



# Corporate Responsibility Annual Report

# 2019



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## Message from the Chief Executive Officer

Responsible companies, quite like responsible people, not only plan their actions but also regularly analyze their success and achievements. This is crucial in evaluating our past and finding out our place in the community and country life. I believe, this Report will be a solid proof that Beeline is a decent citizen of the Republic of Armenia and a trustworthy member of “VEON” international family. We trust that our customers and partners can feel our continuous growth and sustained endeavors of development and progress in their daily routine and work.



## **INTRODUCTION**

“VEON Armenia” CJSC is one of the largest telecommunication operators in Armenia, providing connectivity services under Beeline Trademark throughout Armenia since 2008.

Beeline provides GSM 900/1800, 3G (UMTS) and 4G (LTE) standard mobile communication, fixed telephony services, and provides Internet access via CDMA, ADSL, FTTB and VDSL technologies.

“VEON Armenia” CJSC is owned by VEON Ltd. (with the HQ in Amsterdam). VEON is one of the world’s largest integrated telecommunication operators. It is listed on NASDAQ and Euronext Amsterdam and includes telecommunication companies providing voice communication and data transfer services, as well as broadband Internet access to over 212 million subscribers worldwide.

For more information please visit [www.veon.com](http://www.veon.com).



## Financial and Operational Sustainability

Financial function of Beeline Armenia is in charge of not only financial statements of the company but also for organization of work at the offices and technical maintenance. Below are some achievements of 2019 in this respect.

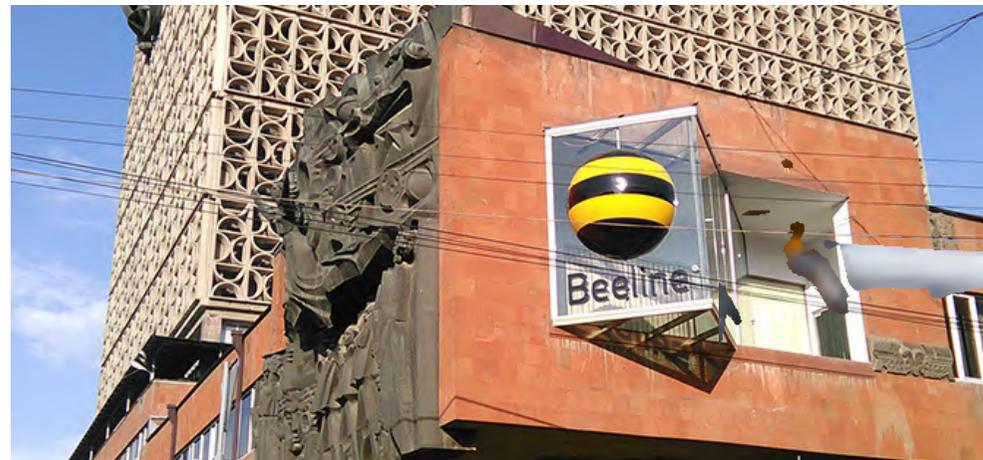
In 2019 "VEON Armenia" CJSC paid 12 271 337 045 AMD, which includes taxes and other duties and payments to national and domestic budgets.

All 560 staff of the Administrative HQ are now working at the new and comfortable state-of-the-art open space office located at 24/1, Azatutyun Avenue.

Having environmental consciousness in mind, the Company is continuously having waste paper recycled. Today, also thanks to the digital document flow, the amount of wastepaper has been

reduced almost twice, which equals to 2.5 tons of paper per annum.

**Interesting statistics: for one ton of paper two tons of woods is consumed on average, which equals to 17 trees. By recycling wastepaper, we save trees.**



## Legal Activity

During 2019 the legal team of Beeline Armenia has been engaged in active efforts. Our specialists not only participated in corporate processes, but they were involved in various governmental and cross-border activities as follows:

In scope of the EEU working group negotiations were held to approve profitable roaming tariffs for all the stakeholder parties throughout the Union.

In compliance with an Enactment by the Public Services Regulatory Commission of RA, the Company was obliged to hand in to the Regulator the four digit 8xxx numbers used for technical purposes. However, as a result of negotiations it was agreed to extend the term of number use by two more years until completion of fixed network upgrading.



# Services and Offers

Beeline constantly continues to develop both services and the service quality for subscribers. In 2019, activities in these areas were carried out in several directions:

For Beeline's fixed and convergent services subscribers, the following has been created:

- 1** Optimization of internet speed for COMBO service bundles, with high speeds becoming more accessible and affordable price-wise.
- 2** Wide-scale upgrading of landline internet network in Yerevan, making super-high-speed internet of 100 Mbit/s available to over 80% of households in Yerevan.
- 3** Improved procedure of fixed internet user connection and delivering faster service at Beeline offices through designated specialists of convergent bundles.
- 4** More user-friendly procedure of connecting to fixed services by sending connection requests through payment terminals.
- 5** Provision of one-off cashback as an incentive to promote connection of new COMBO service bundles.
- 6** Expanded availability to watch BeeTV by providing additional TV receiver boxes to the customers.
- 7** A half-price offer for COMBO "4 in 1" to give more customers the opportunity to use the upgraded fixed internet network.

- 8** Up to three times more free mobile internet capacity provided to COMBO users.
- 9** New Year offer: 100 Mbit/s fixed internet provided when connecting to all COMBO bundles to enable maximum usage of fixed internet network features.
- 10** Introduction of a bonus system, enabling Beeline users to accumulate points for using the connectivity services and exchange them with additional mobile extras and special offers.



During 2019 Beeline customers made use of various offers, receiving cutting-edge services and smartphones by affordable prices, such as:

## Smartphones

Within the framework of a spring promotion Xiaomi month was announced, offering the subscribers Xiaomi Redmi 6A smartphone and providing 50 GB of Internet for six months. The smartphone was available for purchase by monthly instalments of only 2200 AMD.



In September, as a customer promotion, we offered the new series of Samsung Galaxy A, upon purchasing which the customer was provided a special number with 033 code.

Within the scope of the traditional special promotion dedicated to the Knowledge Day, our customers had the opportunity to purchase Samsung Galaxy A10 smartphone without any advance payment and with no payment of interests during the first 12 months,

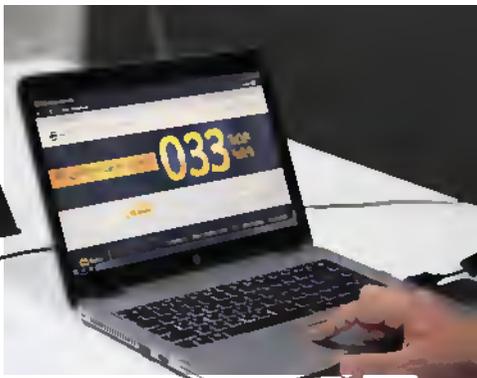
simultaneously receiving 100 GB internet for two months as a bonus. The offer included the opportunity to purchase the above smartphone for 3300 AMD monthly.

Furthermore, during 2019 special promotions were in place for iPhone mobile handsets, by offering 25 GB of Internet for 30 days and up to 30000 AMD as a bonus transferred to the balance. In scope of the New Year promotion, at the end of the year, we presented Samsung Galaxy A30S smartphone, where at purchasing it customers were provided with 100 GB of Internet for two months. The offer was available to the customers for 4660 AMD monthly.



## 033 Code

In May 2019 we announced of kick-starting the sale of telephone numbers with the new 033 code. The start was announced via online auction and the final prices for premium class numbers were shaped by the auction participants. Following this, additional new 1000 numbers were listed for sale, available to purchase when subscribing to "Smart" tariff plan.



## "Smart" bundles

We made an exclusive offer to all of our customers of "Smart" plans. Starting from February 2019 for prepaid customers the unused internet volumes would be transferred to the next month. To recap, the post-paid customers had been enjoying this feature since 2016.

From May 2019 all subscribers of "Smart" plans started getting more internet, e.g. "Smart 1500" plan now offered 3GB of

internet instead of the former 1.5 GB.



## Internet

Based on popular market demand we continued the policy of increasing internet capacities. Hence, starting from July 2019 the capacities of the bundles provided in scope of "Giga" internet service saw an increase. Now, instead of the "Giga 6" bundle our customers can obtain the "Giga 10" bundle for the same price of AMD 3500 receiving 10 GB instead of the former 6 GB respectively.

From June 2019 another unique project was launched, offering to tourists visiting Armenia purchase of 4G Wi-Fi router on loan and use of high-quality internet throughout their entire journey.



## Roaming

For our compatriots travelling overseas we have completely revised the tariffs in roaming by making them more affordable in over 65 countries. Thus, in Georgia, Russia, all countries in Europe as well as in Egypt, Israel, the USA, Thailand and a number of other countries the customers of Beeline enjoyed the unprecedented tariff for Internet starting from 5,9 AMD during all Summer months and September inclusive. It is worth mentioning that



the tariffs were available on all carrier networks without the need to enable any special services. Starting from June 2019 on Beeline networks in Georgia and Russia, as well as on Wind Italy and Kyivstar Ukraine the customers can receive calls and make calls to Armenian Beeline network for only 29,99 AMD whereas the tariff for inbound and outgoing calls to Armenia in over 65 countries independent of the carrier the tariff is 150 AMD.

Following the Summer offer, we have launched new and convenient Roaming Internet bundles for the customers using

large capacities of internet in roaming starting from December called "Roaming Plan 500MB" and "Roaming Plan 100MB" worth of 3500 AMD and 6000 AMD respectively. These plans offer Internet to the customers starting from 6 AMD per 1 MB. These bundles are also available in all above countries and on all carrier networks.

## Beeline Bonus

As a New Year gift, Beeline launched the new Beeline Bonus programme with renewed terms for its customers, where the customers accumulated points for each 10 AMD spent on mobile connectivity services, exchanging them for various bonus offers.

The customers can register with the program through "Bonus" section of "My Beeline Armenia" app or via www.beeline.am website through "Personal Office" and manage their bonus accounts by themselves. At subscribing the customers shall receive extra bonus points. The customers are assigned a Standard, Silver, Gold or Platinum status with the new programme based on their spending during the previous six months; the accumulation of points is done according to the coefficient designated for respective statuses, i.e. from 1 up to 1.7 points.

A number of improvements have been carried out for B2B customers, too:

**1** In February, the new “Smart Business” tariff plan was launched for Business customers. The offer allows a client to configure their own bundle based on particular business needs and specifics. Through special bundles available, the new offer allows to make both international calls and to use mobile apps without billing for internet.



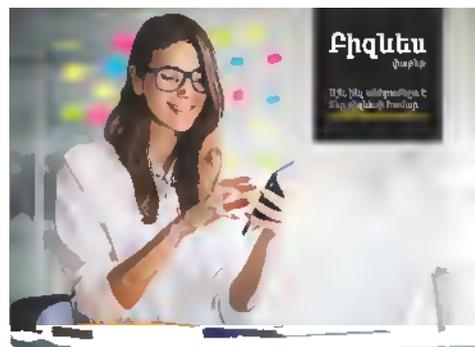
**2** In May, the first convergent bundles designed for business customers were launched. The offer comes along with vPBX (virtual switch) service. By becoming a subscriber to the new vPBX service plans, the customers can enable both Beeline fixed voice connectivity (with a non-geographic code) and internet services in one bundle by paying for them from a single account, enjoying the benefit of more affordable prices.

**3** Our business customers additionally enjoyed the benefit of landline network upgrade. Starting from May 20 the offer for super high-speed landline internet by VDSL technology was launched, designated for legal entity customers only, effective until December 31, 2019. In scope of this

offer the business customers could connect to Beeline VDSL internet with 15, 30 and 90 Mbit/sec speed for a monthly subscription fee of 6000, 9000 and 15000 AMD respectively. The service includes 24-hour technical support.

**4** In July, three new tariff plans of landline telephony were launched for legal entities. The updated assortment of post-paid tariff plans offers airtime to local businesses, that can be used on all landline and mobile networks of Armenia, Artsakh, the USA, Canada and China, as well as for calls to Russian Beeline network numbers.

The initial tariff plan of the new line is the alternative “Business 4900” tariff plan, which provides 450 minutes of call time and unlimited calls inside a “closed group” to the customer for 4900 AMD per month. The leading “Business 9900” alternative bundle includes 1100 minutes of call time per month.



**5** In September, we launched a separate page for our business customers on Facebook. The Beeline Business page is useful for not only existing business customers but also for people interested in offers available to the business segment.

The Beeline Business page is aimed at keeping the business customers in the know of new services and offers, sharing experience and keeping in touch with them. The page allows new customers to quickly learn of new offers for the business.



**6** In December we launched the new postpaid “Business” tariff plans. The line offers airtime to business customers for calls to the numbers of RA and Russian Beeline network, talk time to other networks of RA and Russia, all mobile and landline networks of Artsakh, the USA, Canada, short messages and internet, included in the bundle. It includes five offers starting from 2000 AMD up to 9000 AMD per month.

**7** In December we announced of improving the “Smart Business All Net” postpaid plans. The bundles designated for business customers were renamed into “PRO”, i.e. PROgressive, PROductive, and PROfessional for business. The plans give the customers the opportunity to get more internet, call minutes and texts for the same monthly fee. For instance, the “PRO 3” bundle worth of 5200 AMD provides 1300 minutes to Russian Federation (Beeline) and all networks of RA, NKR, USA and Canada, 1300 SMS and 20 GB of super high-speed internet replacing the former 1200 minutes, 200 SMS and 7GB, as well as providing 10,000 minutes to Beeline mobile network after consuming the included minutes.



Subscribers to "PRO" bundles can make unlimited use of WhatsApp, Facebook, Messenger, Zangi, Telegram mobile apps with no billing for internet.

“This year is exclusive in terms of improving business customer support. Definitely, we can state that new services and opportunities created by us for our beloved customers are even more user-friendly and easy for use.”

Andrey Pyatakhin, Chief Executive Officer of Beeline Armenia.



## Technical Progress

A key pledge to sustainable development is the continuous technological progress. During 2019 many technological initiatives were carried out, such as:

- During 2019 Beeline Armenia introduced the FTTC/VDSL technology in Central, Jrvezh and Vardashen districts of Yerevan. This means that internet connectivity of up to 100 MB became accessible to around 67,000 of population in Armenia.
- In 2019 Beeline's 3G network was expanded with 68 new base stations built. Now, over 87% of Armenian population can use the opportunities provided by 3G mobile network.
- In 2019 the LTE network was launched in Yerevan and provinces. Currently, the state-of-the-art mobile network is accessible in Yerevan, Syunik, Lori, Kotayk, Shirak, Gegharkunik, Tavush, Ararat and Armavir provinces. Over 57% of the Armenian population can now enjoy the features offered by LTE mobile connectivity.
- Provision of services via FTTB technology has been extended to three more communities of the Kanaker-Zeytun, Arshakun and Malatia-Sebastia.
- ADSL technology was first introduced in Yerznka, Moughni, Yegh...

Khovnavar communities, thanks to which the population got access to broadband services.

- Network switch upgrading was delivered in Martuni, Vanadzor, Koti and Ashotsk communities.

Taking care of the environment, Beeline Armenia has not only installed energy saving LED light bulbs at its offices but also solar panels have been placed in three automated telephone switches in Ajapnyak, South-Western and Shengavit districts of Yerevan. Each station shall operate as minimum 20 years, producing around 26000 – 27000 kWh of energy, with no harm to the nature.



## Inter-carrier Cooperation

By developing the domestic network, Beeline never forgets of cooperation between the carriers. Important achievements of the last year were:

Resource localization/ cache projects were implemented with Facebook and Akamai, thanks to which access to these internet resources was accelerated for our customers by 8 to 40 times and outbound internet traffic capacities from Armenia were reduced by 31.1% (Facebook-27.8%, Akamai- 3.3%).



Our cooperation with international partners towards various geopolitical directions was expanded thanks to which we were able to offer better quality and more affordable internet and international voice services to the customers.

In 2019, as compared to the previous year, the number of 4G partner carriers increased by 23% and the fourth generation network became accessible in 77 countries instead of the former 67. From now on, the 4G network is available to Beeline customers in Albania, Portugal, Mexico, Norway, the United Kingdom, Denmark, Finland, Latvia, Lithuania, Hungary, Sri Lanka, Kuwait and New Zealand.

**17 cases of DDoS attacks were detected and prevented during 2019 at the Armenian border, thanks to which the Armenian subscribers skipped any challenges. Great attention is paid to internet security particularly on holidays and memorial days.**



## Application of Latest Technologies

Beeline Armenia is also a huge IT corporation, which, by providing internet access, continuously improves the customer service in this industry, privacy and technologies applied to organize the work inside the company. In particular, during 2019 the following activities were performed:

### ID-Scanner

With the purpose to speed up customer service through applying innovative technologies we introduced the ID-Scanner software at our retail offices. It allows the employee to scan the customer's passport via smartphone, after which it immediately appears in the company's system helping skip unnecessary extra steps. This enhanced the service speed and data security, and prevented wrong entry of data. The software protects customer data privacy and security.

### Access to Information based on Geolocation

Thanks to cutting-edge technologies a customer can receive information on services and features available based on their current location. Now the customers at the airport can receive text messages on features available when in roaming.

## Digital Services

### Service through Live Chat

Last Summer the company's official page updated the online service platform. The platform is now more convenient for the servicing staff, since it is supported by a single system, allowing to collect requests coming from the website and from My Beeline Armenia app.

### New Personal Office

For the customers (B2C segment) the personal office was fully updated at the official page of Beeline Armenia for both desktops and smartphones. The new office obtained a more user-friendly design, access to subscribing to different services (mobile, landline connectivity, internet), access to topping up the numbers of friends and relatives, linking a bank card for a quick top-up, more convenient options for getting call detailing records and availability to configure different services.

### Mobile ID Service

Mobile ID service is an efficient tool for authentication through a smartphone and validation of documents through digital signature. The service is accessible everywhere, allowing the user

to sign electronic documents quickly. The service reduces the need to visit state agencies. It allows performing transactions online, securing data privacy.

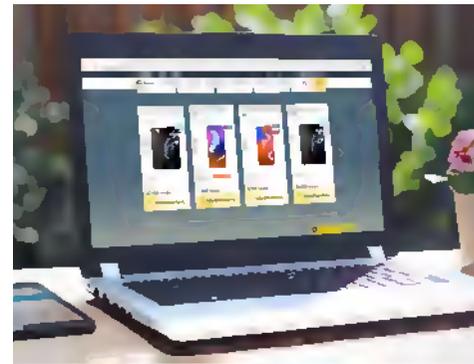


Later on the same service was also launched for the corporate customers, making it easier to handle challenges related to document flow in the company.



### Upgrading the E-Shop

In Autumn the upgraded E-Shop was launched, with more flexible tools, simple and user-friendly design and online integration with the warehouse. Now our customers can easily find, research, compare and select a new smartphone. Requests for receiving a loan or making subscription were made easier, too. Payments can be done online



or upon receiving the goods.

The section for selling telephone numbers was also updated and became more user-friendly, now being connected to the warehouse and allowing selecting and purchasing a number of one's choice easily.



## Customer Service

For the purpose of improving the Call Centre operations a number of innovations were made that essentially reduced the customer service waiting time by the Contact Centre employees as follows:

**1** Online Consultant service is now delivered via a new system, which has now become even more attractive for the customers thanks to its colorful design and user-friendly interface. Covering a number of interesting and useful features, the new system has made the routine service work of servicing personnel easier, improving their performance indicators.

**2** A new platform was developed and launched, where the Contact Centre staff can see all limitations potentially affecting or having affected the service level quality.



**3** Another program was implemented too, where screens were placed at the Contact Centre, displaying the number of customers calling the Contact Centre and the time-slot of connecting to an agent, as well as statistics related to the operations of the Call Centre staff.



## Customer Feedback

At the end of the day, the end purpose of the company's business is customer satisfaction. In order to enhance this indicator various projects were implemented in 2019, such as:

- The Company launched Bottom-up NPS system, thanks to which surveys were made among 104,513 customers. As a result, 17,736 feedbacks were given, where the customers received solution to their issues, settings were configured, compensations were provided, etc. The feedback indicator of this year was higher as compared to the previous years. Thus, we were able to support more customers.
- Four "Customer Days" were

organized during the year, when the managers from company's headquarters visited the retail stores and worked with customers. As a result of feedback received many urgent issues were settled, starting from office refurbishment up to service quality improvement.

- Many training workshops were conducted for the staff involved in customer service to foster their professional skills. We are planning to continue training in 2020, too.



## Compliance and Ethics

As part of international VEON Group, VEON Armenia has adopted a highest ethics standards compliance policy and confidently introduces compliance culture in all internal procedures and external partnerships. In particular, the following initiatives were implemented:

In Yerevan and in Provinces 70 training workshops were organized for the staff. For the entire staff five online trainings were conducted related to general compliance topics. All employees that were not available to take the online training, had personal meetings with our specialists.

On the occasion of International Ethics Day the Company organized a series of events such as surveys, watching a themed movie, etc, as well as informative newsletters were sent to business partners about compliance procedures in operational companies of VEON Group.

During 2019 six employees received awards for commitment to compliance and ethics and based on his work results



another employee was awarded by Group HQ in Amsterdam.

During 2019 three large corporate meetings took place at the Headquarters office of Armenian Beeline with the participation of the Chief Executive Officer.

22 non-official workshops on various compliance and ethics matters were organized for the top management of the Company.

The company fosters and develops the SpeakUp culture of raising concerns to compliance officers for the purposes of avoiding any actions conflicting with ethics.

## Opportunities for the Personnel

Beeline Armenia always strives to provide the best conditions for its employees, contributing to their development and career growth:

### Social Benefits Package

- All employees of the Company are provided with medical insurance, covering four types of insurances, including the international travel insurance.
- The personnel is provided with mobile connectivity and special discounts for the services and devices offered by the Company.
- The staff also enjoy the benefit of corporate discounts offered to the Company by various organizations.

### Material and Non-Material Motivation

- The company has a corporate reward and bonus system designed to motivate the best employees who demonstrate high performance, live by corporate values and bring added value with their innovative ideas, demonstrating ethical behavior.
- There is a wide choice of training opportunities, including free professional education platforms with certification.

### Working Environment and Corporate Culture

- The Company lives by the five values as follows:

*Customer-obsessed*  
*Entrepreneurial*  
*Innovative*  
*Collaborative*  
*Truthful*

These are the values that define employee reward and new employee recruitment principles.

- The Company has an internal corporate network in place, where daily news and various company events are published. There is also an internal Telegram channel for the staff. Each quarter a video call is held with a format of Q&A and participation of Company's top management, where they present ongoing activities of Company's functions.
- Internal surveys are conducted on regular basis, facilitating improvement of company processes through new projects based on feedback received.

- The working conditions are equal for everyone in the Company: all employees, including top managers and the Chief Executive Officer are performing their work in open space offices.
- Specialists, whose presence at the office is no must, are given the option to work remotely in the framework of BeeFree strategy.
- The Company has adopted a Code of Conduct, encouraging ethical culture; there is a hotline to report misconduct and incompliance with ethics.
- The Company encourages the desire of its employees to gain new knowledge and further develop as a professional. For this purpose, there is a wide choice of opportunities available in the Company to share experience and hold educational training. Particularly, Beeline corporate university holds training courses with the involvement of internal and external experts. Any employee can share their own knowledge and experience with co-workers in a format of special clubs or other format after taking certain training.

**Beeline University offers a wide choice of growth tools to the staff. VEON LEARNING self-education**

*platform has been launched with educational resources as follows: LinkedIn Coursera WebTutor, Webinar.ru: In total, as minimum 30% of the employees participated in various growth events during 2019.*

- The Company encourages career growth of its employees. Majority of Company's management has started their career here, from the position of a specialist. At the moment, 10 out of 12 top managers in the Company have started their career from the specialist level.
- All employees are given the opportunity to join social projects implemented by the Company as volunteers, such as community cleanup days, financial support to families in need and events for exchange of experience. In 2019, in scope of the "Good Deeds" initiative the Company's employees rendered support to tens of families.
- With the purpose to foster favorable environment at the workplaces, every floor at the company's office is equipped with kitchens and leisure zones, as well as there is a cafe and a canteen with discounted prices for the employees.

- The Company practices some traditions and lives an interesting corporate life, full of events, social gatherings, team plays and adventures.
- The Company is equipped with a Telco Museum, which hosts visitors every Friday. One can also opt for a 360-degree virtual tour.
- The Company holds many events for the staff and their children, including sports and intellectual events (for instance, there is a "Who, Where, When?" team); every last Friday of a month is declared as open-door day for children, when the kids are allowed to accompany parents to their workplaces.

### Third Generation (3G)

As a socially responsible Company and one of the largest employers in Armenia, Beeline implements the "Third Generation" internship program. The "Third Generation" kick-started in 2008 and up to date 160 students did their internship with Beeline. More than half of them are employed by Beeline today,



most holding key positions. Moreover, one of the program participants is now employed by one of the Group operating companies in Ukraine.

### Digithon

In September Beeline held Digithon 2019 for its staff. As part of Digithon, employees of various Beeline functions develop prototypes of innovative digital services. This year four teams took part in the Armenian batch of the corporate digital marathon. "Big Data and Customer Values Management" was

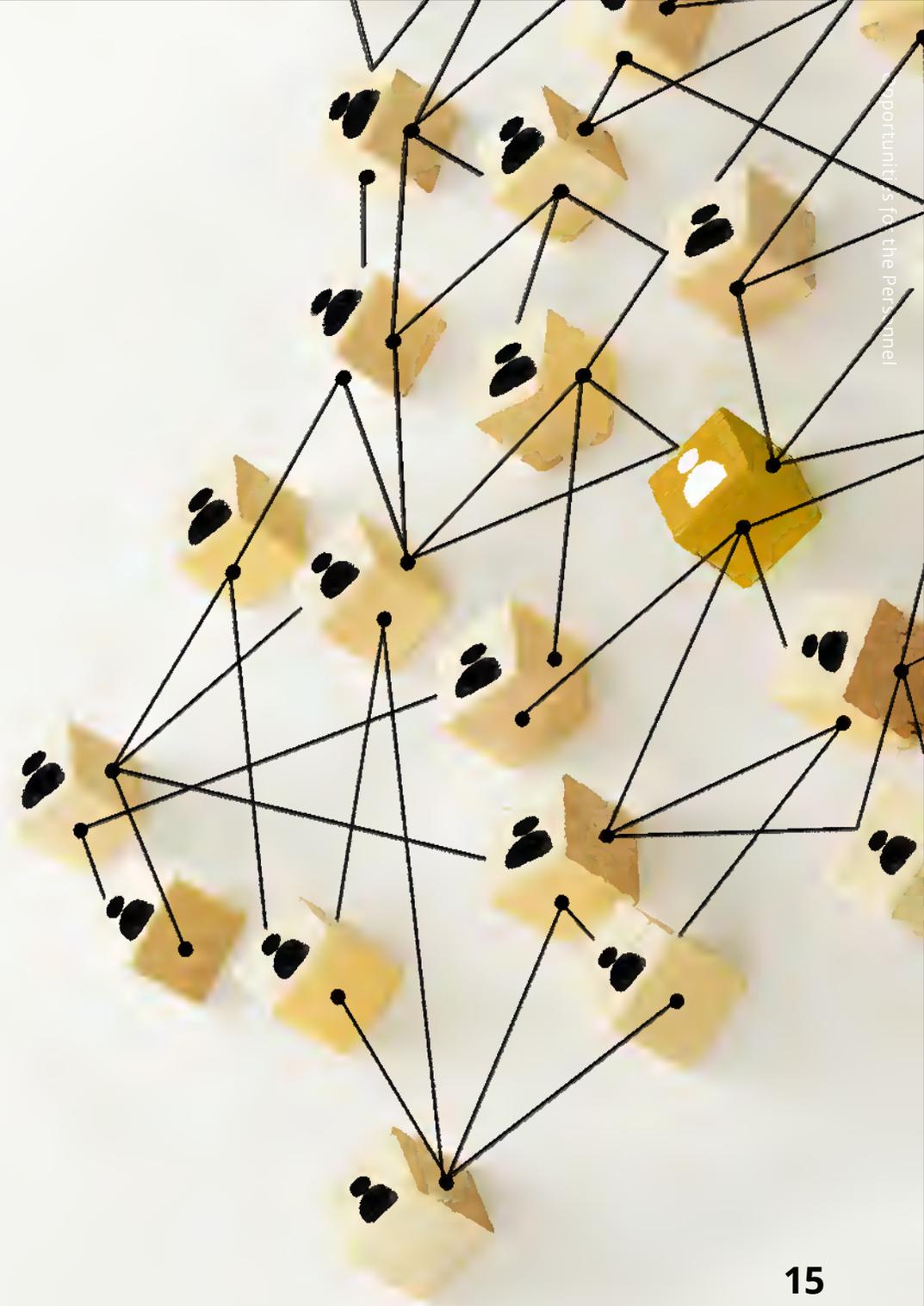


chosen as a theme for Digithon 2019, which was one of the trending topics in the telecommunications industry. Just like the world-renowned hackathons, Digithon lasts 24 hours. During this period, the teams develop prototypes of their solutions and present them to the jury. This year, the jury included Beeline executives, chaired by Andrey Pyatakhin, Chief Executive Officer of the Company. Then, the winners of the Armenian batch took part in the VEON Global



Digithon 2019 in Amsterdam. One participant from winning team in

Armenia became a winner at the Global Digithon 2019.



opportunities for the Personnel

# Corporate Citizenship

Committed to the best traditions of social responsibility, Beeline Armenia continuously contributes to the economic development of Armenia:

Corporate responsibility (CR) projects by Beeline Armenia are implemented in two main directions: *Make your Mark* and *Digital Skills and Literacy*, that are based on two global development strategic goals of UN; i.e. quality education for everyone and sustainable economic development.

The purpose of “*Make your Mark*” global strategy is fostering the development of Armenian start-ups and their establishment at the market. The idea is to provide the youth with business learning and a working platform so that they are able to shape their future by using the knowledge and skills acquired.

## Beeline Startup Incubator with Business Angels Network of Armenia (BANA)

This project, which has been implemented since 2016 is not any more a mere project, but a full member of the Armenian start-up eco-system. During its 3rd to 5th batches the Incubator hosted more than 15 start-ups, four out of which ended up receiving investment from angel investors.

The mission of Beeline Startup incubator is supporting Armenian start-ups throughout their journey to success. They receive all necessary knowledge and skills and take consulting from participating BANA angel investors, also making use of their business

networking; many of them are already enjoying success in the Armenian and/or international market.



“One of the most active platforms if you are looking for information regarding new as well as successful start-ups, and the events and people who can help to start your business in Armenia!”



Areg Vardanyan, Co-Founder, Forge-Fiction

“At first glance, BSI seemed to be just a good fit for our start-up to advance in sales. Now, when we look back, the Beeline Incubator not only helped in sales but also, in legal, accounting, and finance issues. The co-working space is full of enthusiasts working day and night on their incredible projects, and this brings up

lots of extra motivation. Thousands of incubators worldwide analyze start-ups based on books they have read. Dissimilarly, BSI is abundant with professionals with real-life business experience & intelligence that help the rough diamonds (like us :) spark in the sky.”

Arman Sargsyan, CEO of RendChain

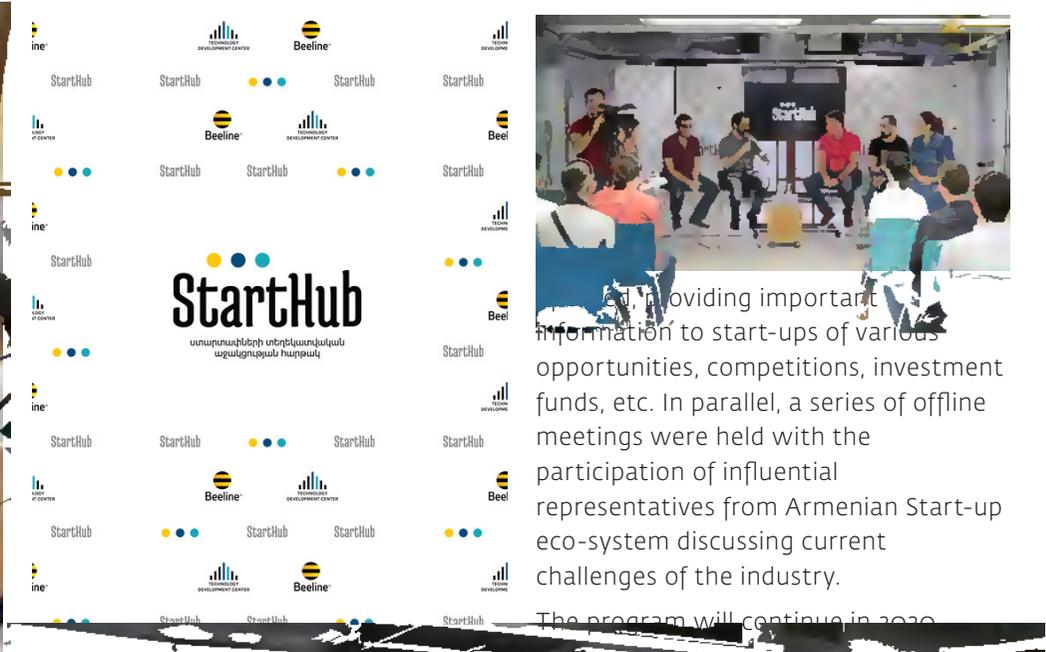


“During those 14 weeks our team had an opportunity to participate in different events organized by Beeline Start-up Incubator and Business Angel Network of Armenia (BANA). Experts from different fields answered our questions, advised us, shared their experience, and gave opportunity to be in touch with them. The incubator team supported us in creating our pitch deck, introduced us to potential investors. And by their support and BANA’s big network we already raised \$51,000.”

Levon Galstyan, CEO of 4u.am

### StartHub with the Technological Development Center

The platform “StartHub” (StartHub.am) was created in collaboration with “Technological Development Center” foundation for the purposes to providing potential technical assistance to the start-ups. During its activity the platform published guidelines on how to start a Start-up in Armenia, information on organizations providing assistance as well as newsfeed about start-ups and interviews with Armenian Start-up representatives. The platform is always



...providing important information to start-ups of various opportunities, competitions, investment funds, etc. In parallel, a series of offline meetings were held with the participation of influential representatives from Armenian Start-up eco-system discussing current challenges of the industry. The program will continue in 2020.



## Sevan Startup Summit with the "Startup Armenia" foundation

Four years in a row the shores of lake Sevan hosted Sevan Startup Summit aimed at inviting start-ups from Armenia and other countries along with mentors and experienced businessmen and investors for the purpose of networking, sharing experience and enjoying active leisure time all in a single space and in an unofficial environment.

As an active participant of Armenian Start-up Eco System and a company providing support to the start-ups,

Beeline was again the strategic partner of the Summit. The Company's staff had also active participation in both organization and holding of the Summit, including Andrey Pyatakhin, Chief Executive Officer. Experts collaborating with Beeline Startup Incubator met the participant teams and consulted them. Beeline Startup Incubator staff and participating start-ups had active participation in the events as well.



Sevan Startup Summit 2019 in numbers:

Total number of participants: **10 000**

Participating start-up teams: **120**

Prize fund: **100 000 USD**

Investment fund: **100 000 USD**

Countries represented: **50**

## Data Science Summer School with the American University of Armenia

In July 2019, American University of Armenia organized the "Data Science Summer School" where the participants were granted the unique opportunity to learn basics and methods of Data Science by a series of training courses fostering critical-thinking.

Over 70 representatives from different industries participated in the Summer School, including students and employed specialists from Armenia and overseas. Around twenty local and international

leading specialists were among the tutors.

The students obtained knowledge applicable in data science sector; they studied Python programming language, basics of machine learning, the mechanisms of learning human speech by a computer and received other trendy knowledge that would enable them professionally progress in this area.

At the end of the programme the participants were divided into competing groups, after which the authors of the three best ideas received monetary awards.

## NerUzh Diaspora Technology Start-up Program

In 2019 Beeline Armenia and Beeline Startup Incubator united their efforts together with almost all representatives of the Armenian Start-up eco system to join the NerUzh program implemented by Ministry of High-tech Industry of RA and the RA Office of High Commissioner for Diaspora Affairs. 80 Representatives from 47 technology start-ups selected from 47 countries participated in "NerUzh 2019".

*In scope of Digital Skills and Literacy mission, Beeline provides support to the Armenian youth in obtaining cutting-edge digital knowledge, which could be useful in their further education and activities allowing a better future for them.*

The goal of the "NerUzh" program is engaging talented entrepreneurs, engineers from Diaspora, facilitating repatriation and fostering start-up eco-system development in Armenia. The program allows to turn technological ideas and projects of the Armenians living abroad into a business in Armenia and to enter global markets.

It must also be noted that three of the Beeline Start-up Incubator resident start-ups Rendchain, Garoon Tech and GuideMe, which have Diasporan Armenian in their teams, were among the best finalists of "NerUzh". "Garoon Tech" was awarded the second prize and received other prizes by the sponsors.



## Tech Workshops with Tumo Center for Creative Technologies



In scope of the joint project with Tumo leading specialists from abroad were invited to Armenia and passed on their knowledge of various digital trends to the Center's students.

The Reinforcement Learning workshop in 2019 was run by Nitarashan Rajkumar,

programmer of the world renowned Airbnb platform. Reinforcement Learning lies in-between the crossroad of artificial intelligence, computer science and psychology, dealing with computer's interaction with the environment and gaining experience based on that interaction.

The goal of the workshop was providing theoretical and practical knowledge to the students about Reinforcement Learning. By the end of the workshop the students learnt to write cutting-edge algorithms for computer games. The skills gained shall enable them to continue success in this trending area.



[www.tumo.org](http://www.tumo.org)



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Croatian architect Luca Piscorec facilitated a workshop for developing generative models, where Tumo students designed 3D modeling in Rhino program by using generating algorithms of Python programming language.

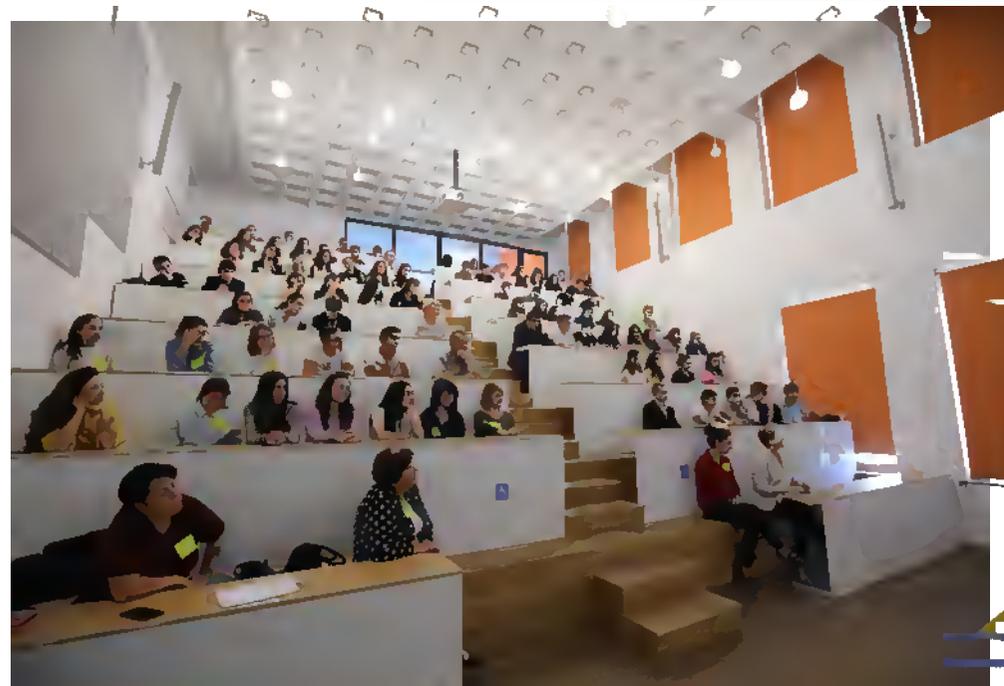
At the workshop facilitated by Ashish Mohite, an architect and doctoral candidate of Aalto University, programmed a 3D printer in Arduino and assembled own printer from separate details. The TUMO students attending the workshop by Scott Nazarian selected locations of crucial importance for the Armenian Diaspora and designed an environment in virtual reality to unite the Armenian people around a virtual dinner.

As a result of working with PiScorec, Mohite and Nazarian the students worked on virtual reality, 3D modeling and printing projects. At the end of the workshops the delivered works were demonstrated in Tumo Yerevan on July 12.

## Digital Opportunities for Schoolchildren with Child Development Foundation

Google AutoDraw, Goo.gl, Google Drive, Google Documents, Google Slides, Google Sheets, SafeSearch, as well as Storymap JS, Thinglink, Readymag, Canva programs and tools during 2019.

Aided by the Ministry of Education, Science, Culture and Sports of RA, Beeline Armenia and Child Development Foundation set a goal to improve the education process of children living in provinces by providing them with knowledge of various digital tools. Around a hundred schoolchildren from four provinces of Armavir, Ararat, Vanadzor and Kotayk learnt how to use



Leading experts of IT industry had been working with children aged 13-16 for five months, teaching them how to use digital tools by turning a smartphone and a computer into useful tools for learning and working.

Experts guidelines were designed that were given to the Ministry of Education, Science, Culture and Sports of RA to facilitate self-learning among all schoolchildren and teachers and apply these programs in their routine learning process.

As a result of competition between the participants and cooperation with the



## Educational programs with Cafesjian Center for the Arts for the Arts

The traditional cooperation between Beeline and Cafesjian Center for the Arts continued in 2018-2019. Around 1210 children and teenagers participated in ten projects implemented together.

Among the most beloved projects were: "The Miracle of New Year and Christmas" a project much popular with the children by now.

for an adventurous tour of their choice at the Center for the Arts.

"DesignLab.chairs" project gave the opportunity to the participants to design their own chairs.



Project, where the children were able to create and go



On the occasion of the International Children's Day the participant children joined the flashmob dedicated to the 10-year anniversary of the museum and took part in "Your Flag" creative project.

"Musical Promenades" project was continued, where the children were introduced to classical music in an interactive format.

The works by "Studio" photography project of Cafesjian Teen Council were displayed in Dilijan, Gyumri and Yeghegnadzor.

The platform for teenage artists was created by the initiative of the Teen Council aimed at demonstrating the art of young people.



## Lecture and Master Classes

As a part of corporate responsibility the Company's staff, in particular Andrey Pyatakhin, Chief Executive Officer, Naira Nazaryan, Head of PR and others hold various open lectures and master classes for audiences such as School of PR, Leadership School, students and graduates of Yerevan State University, students of the International School for Young Leaders, as well as for the residents of Beeline Startup Incubator.



The main purpose of the Awards is to put on record the achievements in public relations industry, foster and highlight the importance of the culture of competitive communication in Armenia, promote active involvement of PR specialists in political-social processes and in public life.

The results of PR Awards are based on the research; polls and research are carried out among focus groups, i.e. PR experts, mass media representatives; the activities of agencies, governmental, political and public figures are regularly monitored.

## PR Awards

Beeline Armenia joined the Armenian PR Awards for the fourth time now, conducted by the initiative of "Armenian PR Association" scientific-information NGO.



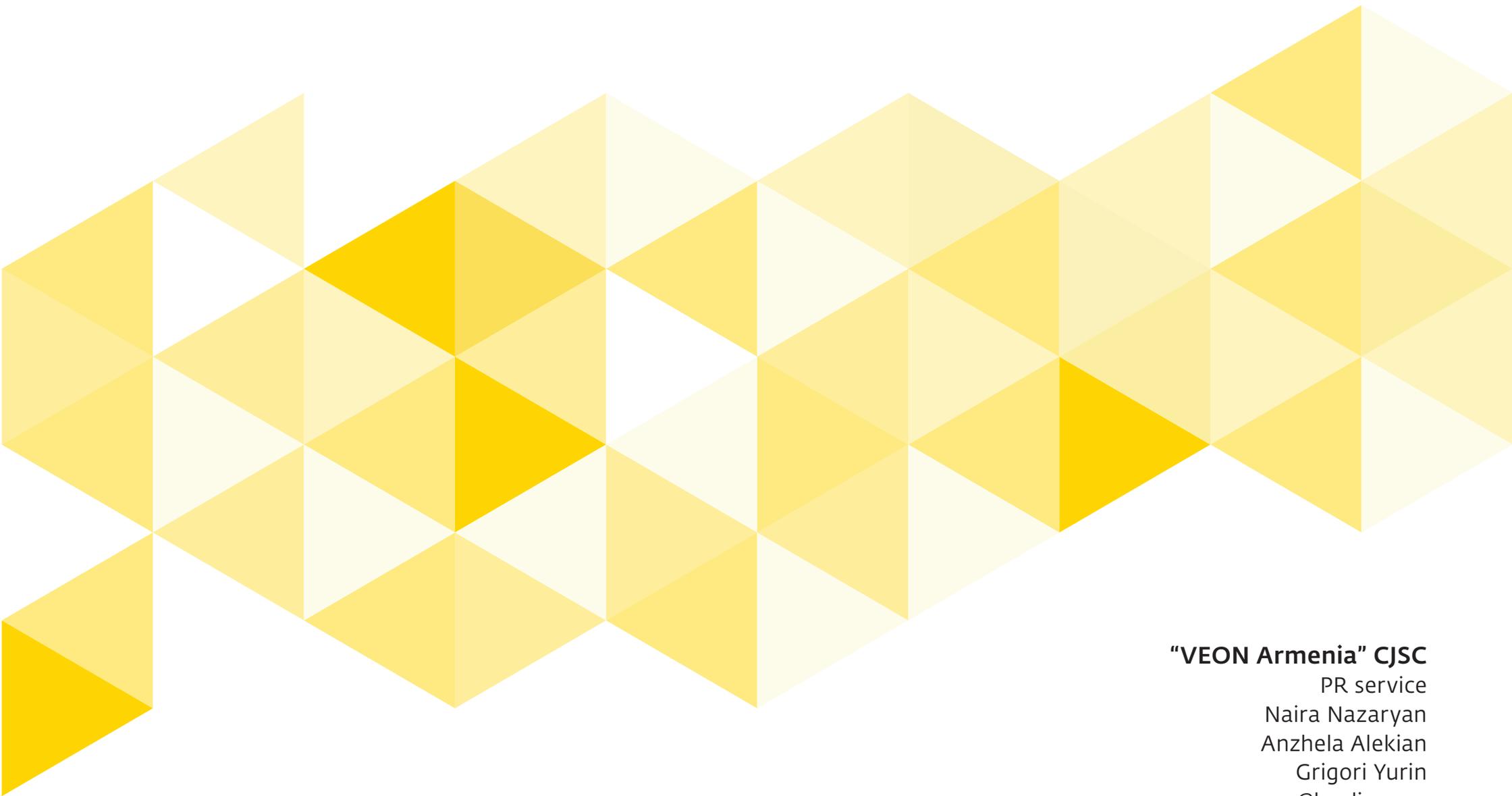
## Environment

Beeline considers environment protection as one of its social responsibility areas. On March 29, 2019 by the active involvement of its staff the Company joined the Earth Hour global movement by turning off electric power for one hour at the Headquarters office and in some offices of the company to save energy and to once more remind of the importance of caring for the environment.



EARTH HOUR





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