

Project Summary for Public Disclosure
(after approval of NDB financing)

Project Name	Cellular Network and Cloud Services Expansion Project
Country	The Russian Federation
Type	Non-Sovereign
Area of Operation	Digital Infrastructure
Concept Approval Date	9 May 2020
Financing Approval Date	15 December 2020
Total Project Cost	USD 565 million
Initial Limit of NDB Financing	USD 300 million
Current Limit of NDB Financing	USD 300 million
Borrower	Mobile TeleSystems Public Joint Stock Company
Project Entity	Mobile TeleSystems Public Joint Stock Company
Project Context	Enhanced country wide focus on Information and Communication Technology especially around (i) key sectors of economic and social development achieving digital maturity; (ii) increased access to broadband and telecommunications network for the Russian population; and (iii) larger investments in information technology domestic solutions.
Project Description	The components of the Cellular Network and Cloud Services Expansion (The Project) include: (i) Upgrade of cellular network infrastructure including installation of new cell towers; (ii) Deployment of cloud services infrastructure.
Project Objective	<p>The Project aims to (i) improve mobile network penetration across Russia; and (ii) provide for cloud based services for enterprises.</p> <p>The Project's impact will be contribution to (i) increasing the availability of broadband internet services for households; (ii) increasing the share of Russia in the worldwide data storage and processing volume; (iii) improving digital integration of small size cities and urban settlements with the mainstream economy; and (iv) data security benefits and cost savings derived by enterprises by migrating to cloud based services.</p>
Implementation Arrangements	The Project commenced in 2019 and will take 8 years to be executed until (and including) 2026. Procurement will be carried out by MTS in accordance with its existing procurement procedures and applicable Russian legislation.
Environmental and Social Information	The Project has been categorized as Category B in line with NDB's Environment and Social Framework (ESF). The impacts

	<p>and risks are general environmental repercussions related to civil works, occupational health and safety risks associated with working at heights and electrical safety, electromagnetic field impacts from cellular networks, and electrical waste generation and disposal. These risks will be mitigated by the development of environmental and community health impact studies and implementation of an environmental and social impact management plan. The Project will comply with the requirements of the country system and NDB's ESF.</p>	
Financing	<p>The total cost of the Project is estimated to be USD 565 million. Financing sources are as follows:</p>	
	Source of Fund	Amount (USD million)
	NDB	300
	Other financing sources (borrowings, equity)	265
Contacts	NDB Private Sector and Non-Sovereign Guaranteed Transactions Department Dmitriy Kulesho	Borrower and Project Entity Alexander Smirnov Aleksandr.V.Smirnov@mts.ru