, certification, social security, etc.). In accordance with the Company's development strategy.

Inclusivity is a practice of social integration of people with disabilities.

Intellectual volunteering is a kind of volunteering aimed at organizing and conducting intellectual events.

Internet is a worldwide system of unified computer networks based on the use of the TCP/IP Protocol and data packets routing. The Internet forms a global information space and serves as the physical basis for the World Wide Web (WWW) and many other data transmission systems (protocols).

Internet of Things (IoT) is a concept of a computer network of physical objects ("things") equipped with built-in technologies for interacting with each other or with the external environment, which considers the organization of such networks as a phenomenon that can restructure economic and social processes, ruling out the need for human participation in some actions and operations.

IoT networks (Internet of Things Networks) is a set of autonomous physical devices connected to a single network through digital communication channels.
Mission is the meaning of existence, the purpose of the organization, which distinguishes it from other similar organizations.

Mobile traffic is the amount of information that a mobile device (smartphone, communicator, tablet, computer connected to the Internet using a modem) sends and receives from the Internet.

Motivation is a mechanism for enhancing labor efficiency and productivity, as well as the incentive of an employee or group of employees who are engaged in activities aimed at achieving the Company’s goals.

Occupational safety is a system of ensuring the conditions that are characteristic only of a particular factor or a set of working conditions specific to the profession or a set of working conditions that are characteristic only of a particular production.

Occupational safety is a system of ensuring the safety of life and health of employees in the course of their work, including legal, socio-economic, organizational and technical, sanitary and hygienic, medical and preventive, rehabilitation and other measures.

Personnel development is a set of measures implemented by the Company in order to attract, adapt, and retain employees, which contributes to the maximum realization of their professional and creative potential.

Quality of life is a set of socio-economic and other criteria that reflect the level and degree of achieved wellbeing of a person and society in various fields: education, employment, health, human rights, income, security, infrastructure, culture and leisure.

Retail is sale of goods (services) in small quantities, by piece.

Risk is a negative impact on the Company’s goals that can potentially occur as a result of current processes or future events.

Roaming is a special communication service (mobile communication, Wi-Fi) provided to a subscriber outside the service area of his “home” network (or base station) using the resources of another (“guest”) network. In this case, the subscriber does not need to enter into a contract with the receiving operator, and the service fee is debited from his/her account. During phone roaming, the subscriber usually retains his/her existing mobile telephone number.

Safeworking conditions are working conditions in which the impact of harmful and dangerous production factors on workers is ruled out, or their levels do not exceed hygiene standards.

Stakeholders are individuals and legal entities or groups of individuals who influence or are influenced by the Company’s activities, as well as those who have the right to directly sue the Company in accordance with laws and international conventions. Stakeholders include the Company’s shareholders, investors, employees, suppliers, contractors, consumers, trade unions, mass media, residents of the area where the Company operates, and others.

Stakeholder engagement is the Company’s activity to understand the expectations and concerns of stakeholders and involve them in the decision-making process.

Standard is a regulatory and methodological document that sets requirements for the objects of the area of activity.

Sustainable development is a concept developed by the United Nations that recognizes the role of business in ensuring the sustainable development of society. The concept of development of the world community provides for considering the interests of not only present generations but also the future ones.

UN stands for the United Nations.

VAS (Value Added Services) is a popular term in the telecommunications industry for services provided by additional platforms rather than the core of the network.

VDI (Virtual Desktop Infrastructure) is a virtual desktop infrastructure.

VHI is a voluntary health insurance.

VPN (Virtual Private Network) is a generic name for technologies that allow providing one or more network connections over another network (for example, the Internet).

WaaS (WorkPlace-as-a-Service) is a workplace as a service.

Wi-Fi (Wireless Fidelity) is a standard for wireless data transmission over radio channels.
Appendix 6.

Independent Auditor’s Report (102-56)

INDEPENDENT PRACTITIONER’S LIMITED ASSURANCE REPORT (TRANSLATION FROM RUSSIAN ORIGINAL)

To the management of Public Joint Stock Company “Vimpel-Communication”

We have undertaken a limited assurance engagement of the accompanying VimpelCom PJSC ESG Report 2020 (hereinafter referred to as the “Report”) in accordance with the requirements of GRI Sustainability Reporting Standards (hereinafter referred to as the “GRI Standards”) to the report prepared in accordance with the GRI Standards as well as for Public Joint Stock Company “Vimpel-Communication” (hereinafter referred to as PJSC “VimpelCom”) stakeholder engagement during the period of the Report prepared in accordance with the requirements of AA1000 Stakeholder Engagement Standard (2018) (hereinafter referred to as AA1000 Stakeholder Engagement Standard).

Responsibility of PJSC “VimpelCom”

PJSC “VimpelCom” is responsible for the preparation of the Report in compliance with the requirements of GRI Sustainability Reporting Standards to the report prepared in accordance with the Core option as well as for PJSC “VimpelCom” stakeholder engagement during Report preparation compliance with the requirements of AA1000 Stakeholder Engagement Standard. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation of the Report that is free from material misstatement, whether due to fraud or error.

Our Independence and Quality Control

We have compiled with the independence and other ethical requirements of the Rules of Independence of the Auditors and Audit Organizations and The Code of Professional Ethics of the Auditors, which are in accordance with International Code of Ethics for Professional Accountants including International Independence Standards issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of objectivity, independence, professional competence and due care, confidentiality and professional behavior, and we have fulfilled our other ethical responsibilities in accordance with these requirements.

The firm applies International Standard on Quality Control 1, Quality Control for Firms that Perform Audits and Reviews of Financial Statements, and Other Assurance and Related Services Engagements, and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Our Responsibility

Our responsibility is to express a limited assurance conclusion on the Report compliance with the requirements of GRI Sustainability Reporting Standards to the report prepared in accordance with the Core option as well as for PJSC “VimpelCom” stakeholder engagement during Report preparation compliance with the requirements of AA1000 Stakeholder Engagement Standard on the procedures we have performed and the evidence we have obtained. We conducted our limited assurance engagement in accordance with International Standard on Assurance Engagements 3000 (Revised), Assurance Engagements Other Than Audit or Review of Historical Financial Information. This standard requires that we plan and perform this engagement to obtain limited assurance about whether the Report is free from material misstatement as well as whether PJSC “VimpelCom” stakeholder engagement during Report preparation complies with the requirements of AA1000 Stakeholder Engagement Standard.

A limited assurance engagement undertaken in accordance with this standard involves assessing the following three criteria referred to as “Criteria”:

- Compliance of the Report with the requirements of GRI Sustainability Reporting Standards to the report prepared in accordance with the Core option.
- Compliance of PJSC “VimpelCom” stakeholder engagement during Report preparation with the requirements of AA1000 Stakeholder Engagement Standard.

A limited assurance engagement is substantially less in scope than a reasonable assurance engagement in relation to both the risk assessment procedures, including an understanding of internal control, and the procedures performed in response to the assessed risks. The procedures we performed were based on our professional judgment and included inquiries, inspection of documents, analytical procedures, evaluation of appropriateness of quantification methods and reporting policies, and agreeing or recording with underlying records.

Given the circumstances of the engagement, in performing the procedures listed above we have undertaken the following activities:

- Study and selective testing of systems and processes implemented by PJSC “VimpelCom” to ensure compliance of its stakeholder engagement during Report preparation with the requirements of AA1000 Stakeholder Engagement Standard.
- Interviewing the management and employees of PJSC “VimpelCom” and obtaining documentary evidence.
- Study of information available on PJSC “VimpelCom” website related to its activities in the context of sustainable development.
- Study of public statements of listed parties concerning economic, environmental and social aspects of PJSC “VimpelCom” activities, in order to check validity of the declarations made in the Report.
- Analysis of non-financial reports of companies in the similar market segment for benchmarking purposes.
- Selective review of documents and data on the efficiency of the management systems of economic, environmental and social aspects of sustainable development in PJSC “VimpelCom”.
- Study of the existing processes of collection, processing, documenting, verification, analysis and selection of data to be included into the Report.
- Analysis of information in the Report for compliance with the requirements of Criteria.

The procedures were performed only in relation to the data for the year ended 31 December 2020. The evaluation of reliability of the information on performance in the Report was conducted in relation to compliance with the requirements of Standards to the report prepared in accordance with the Core option and information referred to in the section of the Report “GRI Content Index”. In respect to this information assessment of its conformity to external and internal reporting documents provided to us was performed.

The procedures were performed in relation to the contents of the Report subject to sending to Global Reporting Initiative in order to notify it of the use of the Standards in the Report preparation.

The procedures were performed in relation to the Russian version of the Report, which includes information to be published.

We had no chance to verify that the Annual Report of PJSC “VimpelCom” for 2020, which is referred to in the Report, is published due to the fact that the date of signing the Assurance Report preceded the planned date of this activity completion.

The procedures performed in this limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had we performed a reasonable assurance engagement. Accordingly, we do not express a reasonable assurance opinion about compliance of the Report as well as for PJSC “VimpelCom” stakeholder engagement during Report preparation, in all material respects, with the requirements of Criteria.

Limited Assurance Report on Compliance of PJSC “VimpelCom” Stakeholder Engagement during Report Preparation with the Requirements of AA1000 Stakeholder Engagement Standard

Based on the procedures performed and evidence obtained, nothing has come to our attention that causes us to believe that the PJSC “VimpelCom” stakeholder engagement during Report preparation has not complied, in all material respects, with the requirements of AA1000 Stakeholder Engagement Standard.

FBR, LLC

Practitioner

Partner

acting under Power of Attorney No. 7616 of December 17, 2018

The Russian Federation, Moscow

June 25, 2021