



ENABLING DEVELOPMENT THROUGH PLATFORMS

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28/03/2017

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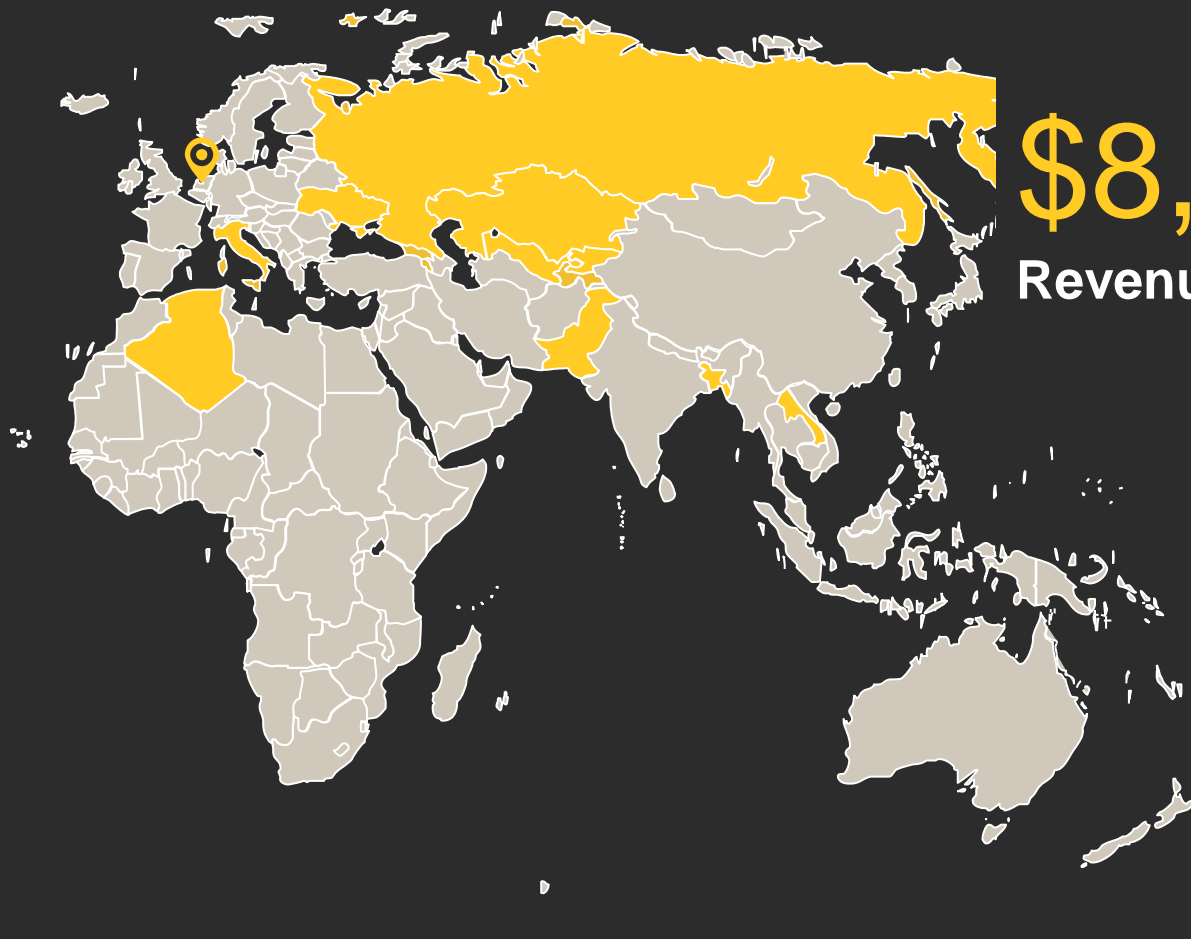
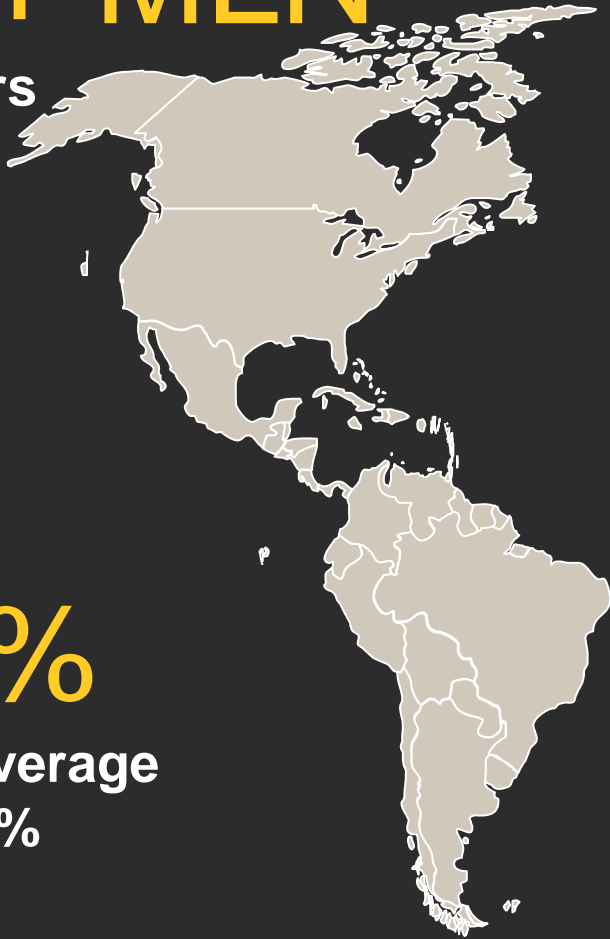
200+ MLN

Customers

65%

3G Coverage

2G: 94%



\$8,4BLN

Revenues

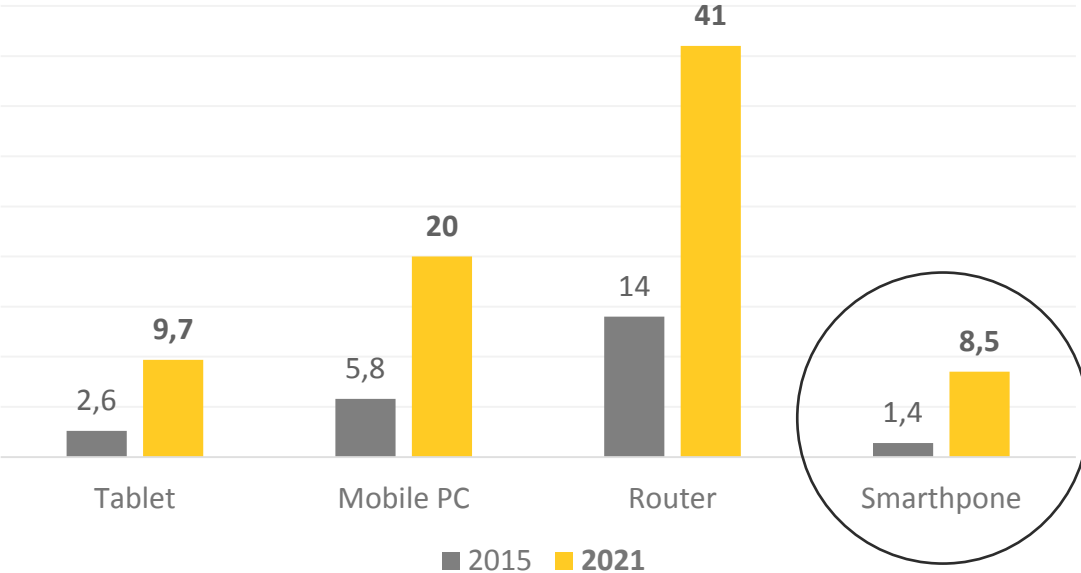
13

Markets, HQ
in Amsterdam

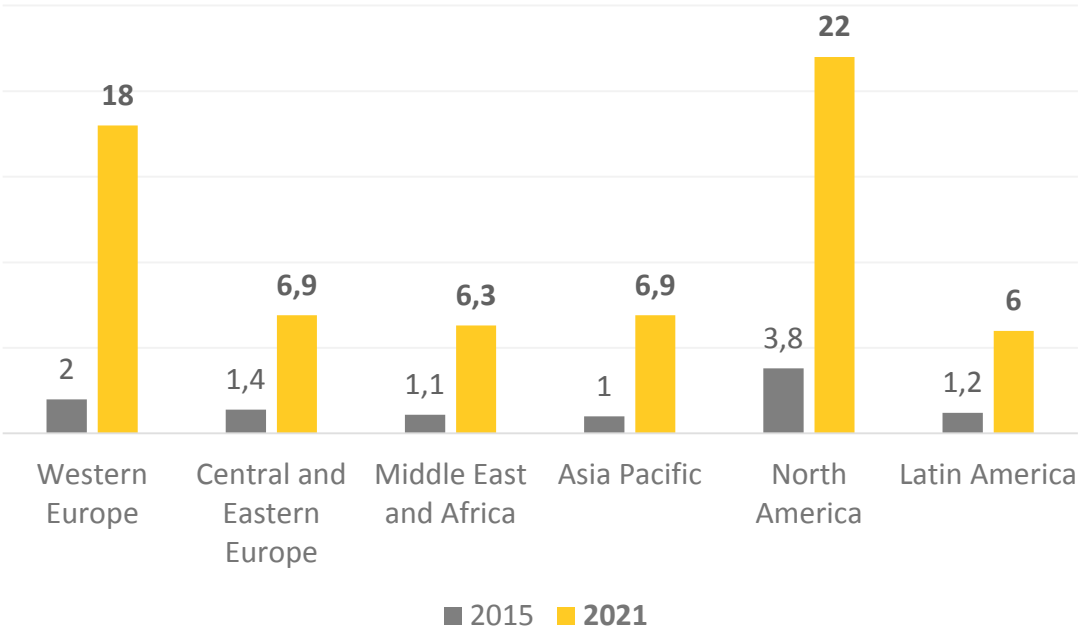
DATA USE IS EXPLODING



Monthly data traffic per device
(in GB)



Monthly data traffic per region
(in GB)



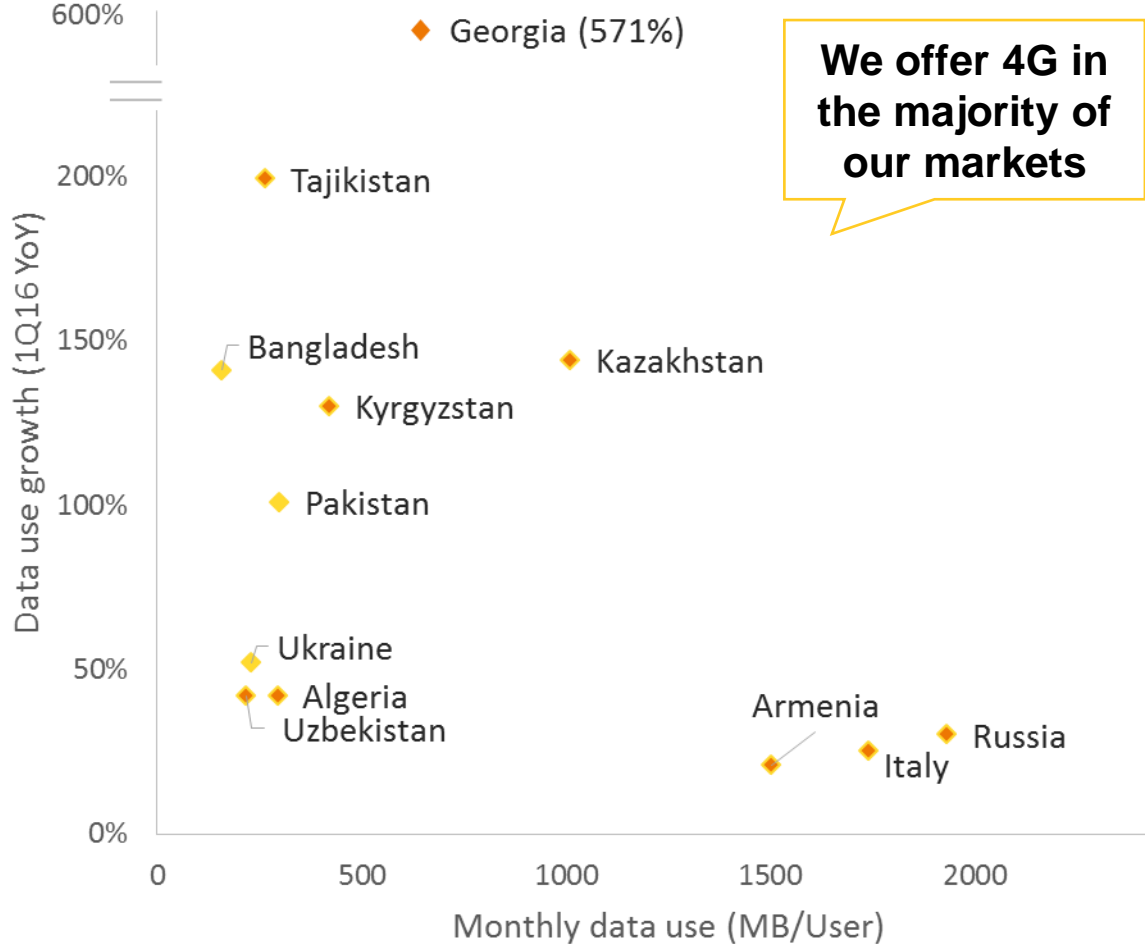
Mobile data traffic is expected to have increased sixfold by 2020

Source: Ericsson Mobility Report, 2016

DATA USE IS EXPLODING



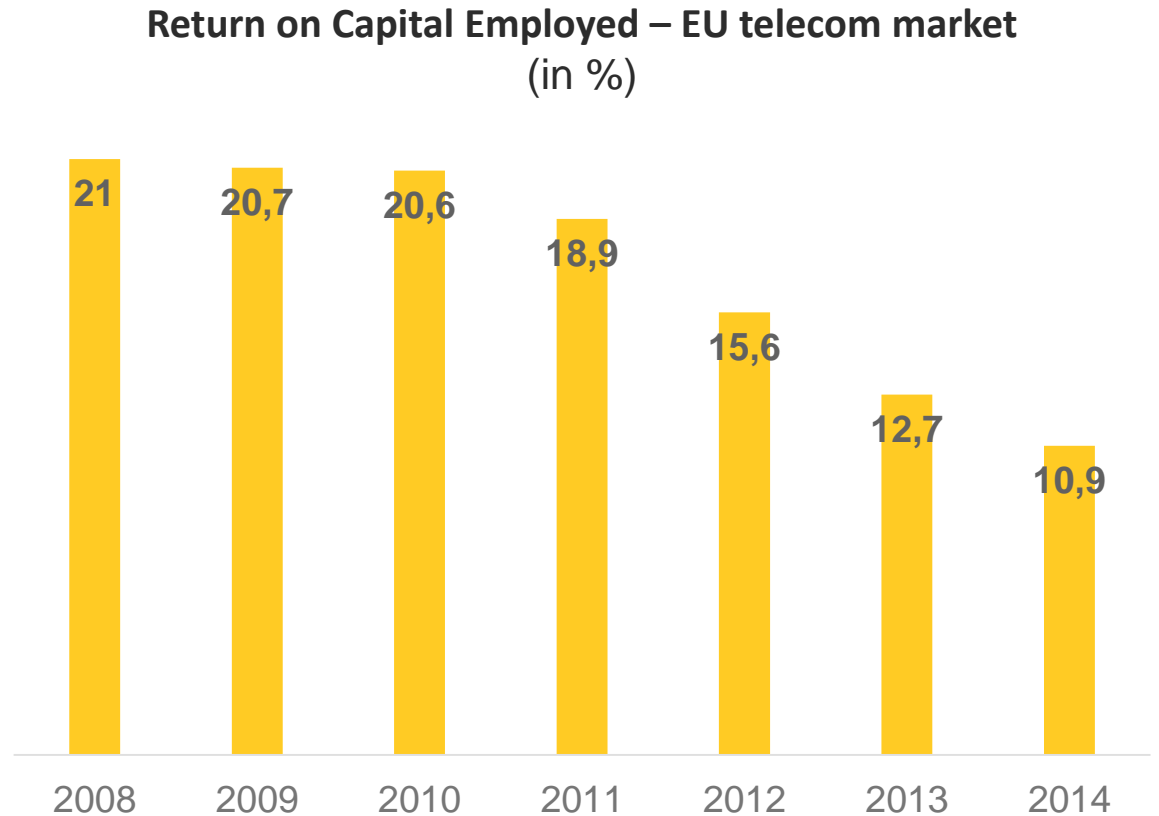
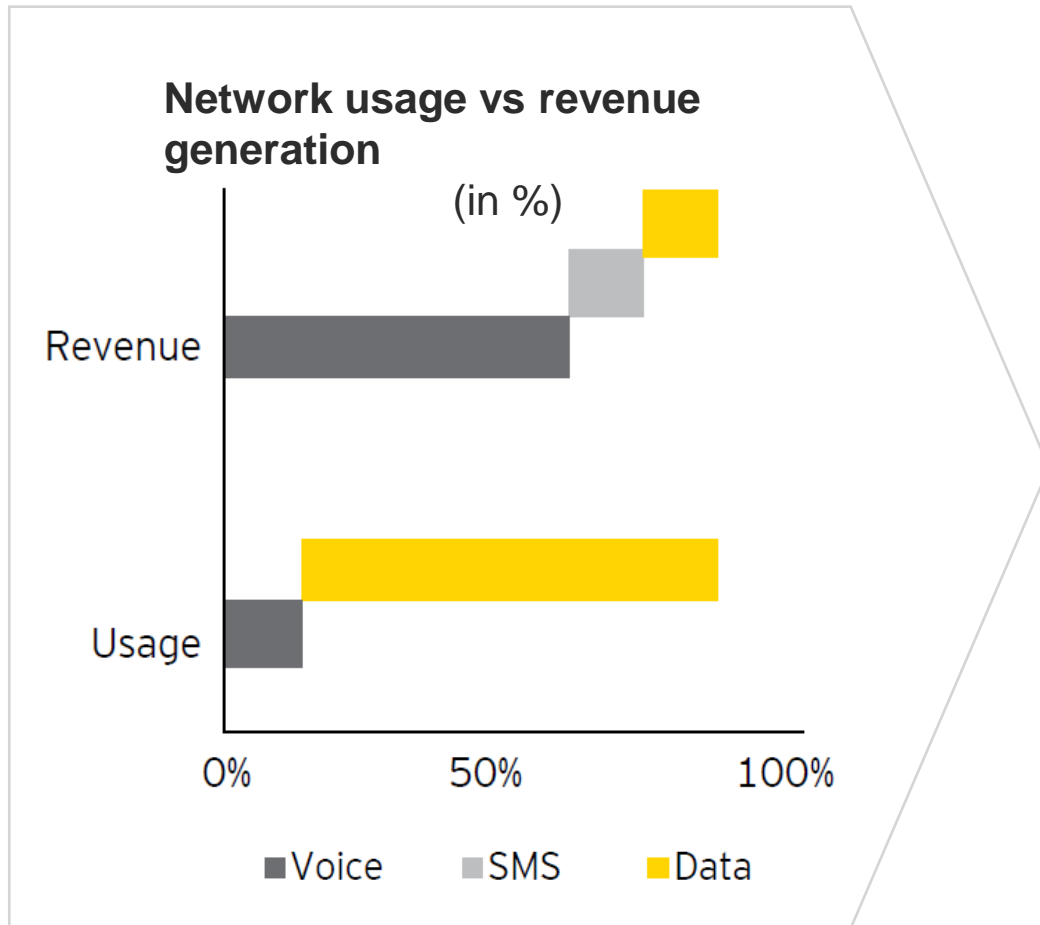
Data use and growth



We offer 4G in the majority of our markets



TRADITIONAL TELCO UNDER PRESSURE



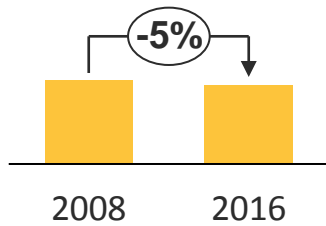
Source: EY, 2015

Source: FT, 2015

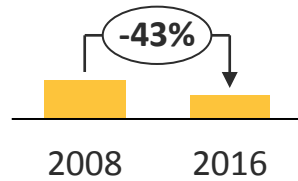
TRADITIONAL TELCO UNDER PRESSURE



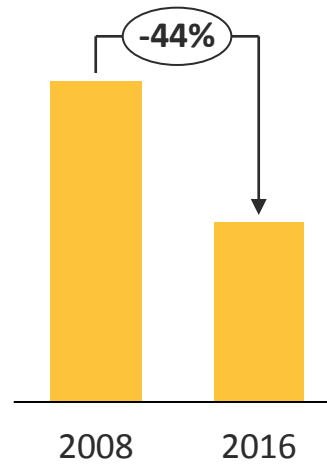
Algeria



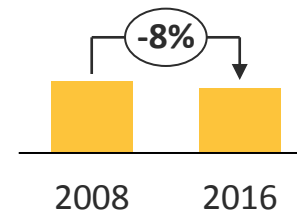
Bangladesh



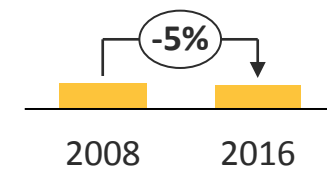
Italy



Russia



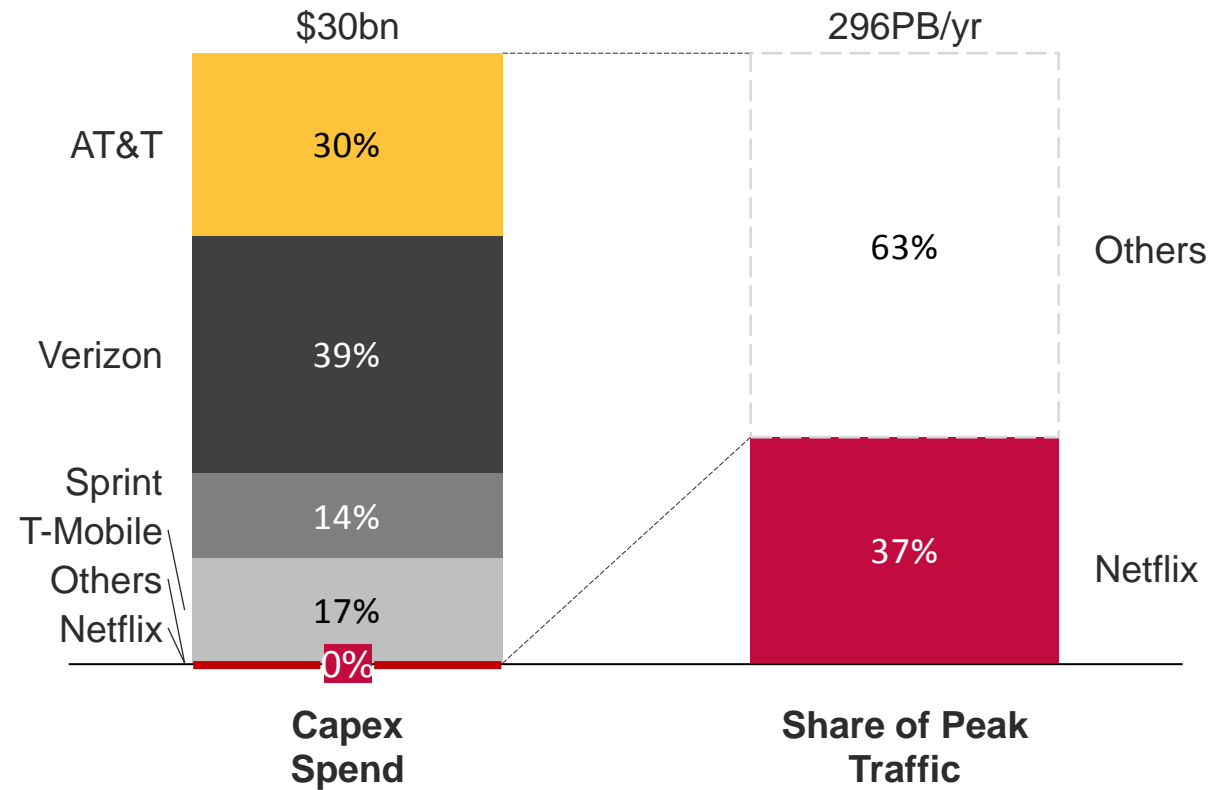
Ukraine



VALUE IS CAPTURED BY DIGITAL NATIVES



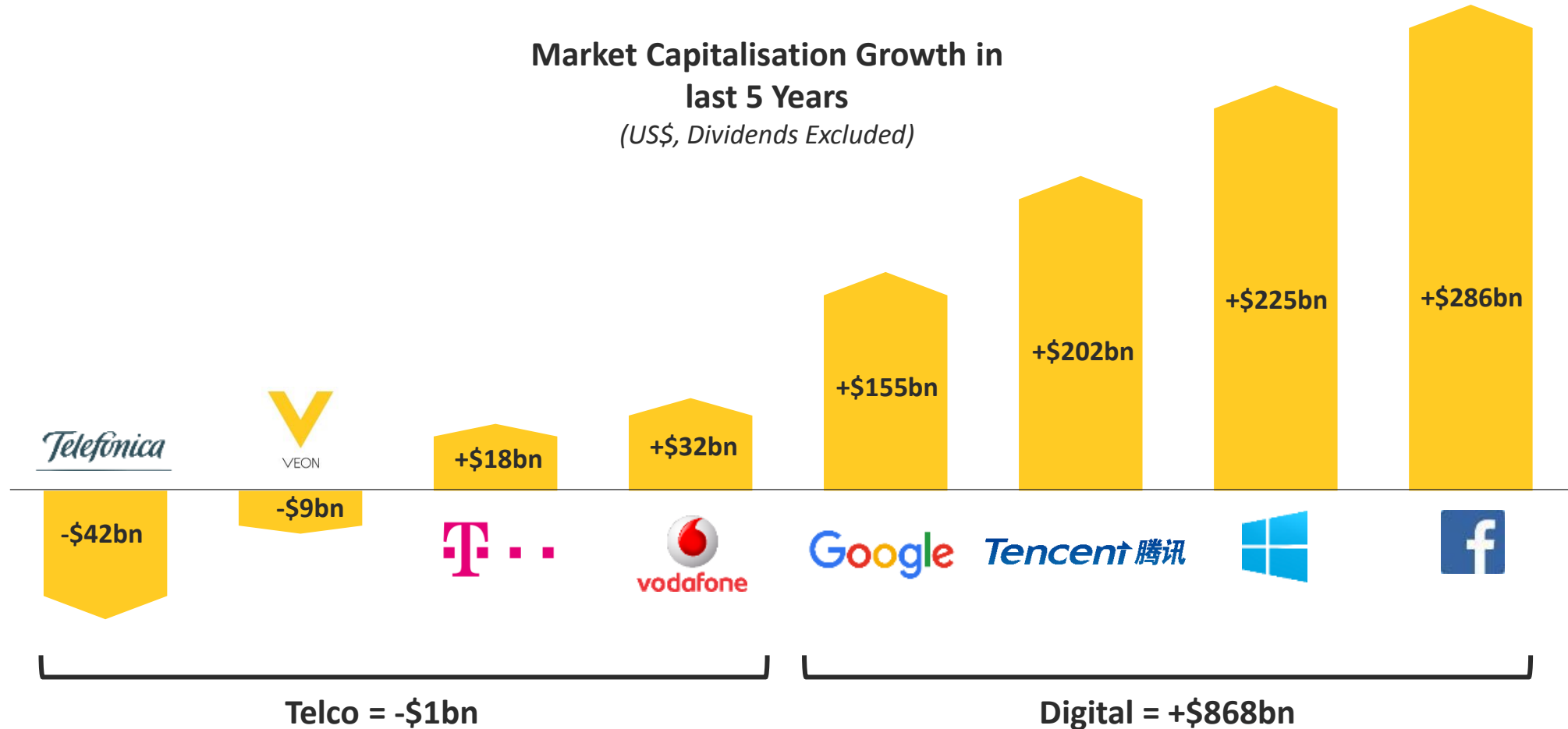
US Mobile Capex Invested in 2015
and share of peak Internet traffic



VALUE IS CAPTURED BY DIGITAL NATIVES



Market Capitalisation Growth in
last 5 Years
(US\$, Dividends Excluded)



WHO FACES THE CUSTOMER?

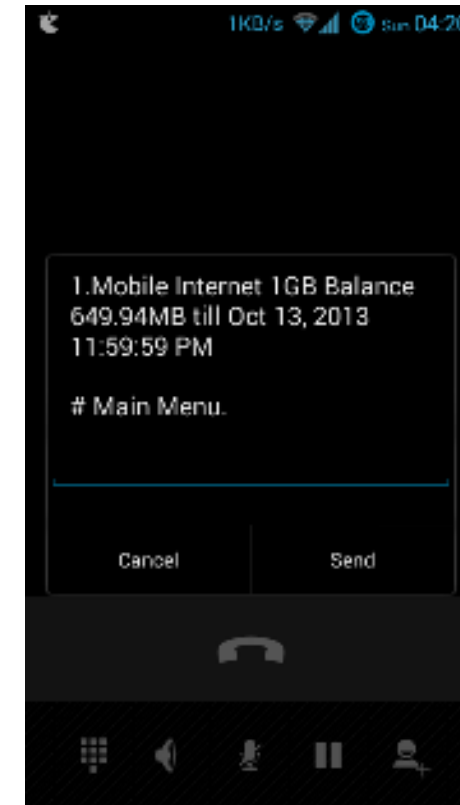
Google



Apple



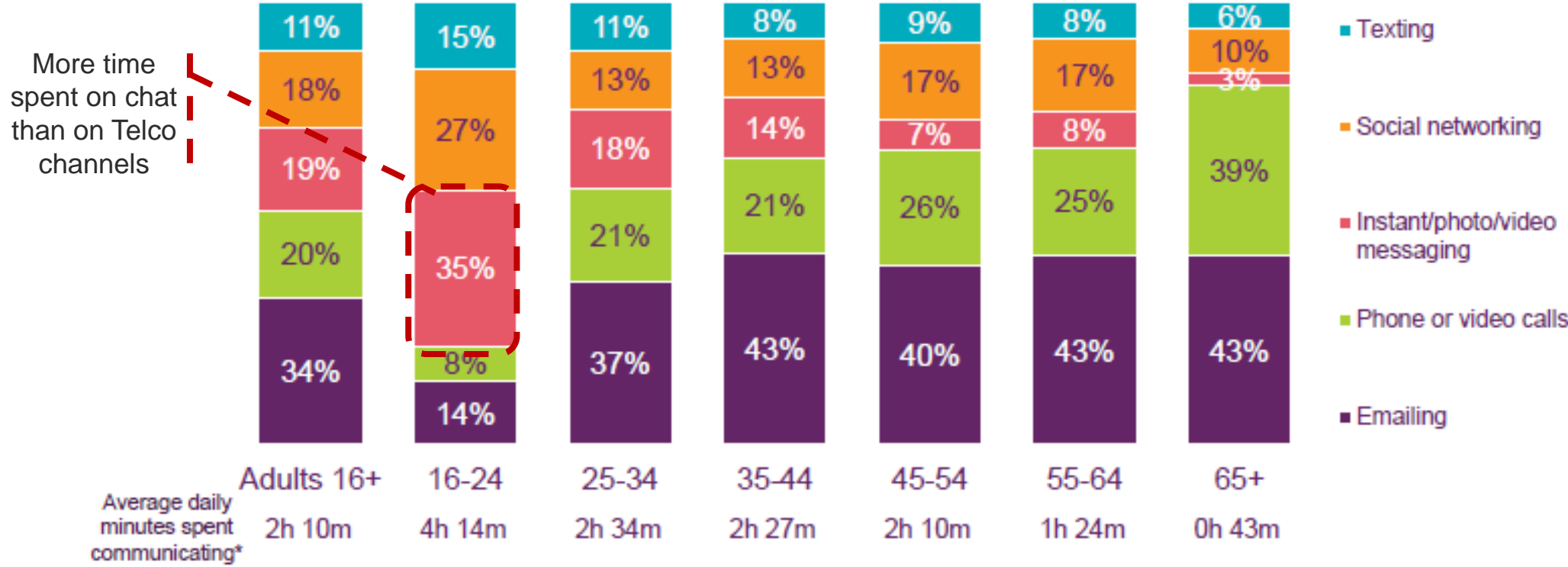
Telco



MESSAGING BECOMING THE INTERFACE



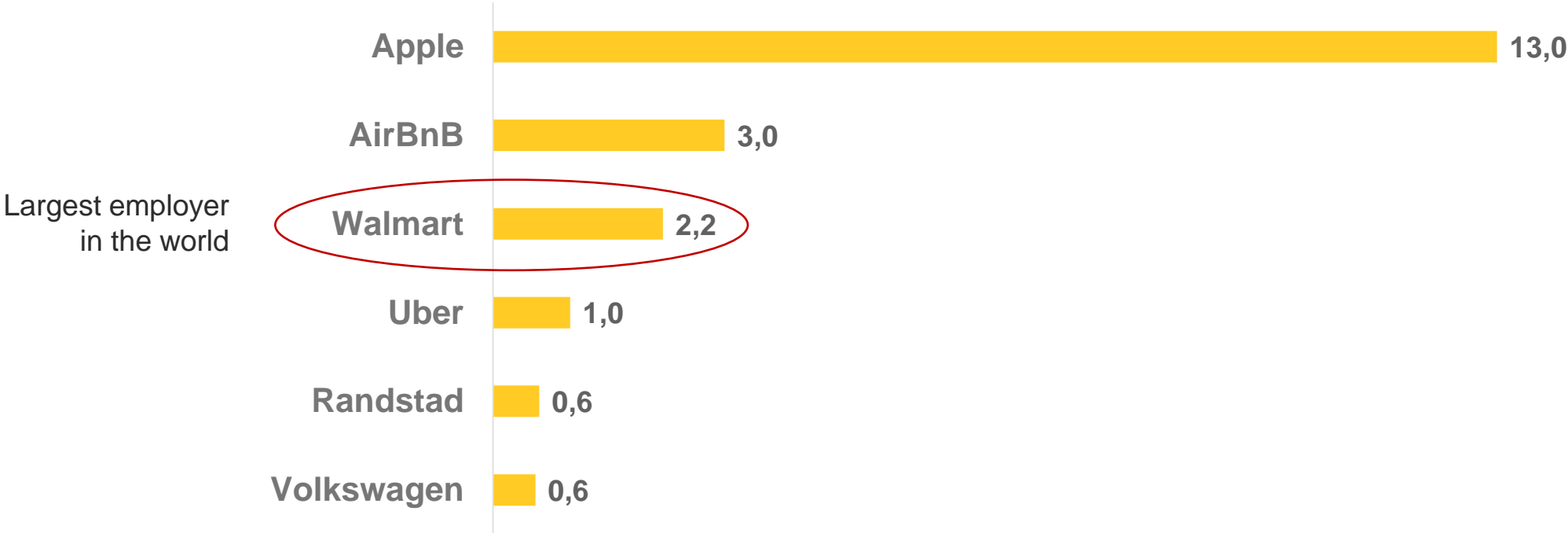
Proportion of time spent communicating attributed to activities
(Proportion of communicating time, %)



FROM EMPLOYMENT TO PARTNERSHIPS

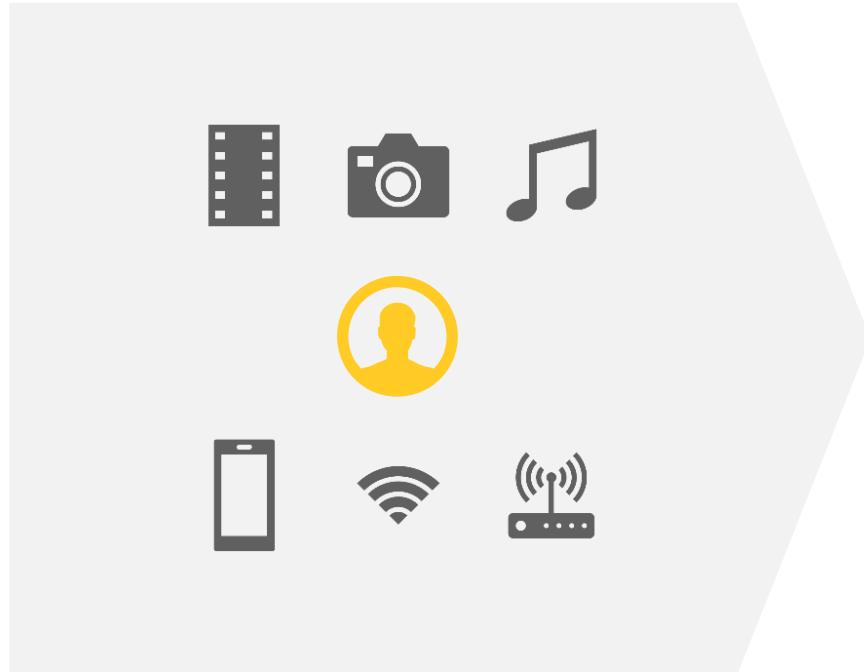


Number of employees/supply-side users



Sources: Bloomberg, 2017

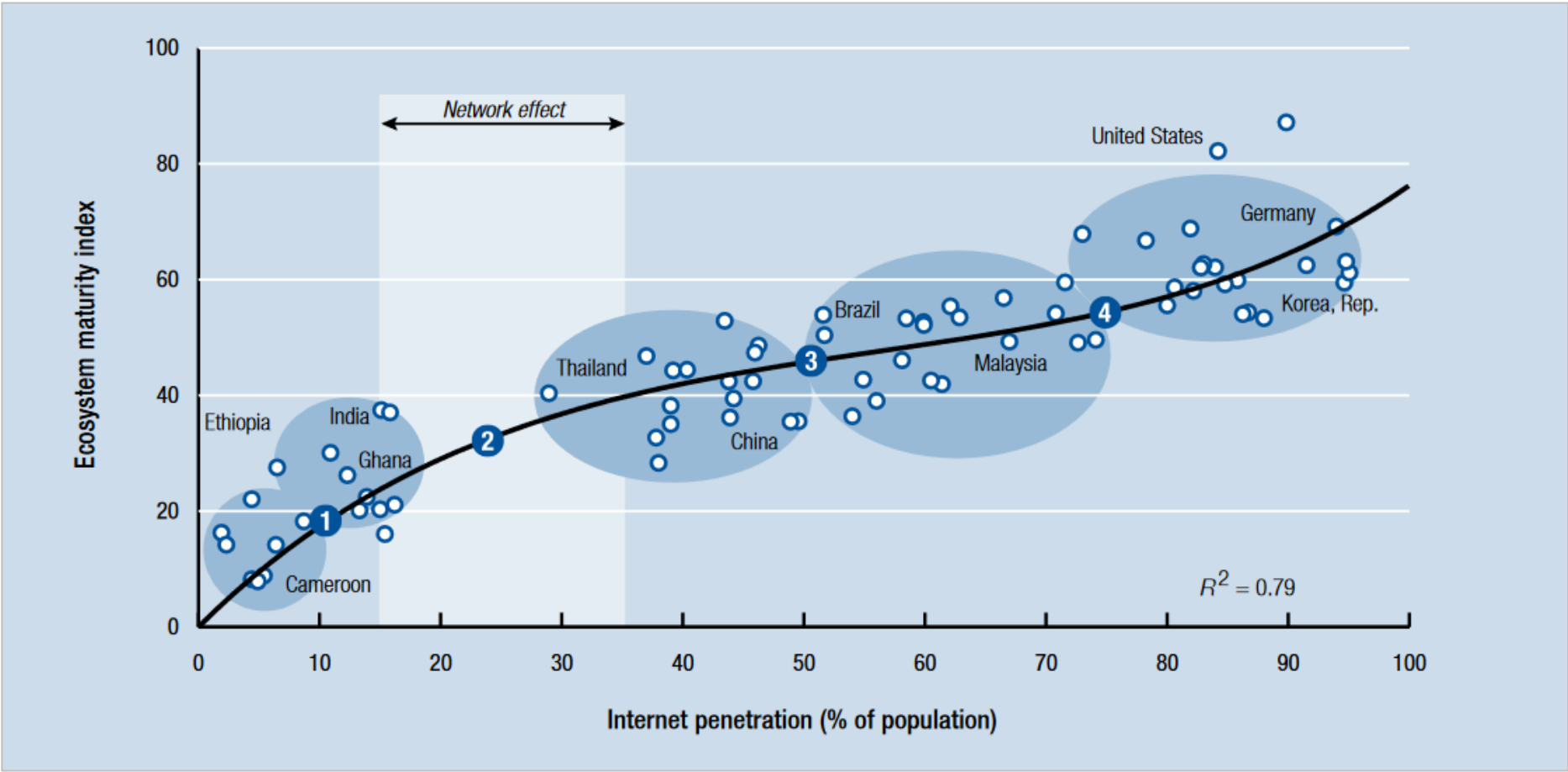
EVOLUTION TO THE CONTEXTUAL INTERNET



2
mln Apps available in Appstore and Playstore vs. 50,000 products in a supermarket.

3 80% of time is spent on using only three apps

KEY ENABLERS: CONTENT



Source: WEF, 2015

KEY ENABLERS: DATA FLOWS

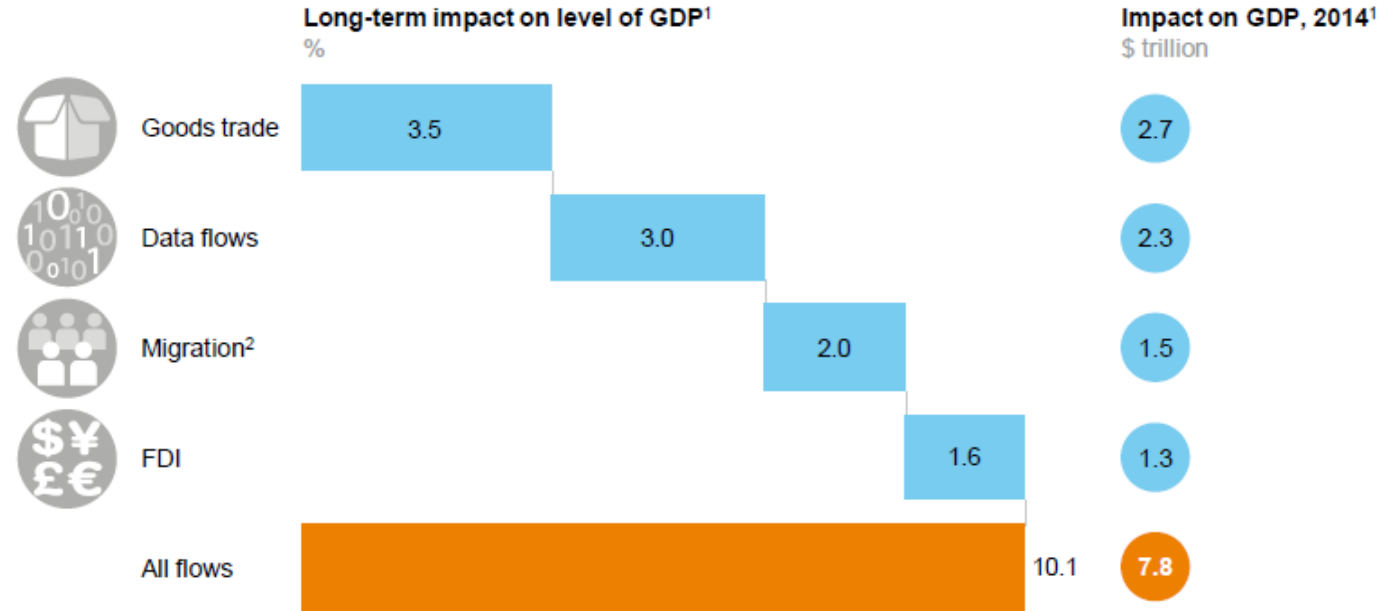


90% of the world's data has been generated in the last two years

40 Zettabytes (40 trillion GB) will have been created by 2020, compared to 4.4 in 2015

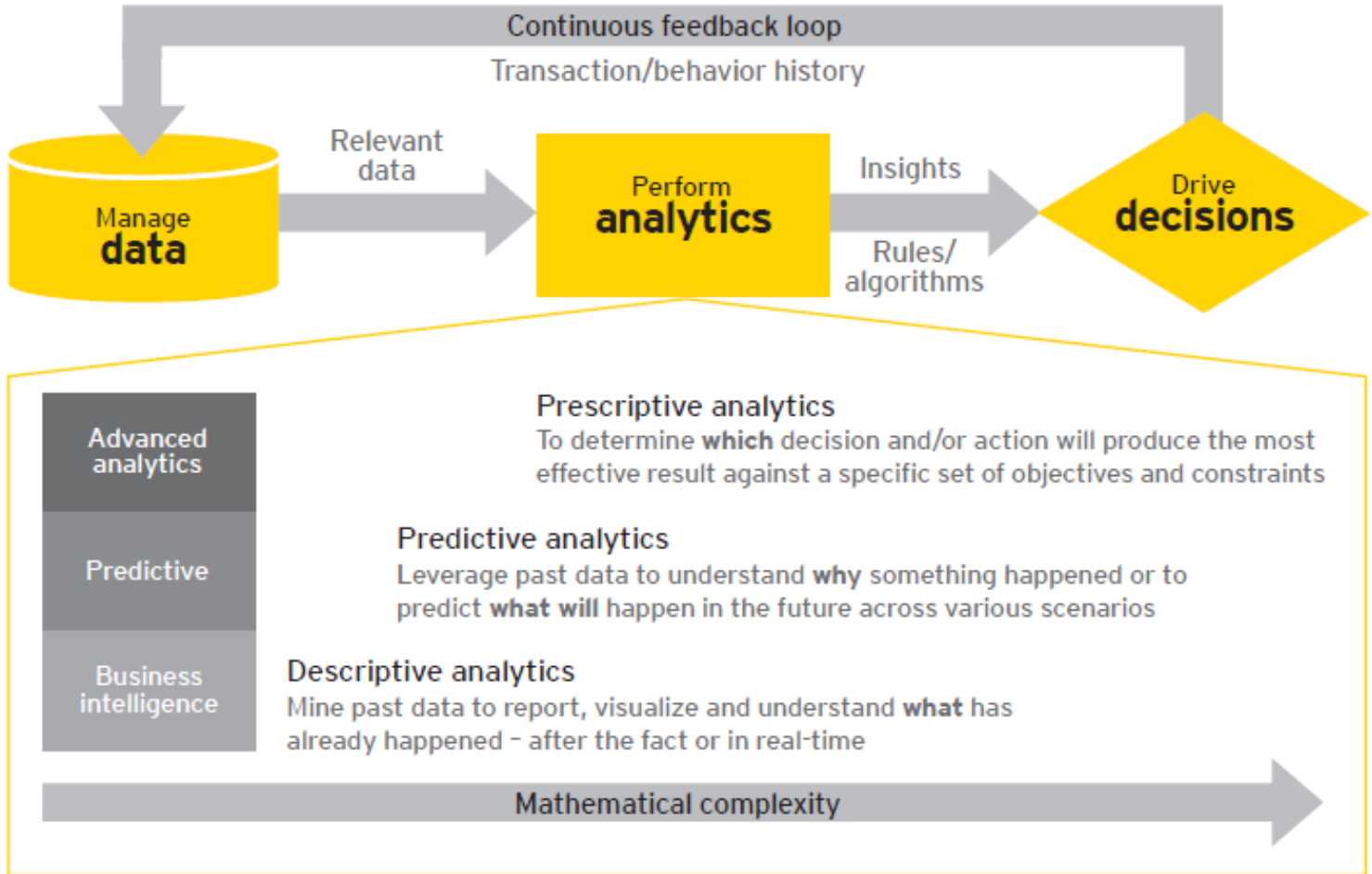
More than 1/3 of all data produced will live in or pass through the cloud by 2020

Global data flows account for approximately 3 percent of global GDP



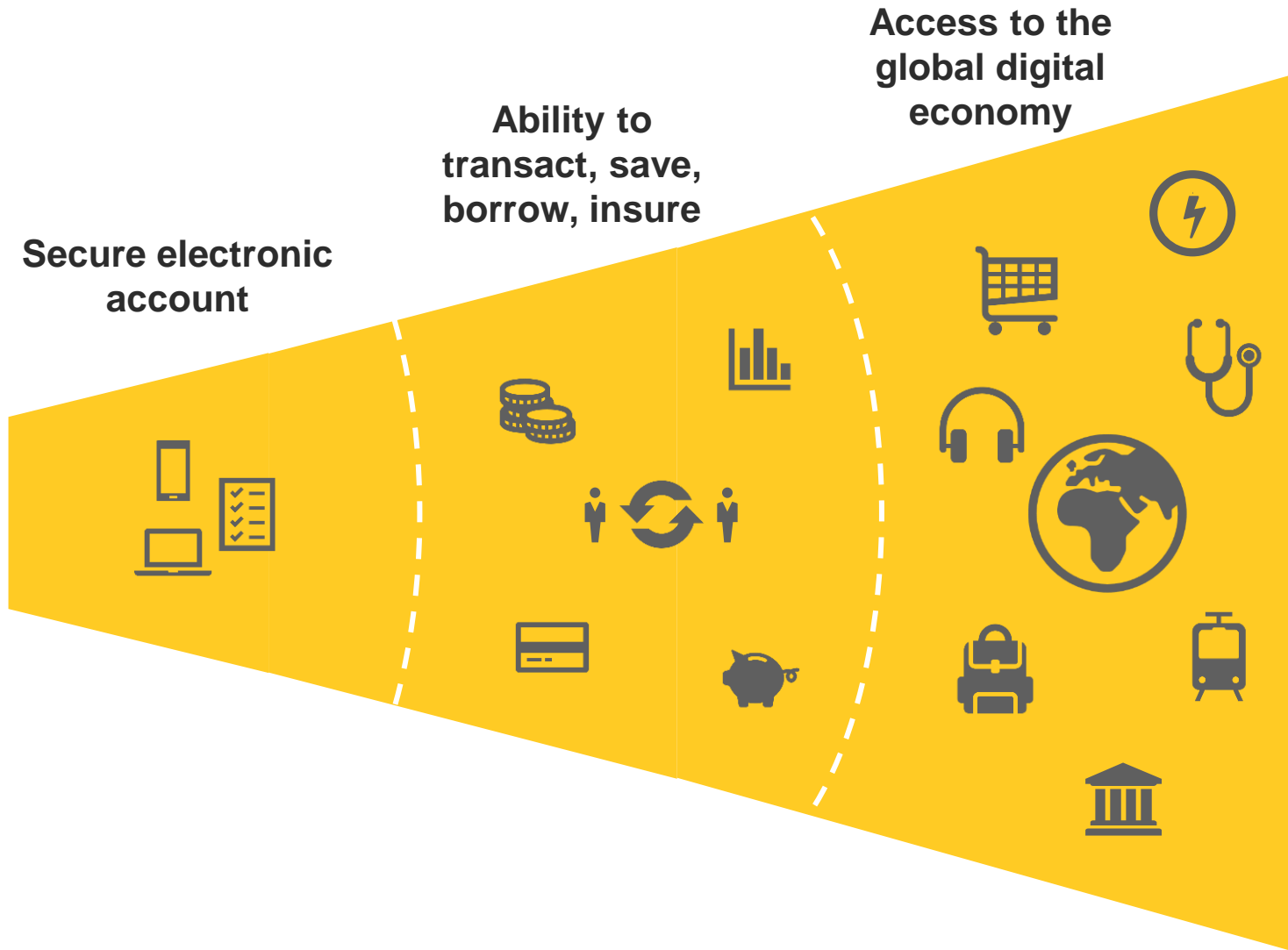
¹ Includes inflows and outflows data for 139 countries in MGI Global Flows model; see technical appendix for more details.
² Global migration flows declined slightly from 2003 to 2013, resulting in a positive impact despite a negative coefficient. Migration flows are negligible or slightly negative at the global level, possibly due to the loss of skilled labor in developing countries or the difficulties of absorbing a large influx of refugees or migrants. However, migration flows have a positive impact on productivity in advanced economies.
 NOTE: Numbers may not sum due to rounding.

KEY ENABLERS: BIG DATA ANALYTICS



Source: EY, 2016

KEY ENABLERS: DIGITAL FINANCE



- **\$2,1 trillion of loans** to individuals and businesses could be made sustainably
- **\$110 billion** could be gained by governments each year by reducing leakage in public spending and tax collection
- **95 million jobs** could be created in emerging economies within a decade as a result of inclusive growth

OUR RESPONSE



P E R S O N A L

F R E E

S E C U R E

O P E N

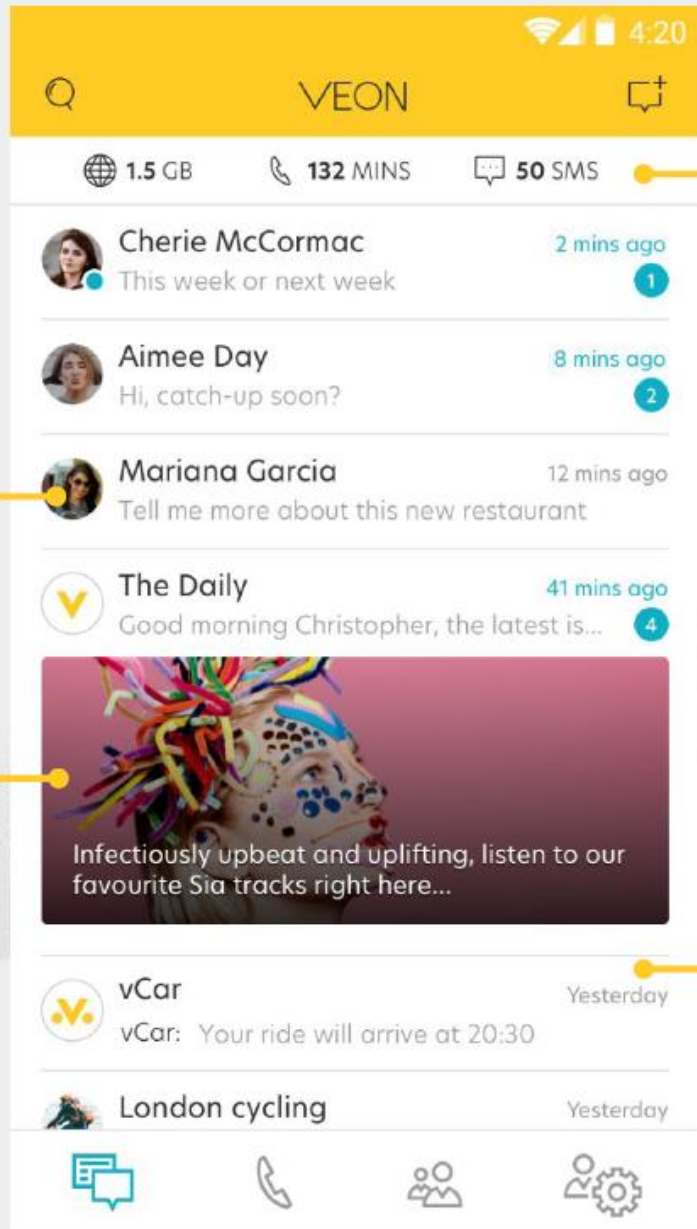
C O N T E X T U A L

VEON

All you need in one place

Totally free Messaging –
with chat and voice calling

News, music and video
entertainment –
personalized for you



A single account –
and you stay in control

Everything the internet has to
offer - from a given context

**Beautifully delivered –
in the “VEON Stream”**

EMPHASIS ON LOCAL CONTENT

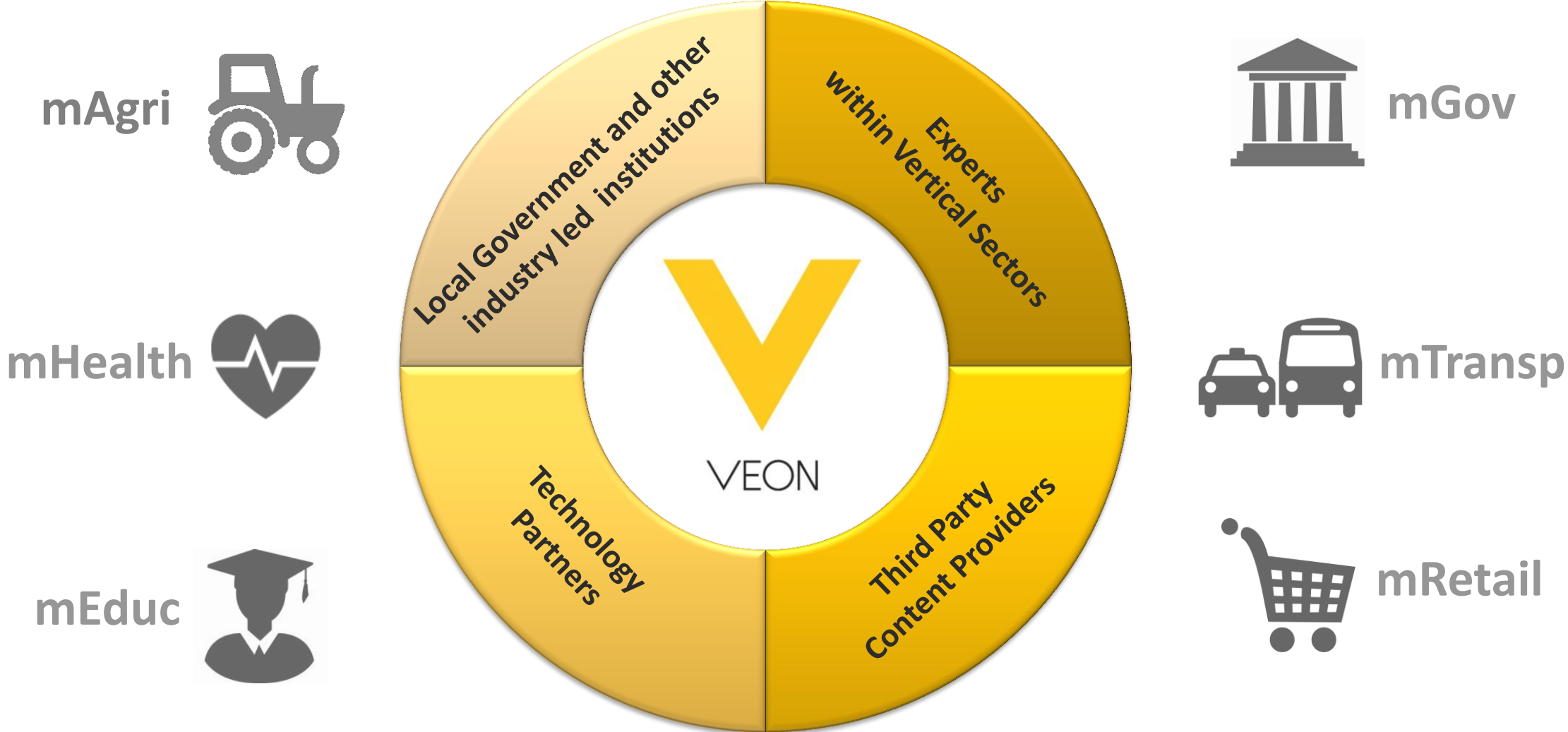
Local
80%



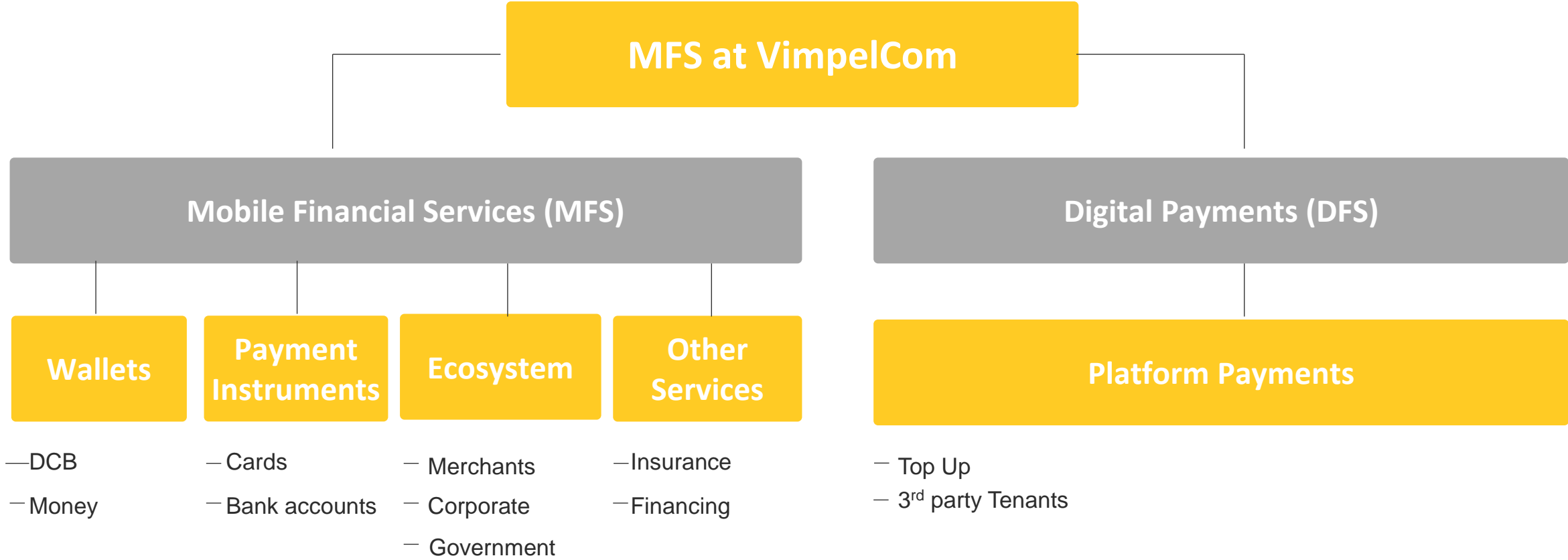
Global
20%



EMPOWERING VERTICAL INDUSTRIES



POWERED BY MFS

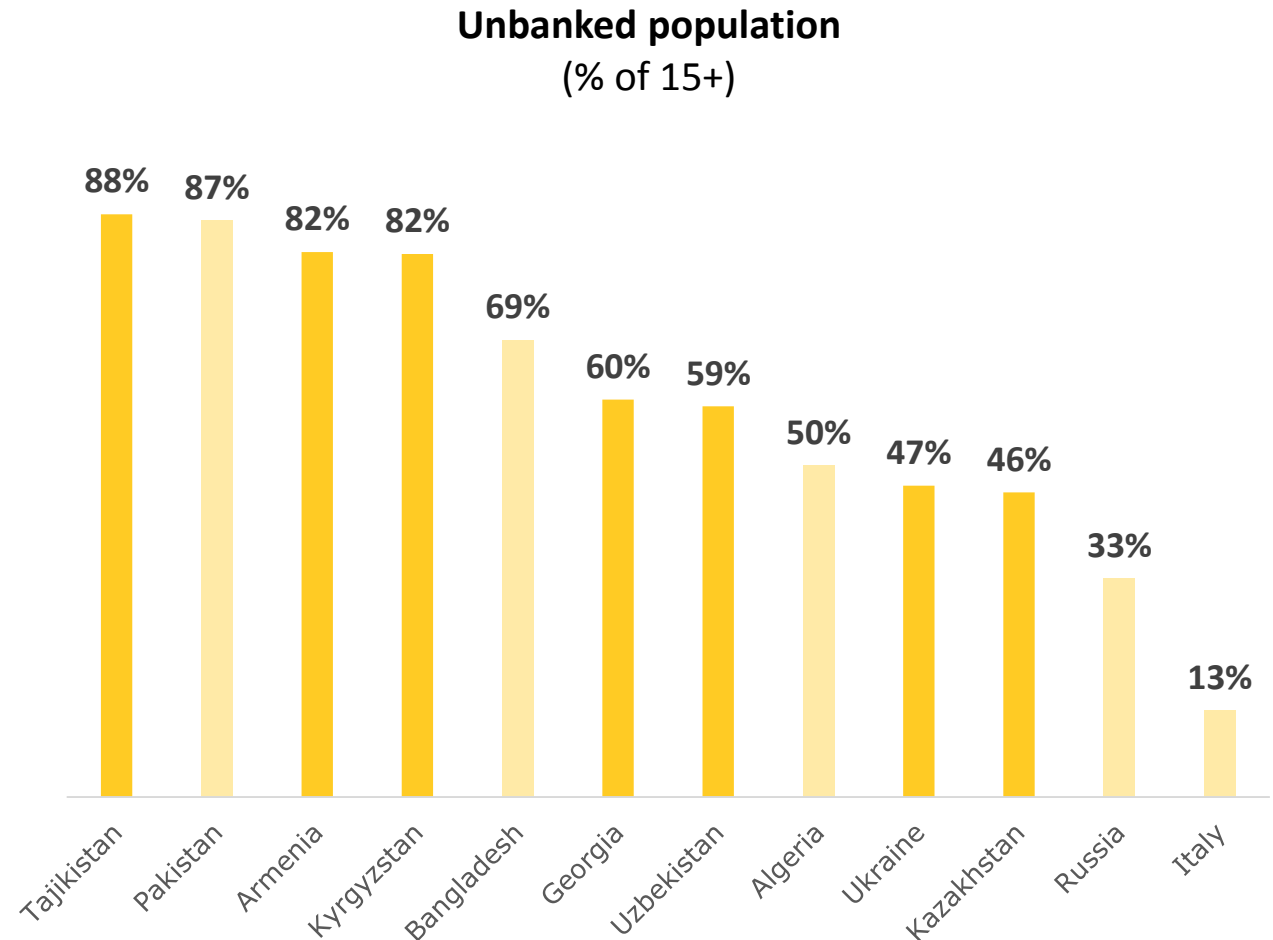


48 mln registered customers

ENABLING FINANCIAL INCLUSION



- **2 billion people remain unbanked globally**, of which 410 million within our footprint (which is 58% of the population)
- **200 million MSMEs** in emerging economies **lack access to savings and credit**
- **80-90% cost savings** could be realized by service providers by shifting from traditional to digital accounts



DATA: PRIVACY + VALUE



CUSTOMER INTIMACY & TRUST

Companies that build trust will retain their customers longer than those that rely on discounts to build pseudo-loyalty



MARKETING WITH PERSONALIZED ACTION

Marketing alone (making promises) does not build trust. Personalized action is required to demonstrate ability, consistency, sincerity, caring, connection



LIFETIME CUSTOMER VALUE

Lifetime Customer Value is improved by a segmented CVM strategy that builds customer trust through action across the entire journey

CHALLENGE: DATA POLICY FRAMEWORKS

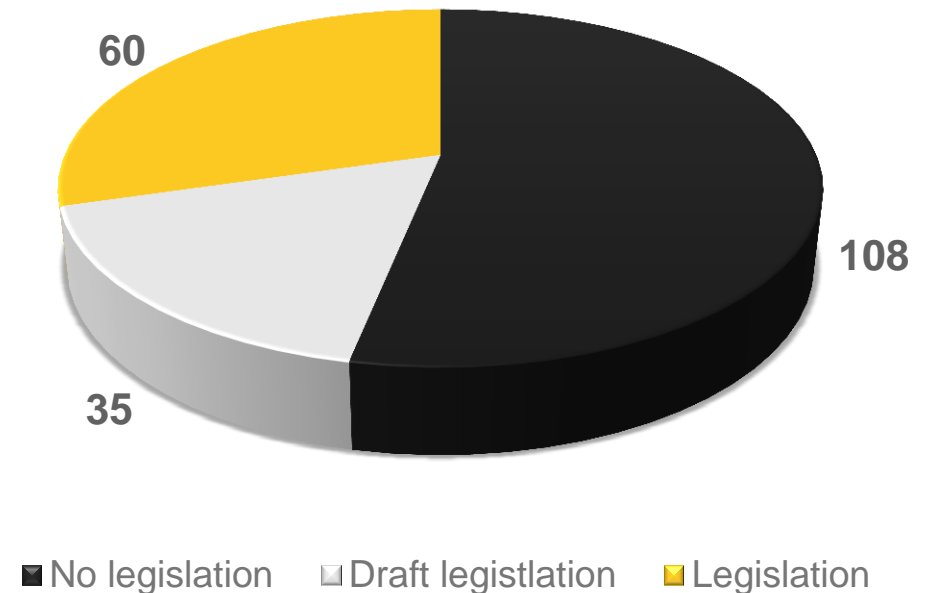
“National and regional legal frameworks that protect data in the ever-expanding digital economy are often outdated, incompatible or missing”

> 0,7-1,1% GDP loss due to localization requirements

“Insufficient protection can create negative market effects by reducing consumer confidence, and overly stringent protection can unduly restrict businesses, with adverse economic effects as a result”

> 40-60% cost increase faced by local SMEs due to localization rules

Countries with data protection laws
(in numbers)



PARTNERS ARE KEY TO SUCCESS

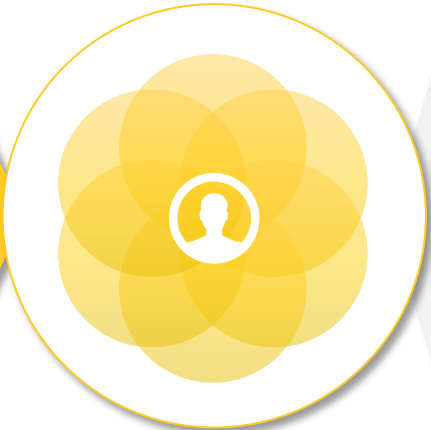


Educational support

Events & Competitions

Business support

Empowered Startups & SMEs



VEON

Business partnerships

Investments

Strategic acquisitions

- Create local impact and growth**
- Benefit from positive branding**
- Accelerate pioneering culture**
- Unlock new services & markets**
- Generate financial returns**

MAKE YOUR MARK



The goal of MYM is to **empower young people** to make a positive difference, through increased access to education and **through inspiring social entrepreneurship**, particularly in the digital arena.

Learn more:
<http://www.vimpelcom.com/Responsibility/Make-your-mark/>

Eurasia Mobile Challenge

The Eurasia Mobile Challenge is a digital solution competition for young entrepreneurs. This year almost 1,000 people participated.

Incubators & accelerators

We have launched incubators and accelerators in several markets including Algeria, Bangladesh, Italy and Pakistan – also in partnership with governments – to support entrepreneurs having a positive impact on their socio-economic environment.

GSMA accelerator partnership

Last year we joined the project leadership group for the GSMA ecosystem accelerator, which aims to scale innovative and sustainable mobile services in emerging markets through partnerships between operators and innovators.

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THANK YOU!

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