

APPROVED by
Resolution of the Management Board
of MTS Armenia CJSC (Viva-MTS)
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Viva-MTS (MTS Armenian CJSC) Code of Business Conduct and Ethics

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A MESSAGE FROM THE VIVA-MTS MANAGEMENT

Dear Colleagues,

Herewith, we present to you Code of Business Conduct and Ethics of the Viva-MTS¹, a company of MTS² Group (hereinafter – the “Code”). The Code is a set of essential rules of conduct and principles related to business practices for all stakeholders.

Viva-MTS is a company of action and innovation that has grown into a digital ecosystem over the years. It incorporates a culturally diverse set of business directions with a general philosophy **#VivaMTS**. The Company’s business strategy places great importance of long-term viable relationships with its customers namely focusing on stakeholder needs, the increase of loyalty and offering favorable terms for products and services.

To capture the spirit of this Code, it is essential to understand the principles that are the foundation of **#VivaMTS** that inspires our team, stimulates the achievement of the best results and helps us be the best in all that we do.

Our business processes, the development of our products, and our approach with our customers and with our society, we are fully guided by our five key Core Values: **Innovation, Responsibility, Respect, Teamwork and Loyalty**.

Over and above the Company’s business strategy, Viva-MTS takes great pride in adapting strong work and business practices; it has a zero tolerance to violations of business conduct or ethics for any part of the businesses’ ecosystem.

Ethics, honesty and fairness are the cornerstones of our behavior, and are mandatory requirements for Viva-MTS managers and employees alike. The Company commits to basic values, such as responsible business practices and conscious and mindful services, that are key to a company’s viable and sustainable business growth and part of its competitive advantage.

As members of the Viva-MTS Management Board, our commitment to strictly adhering to the requirements set forth in this Code is vital. Simultaneously, we are dedicated to help every one of our family members to understand the Code and to ensure that its principles are adhered to and respected.

¹ MTS Armenia Closed Joint Stock Company, hereinafter – Viva-MTS or the Company

² Mobile TeleSystems Public Joint Stock Company, hereinafter - MTS

INTRODUCTION

1.1. WHAT IS THE CODE AND WHY DO WE NEED IT?

The Code contains the principles, standards of conduct and business practices adopted by Viva-MTS, which guarantee honest and fair treatment for all business partners, customers and employees, and ensures compliance with all applicable laws and internal regulations of the Company.

When performing duties on behalf of the Company, employees and managers shall act in accordance with the law, in compliance with ethical standards and in the best interests of the Company. The Code will help identify and outline situations or circumstances that do not comply with Viva-MTS's ethical principles. All Viva-MTS employees and managers shall study the Code and undergo relevant training.

1.2 WHO DOES THE CODE APPLY TO?

The provisions of the Code apply to all employees and managers of Viva-MTS, regardless of position, duties, length of service and place of work.

When possible, we aim to ensure that stakeholders outside of Viva-MTS, including partners and counterparties, conduct their activities in accordance with the standards established in this Code. If you engage with third parties, we encourage you to ensure that the relevant business partner shares and agrees with the ethical standards set forth in the Code.

1.3 AMENDMENTS AND CONTRADICTIONS

The Code may be amended and modified in light of the applicable law, inter alia, or separate normative documents, at any time without prior notice. The Code is a public document, which can be read on the Company's official website: www.mts.am

If any part or section of this Code contradicts local laws or regulatory legal acts, then only sections of the Code that are not contradictory to applicable laws and regulatory acts shall apply.

ETHICS IN DECISION MAKING

Fair and ethical business and business processes are sustainable to any institution. Actions taken by employee members can directly affect the Company's reputation and financial status, and as a consequence each employee can effect the Company's success and business viability through responsible and consciously ethical behavior.

2.1 PRINCIPLES OF DECISION-MAKING

The Code sets forth basic principles for behavior and decision-making, however, it is impossible to foresee every situation that may arise.

If you are not sure how to act, ask yourself the following questions:

- Is it lawful?
- Is it fair and just?
- Does it meet the Company interests?
- Does it comply with the Company's rules?
- Do I have the authority for it?

- Would I feel comfortable if the information on my actions appears in mass media?

If the answer to any of these questions is “No”, you should refrain from that action.

If you have questions about the topics covered in the Code, doubts about whether a situation is regulated by the Code or whether it is a violation thereof, you should discuss this situation with your line manager or senior manager, or send a question to the functional division of Compliance (compliance@mts.am).

2.2 RESPONSIBILITY OF MANAGERS

Company managers have an additional responsibility to create and maintain a working environment, which guarantees that team members know and understand their responsibilities, feel psychologically safe to express their concerns, are heard and whose concerns are addressed appropriately.

RESPONSIBLE BUSINESS PRACTICE

3.1 COMFORTABLE WORKING ENVIRONMENT

Viva-MTS strives to ensure decent and safe working conditions.

The Company has several ethical imperatives: respect human rights, create a productive working environment in the team, properly manage such issues as occupational health, safety and psychological well-being of the employees.

In accordance with the Code, all Viva-MTS employees (including managers) shall do their best to create a positive working environment in which everyone has the opportunity to reach his/her full potential and not be subjected to oppression, harassment, prejudice and discrimination of any kind. Viva-MTS will not have any tolerance for unacceptable behavior irrespective of the rank of the employee.

Additional information on this topic can be found in the following normative and link: ***“MTS Armenia” CJSC policy on Discrimination, Bullying and Harassment*** .

3.2 CONFLICT OF INTEREST MANAGEMENT AND OTHER BUSINESS PRACTICES

The Company will not allow personal interests (i.e. personal relationships with a customer, supplier, competitor, business partner or other Viva-MTS employee) to have a direct impact on the ability of the employee to make a fair and objective decision while working for Viva-MTS.

Not every conflict of interest may be a problem, but it must be efficiently communicated. If a problem or concern is not properly communicated and resolved, it has the potential to have negative consequences for the respective employees, managers and the brand of the Company. The best rule for any conflict of interest situation is to “refrain” and “disclose”: if participation in an event or activity that creates a conflict of interest cannot be avoided, you are encouraged to report it and refrain from participating in appropriate decision-making until the conflict is resolved.

The rules for conduct in the event of a conflict of interest, including in the course of external business relations, investment activities, are described in more detail in the following normative document ***“Managing the Conflict of Interest”***.

Finally, Viva-MTS has developed and continues to support the principles of responsible ***giving and receiving of gifts and signs of business hospitality***, and has established criteria for their acceptability in the relevant ***Gifts and Hospitality policy***. Viva-MTS does not allow gifts to be used in bad faith, for example, in order to obtain an unlawful or tactical advantage.

3.3 PROTECTION OF VIVA-MTS AND THIRD-PARTY ASSETS

Each employee shall protect Viva-MTS assets, including material and intellectual property, confidential information, personal data, against theft, damage, misuse and improper disposal. This duty also applies to assets entrusted to us by third parties.

- Any transfer of **state secrets or other classified information** shall strictly comply with required security procedures.
- Viva-MTS employees and managers use **Viva-MTS confidential information** only for business purposes and shall always store and dispose of such information in accordance with the requirements of the **information security regime**.
- To enable you to perform work, Viva-MTS can provide you with access to **personal data** of customers, employees, business partners, counterparties, etc. This data requires particularly careful and responsible handling and strict adherence to **policies regarding processing of personal data**: their protection is the priority of the same importance as business continuity.
- **Intellectual property** is one of the most valuable assets of Viva-MTS. We protect our intellectual property items and respect the intellectual property of other market participants. Always keep in mind that misuse or disclosure of such information, even within Viva-MTS, may seriously damage the Company reputation, its customers, business partners and the professional community, subject Viva-MTS to liability and damage its business operations. Immediately report any actual or suspected incident, or improper use of Viva-MTS assets through the communication channels about violations.

3.4 FAIR TRADE

Viva-MTS builds **long-term relationships with customers** by providing high quality and safe services and products, and comfortable service conditions. Not a single customer message must go unanswered.

Viva-MTS uses **fair practices to promote services** eliminating their perception as unethical or capable of causing harm to customers, partners or third parties.

We do not gain competitive advantage through illegal and unethical practices, including through collusion and corrupt practices. Viva-MTS employees and managers may not negotiate prices or enter into any formal or informal agreements with any competitor regarding prices, discounts, business conditions or market segments and channels in which the Company competes if the purpose or result of such discussion or agreement does not comply with the applicable laws.

COMPLIANCE WITH LAWS

Employees and managers of Viva-MTS shall comply with applicable laws and normative documents of the Company, regardless of the place of conduction of their activities.

4.1 PROHIBITION OF CORRUPTION AND BRIBERY IN ANY FORM

Employees and persons acting on behalf of or for the benefit of the Company, are not allowed by Viva-MTS, either independently or through intermediaries, to offer, promise, make, approve, require or accept any illegal payments and other illegal benefits from any public or private persons for the purpose of obtaining or maintaining a business or managing it, or to gain other unlawful benefits in the implementation of their activities.

Viva-MTS does not make facilitation payments and does not participate in political activities, including funding parties and candidates for political office.

Any transactions that bear potential corruption risks (including gifts, entertainment allowance, interactions with government officials or government agencies, sponsorships and charities, etc.), due to the risk of influencing a business decision, are subject to the **Compliance with Anticorruption Legislation policy** and internal compliance controls of Viva-MTS.

4.2 ACCOUNTING AND DISCLOSURE OF INFORMATION

Transparent accounting

We want our customers, employees, business partners, shareholders and investors to have sufficient information about our activities. We strive to be open and active in our communications. Information disclosure is undertaken in a way to ensure a reasonable balance between the informational transparency and protection of the Company's commercial interests.

Disclosure of information

Viva-MTS does its best to ensure that its accounting ledgers, reports, invoices and financial statements are kept properly with details, duly reflect the Company's operations in accordance with the applicable laws and the internal control system.

Everyone shall remember that accurate reporting is important, not only because regulators require it, but also because the data helps the Company remain competitive in the marketplace. Therefore, the business information we provide shall always be accurate, timely, complete, fair and understandable. Viva-MTS prohibits falsification of documents, distortion of the true nature of any operations.

We also ensure the transparency of our activities by openly interacting with various stakeholders and regularly publishing complete, reliable, timely and understandable information.

Public communications

The brand and reputation of Viva-MTS is one of our most valuable assets, and the Company's position in the market depends largely on their protection and promotion.

Our normative document **Information Provision to Mass Media policy on interaction with the information community** defines the authorized persons entitled to represent the Company publicly.

Employees shall remember that any expression related to their subjective or personal opinion on social media or other public resources is interpreted by the public as the official position of the Company. As such, Viva-MTS discourages the participation of discussions on topics, or commenting on public platforms that may or will harm the Company's reputation and respective capitalization.

4.3 USE OF INSIDER INFORMATION

In the course of his/her work, each employee may become aware of essential information about Viva-MTS or other organizations, before this information becomes public. Using or sharing such insider information, for personal use or gain, or for third-party use or gain, violates legal requirements and will not be acceptable for Viva-MTS.

For example, until announced publicly, information concerning the Company's financial results is insider information, and using this information even in the form of informal advice to another party would be deemed a violation.

No Viva-MTS employee is allowed to conduct transactions with any other company whether they have insider information or not, or recommend to third parties to perform such transactions, or transfer material non-public information to other persons without the explicit permit given by the Company.

RESPONSIBLE LEADERSHIP FOR SUSTAINABLE DEVELOPMENT

It is impossible to imagine the life of a modern society without telecommunication products and digital technologies. This imposes a special responsibility on Viva-MTS, whose activities can affect the economic, social and environmental development of the regions where it operates.

We describe the responsible behavior of the Company in more detail in the annual ***sustainable development reports of Viva-MTS***.

5.1 RESPONSIBLE DECISION-MAKING

We acknowledge that the innovations we use to improve business efficiency and to increase the level of customer satisfaction are a global factor that opens up not only new business opportunities, but also poses risks for Viva-MTS. Therefore, Viva-MTS strives to adhere to the principles of sustainable development: it conducts business in compliance with ethical standards, takes responsibility for the consequences of decisions made and its activities, as well as for the impact of these consequences on society.

5.2 IMPACT ON LOCAL COMMUNITY

We strive to contribute to the economic development and social well-being of local communities and territories in every region where the Company operates by establishing partnerships with local stakeholders and organizations.

Viva-MTS also encourages employees to invest their personal time and resources on supporting communities, performing charitable acts, and providing them with opportunities for development.

5.3 ENVIRONMENTAL PROTECTION

In our work, we support the principle of environmental efficiency, striving to minimize the impact of Viva-MTS activities on the environment.

REPORTING VIOLATIONS

Viva-MTS maintains a culture where concerns can be reported, supporting an open and trust-based dialogue with employees at all levels.

6.1 REPORTING

If you have information or doubts about a possible violation of the Code, Company regulations or the applicable law – report it!

Viva-MTS has developed and continues to implement special procedures for employees and any other parties who wish to report a concern or a violation. You are encouraged to use any of the options below that may be most convenient for you:

- Refer to the line manager or, the senior manager if this report relates to the actions committed by the line manager;
- Refer to the Compliance Manager (in any form including via compliance@mts.am);
- Fill in the “Unified Hotline” electronic form on the official Viva-MTS website, the corporate portal (including anonymously);
- Send a message to the “Unified Hotline” e-mail address: hotline@mts.ru;
- Call independent direct line at **0-800 03011**.

Any person who violates the Code can be subject to disciplinary action, including dismissal or termination of contract based upon contract terms and legislation.

6.2 PROHIBITION OF RETALIATION

Viva-MTS provides an independent and comprehensive review of all communications and protects those who duly and in good faith report problems and concerns, facilitate investigations, and refuse to take part in activities that contravene the principles or requirements of the Code.

If you believe that retaliatory measures have been taken against you after you have notified about a problem or a violation, contact the functional division of the Compliance Unit (compliance@mts.am).

SUMMARY

Viva-MTS strives to be an open, conscious and mindful Company. We may not have exclusive details on all possible scenarios that can cause unethical situations. As such, we ask all respective parties to use common sense, rely on his/her commitment and personal responsibility to ensure a high ethical standard not just for themselves but for the entire company. We expect that all Viva-MTS employees, stakeholders and third-parties will be guided by the spirit of the Code.

CORE VALUES OF VIVA-MTS

	Description
Innovation	We develop state-of-the-art solutions and put them into practice successfully.
Responsibility	We care and we are accountable for what we do.
Respect	We put ethics and human values at the core of everything we do.
Teamwork	We work with integrity and together celebrate our mutual success.
Loyalty	We believe and we are faithful.