



# REPORT

National Information Technologies  
JSC

for 2019

# 2019



## **I am glad to welcome you on behalf of the Board of Directors of National Information Technologies JSC.**

Our company is not just an operator of e-Gov ICT infrastructure, but the leader of the country's IT industry development as well as pipeline for highly qualified personnel for the entire market. From the very moment of its establishment to the present day, the Company has been fulfilling its high mission of creating conditions for increasing the competitiveness and modernization of the country through the deployment of modern ICT infrastructure and high-quality provision of services to the entire spectrum of its customers.

Over the period of its existence, the Company has implemented more than 50 projects, digitized 258 public services, provided 94 services, delivered 303,033,940 services via the e-Gov Portal, the number of registered users on the Portal amounted to 11,271,909. Such achievements have become a hallmark of National Information Technologies JSC not only in Kazakhstan, but also outside. All this became possible thanks to the highly professional staff of the Company, focus on service quality as well as customer focus. Today, 1,979 qualified employees, most of whom work in the extensive regional network of the Company, continue to support and implement such major projects as: Single Intranet for Government Agencies, Single e-Workflow System, Integrated Information System for Citizen Service Centers, e-Government Portal, Mobile Electronic Government, Single Integration Platform, Integrated Call Center, etc.

The ICT industry is changing rapidly and to keep up our company is in a state of constant development and modernization, through the introduction of new technologies, implementation of new projects and development of partnerships. Today is no exception, new changes are coming. These changes are aimed at preserving the colossal human potential of the Company and, at the same time, being able to use it as efficiently as possible to implement new ambitious projects and dramatically improve the quality of services through the introduction of the state-of-the-art management practices and technologies.

My friends, I am sure that together we will be able to demonstrate new frontiers for the development of our beloved company, and also, taking into account our many years of experience in successfully implementing the most ambitious digitalization projects for citizens, business and the country, we will ensure the implementation of the tasks that were set for us by the Head of State as well as Government within the framework of the "Digital Kazakhstan" State Program!

A journey of thousand miles begins with a single step.

**Yours faithfully,  
Chairman of the Board of Directors, NIT JSC  
Askhat Orazbek**

## Dear users of National Information Technologies JSC services!



*We would like to bring to your attention the Annual Report of National Information Technologies JSC for 2019. In the past year, we have done a great and important work towards achieving the strategic goals of the Company, we have taken measures to improve the operational efficiency of the Company, improve business processes and increase the financial stability of the Company.*

It is important to note a number of significant achievements for us in 2019.

Activities were carried out to design and launch the eGov mobile application, which includes a new design, user-friendliness, extended capabilities and 60 automated services. In the new application, authorization through biometrics and issuance of digital signatures became available as well as new services were implemented: Digital Documents, Health Passport (MH RK), Electronic Labor Exchange (MLSPP RK).

Also, the "Smart Bridge. Display of Services" project was put into operation, which provides a facilitated process for integration and interaction of government agencies with private sector for the development of a competitive environment. At the moment, 336 services have been published on the Display, 155 legal entities have been authorized (31 GAs, 11 STBs, 13 national companies, 100 representatives of the private sector) and 274 applications have been processed (41 for publishing services, 233 for connecting to services) and the most active users are MLSPP, MJ, MDDIAI, STC under MF, Kaspi Bank, BTS Digital, NSC, SmartLab Astana LLP, KazTransCom JSC, The Boss media group LLP and 7 G2G.

Under implementation of the "Digital Kazakhstan" State Program, a virtual consultant (Chat Bot) was introduced. To date, the Chat Bot has been launched on the 1414.kz Forum, e-Gov Portal (egov.kz) and in Telegram, Vkontakte, Facebook messengers.

In 2019, 80% of public services were automated and 74 new services were implemented to do this. 47,012,623 services were delivered via the e-Gov Portal.

I would like to say thank you to my colleagues for the work done in 2019 and the results achieved. Today, thanks to the well-coordinated work of the team, our Company is rapidly developing and opening up new frontiers for young and energetic youths, specialists in their field.

We still have a lot to do, in the future we plan to adhere to the direction chosen by the Company, which implies improving the level of existing services and improving the quality of services delivered to users.

**Yours faithfully,  
Chairman of the Board, NIT JSC  
Asset Turysov**

# NATIONAL INFORMATION TECHNOLOGIES JSC

e-Gov ICT Operator

## KEY ACTIVITIES:

- ✓ ensuring operation of government agencies` communication channels
- ✓ operating data centers
- ✓ supporting information systems (e-Gov Portal, E-licensing, IIS CSC, Intranet Portal of Government Agencies, etc.)
- ✓ Integrated Call Center
- ✓ Information Security (NCA, RCA)



### Single Intranet of Government Agencies

accessibility – 99.95%

- Total speed of GAs` communication channels – 117 Gb/s
  - Length of own FOCL – 569 km
  - Total communication channels – 10 581
  - among them: own – 1 691, rented – 8 890
- \* Exclusive of Regional IT Center contracts*



### Information Systems

accessibility – 99,93%

- Support of GAs` ISs – 15
- Support of State Databases – 7
- Support of GAs` websites – 10
- NIT JSC investment projects – 5
- Support of SPP - 9



### DATA CENTERS

accessibility – 100%

#### Server Center of GAs

Fill rate – 86.9 %  
Total racks – 145

- Filled – 126
- Free – 19

#### Regional Data Centers

Fill rate – 49.4 %  
Total racks – 140

- Filled – 69.22
- Free – 71.78



**18 YEARS** in the ICT market of RK



**100% regional coverage**



**1979 staff units** including branches

## COMPANY MISSION

Enable government agencies and other organizations implementing their plans through ICT services to promote competitiveness and prosperity of Kazakhstan.

## COMPANY VISION

National Information Technologies JSC is a professional team, resilient ICT infrastructure, safety and new solutions.

## NIT JSC HAS STATUSES ASSIGNED BY THE GOVERNMENT:

- **Operator of e-Government ICT Infrastructure** (pursuant to the Government Decree of RK as of January 29, 2016, No.40)
- **Integrated Call Center** (pursuant to the Government Decree of RK as of February 26,2016, No. 118)
- **Operator for Data from Accounting Devices in the field of Ethyl Alcohol and Alcoholic Products Production, and also Production and Turnover of Oil Products** (pursuant to the Government Decree of RK as of December 31, 2015, No. 1177)
- **Operator of Single Information System of Compulsory Technical Inspection of Vehicles and Trailers Thereto** (pursuant to the Government Decree of RK as of August 22, 2019, No. 621)



Sole shareholder of NIT JSC is “Zerde” National ICT Holding JSC

# FULFILLMENT OF STRATEGIC EFFICIENCY COEFFICIENTS

## in 2019

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7,20 / **10.30**

Number of users registered on e-Gov Portal, mln people

11304 / **23 991**

Labour productivity per 1 production employee, thous. KZT

99.75 / **100**

Accessibility index of Data Centers (SC of GAs and RDC), %

99.75 / **99.93**

Accessibility index of ISs supported by the Company, %

99.90 / **100**

Accessibility index of Integrated Call Center, %

4.7 / **4,35**

Customer satisfaction index , score

99.75 / **99.95**

Accessibility index of GAs` Intranet, %

13 / **20**

Turnover, %

70 / **87.6**

Percentage of delivered online public services against the total amount of delivered public services, %

10 / **12,45**

Profitability, %

\* plan / **FACT**

# CORPORATE GOVERNANCE

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## BOARD OF DIRECTORS OF THE COMPANY

The Board of Directors carries out general management of the Company's activities except issues attributed by the legislation of the Republic of Kazakhstan and the Charter of the Company to the exclusive competence of the Sole Shareholder, i.e. "Zerde" National ICT Holding JSC.

The number of members of the Board of Directors of the Company is at least four people. At least half of the members of the Board of Directors should be independent directors.

The sole shareholder, "Zerde" National ICT Holding JSC, determines the number of members, term of authorities of the Board of Directors of the Company, elects its members and early terminates their authorities, determines the amount and conditions for payment of remuneration to members of the Board of Directors, and also approves the regulation on the Board of Directors of the Company.

## COMPOSITION OF THE BOARD OF DIRECTORS OF THE COMPANY as of December 31, 2019



**Anvar Mukayev**

Chairman of the Board of  
Directors



**Asset Turyssov**

Member of the Board of  
Directors

# INDEPENDENT DIRECTORS OF THE BOARD OF DIRECTORS



**Arman Nurushev**  
member of the Board of  
Directors, Independent  
Director of the Company



**Arman Kashkinbekov**  
member of the Board of  
Directors, Independent  
Director of the Company



**Kanat Ayapbergenov**  
member of the Board of  
Directors, Independent  
Director of the Company



# CORPORATE GOVERNANCE



## REPORT ON ACTIVITIES OF THE BOARD OF DIRECTORS OF THE COMPANY

Chairman of the Board of Directors approved the Action Plan of the Board of Directors of the Company for 2019.

In 2019, 13 meetings were held, 11 face-to-face meetings and 2 meetings in absentia. Following the results of 2019, the Board of Directors of the Company considered and made decisions for 113 issues, including those stipulated by Action Plan of the Board of Directors - 64 issues, beyond the Plan – 49 issues:

	<b>3<sup>rd</sup> quarter – 21</b>
<b>1<sup>st</sup> quarter– 24</b>	<b>4<sup>th</sup> quarter– 37</b>
<b>2<sup>nd</sup> quarter– 31</b>	

## ISSUES



## COMMITTEES UNDER THE BOARD OF DIRECTORS



### STRATEGIC PLANNING COMMITTEE UNDER THE BOARD OF DIRECTORS

In 2019, the Committee held **4 meetings and considered 13 issues.**

#### Composition of the Committee as of January 1, 2019:

- Chairman **Arman Nurushev** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Asskar Kussainov** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Sanzhar Zhamalov** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Akmaral Tursumbayeva** (Head of Summary Analysis and Strategic Development Department in “Zerde” National ICT Holding JSC).

#### Composition of the Committee as of December 31, 2019:

- Chairman **Arman Nurushev** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Kanat Ayapbergenov** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Arman Kashkinbekov** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Akmaral Tursumbayeva** (Head of Summary Analysis and Strategic Development Department in “Zerde” National ICT Holding JSC).



### COMPENSATION AND NOMINATING COMMITTEE UNDER THE BOARD OF DIRECTORS

In 2019, the Committee held **10 meetings and considered 39 issues.**

#### Composition of the Committee as of January 1, 2019:

- Chairman **Sanzhar Zhamalov** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Arman Nurushev** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Aiman Urazbayeva** (Head of HR Management Department in “Zerde” National ICT Holding JSC).

#### Composition of the Committee as of December 31, 2019:

- Chairman **Arman Kashkinbekov** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Arman Nurushev** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Aiman Urazbayeva** (Head of HR Management Department in “Zerde” National ICT Holding JSC).



### AUDIT COMMITTEE UNDER THE BOARD OF DIRECTORS

In 2019, the Committee held **4 meetings and considered 19 issues.**

#### Composition of the Committee as of January 1, 2019:

- Chairman **Asskar Kussainov** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Arman Nurushev** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **A. Syzdykova** (Chief Accountant in “Zerde” National ICT Holding JSC).

#### Composition of the Committee as of December 31, 2019:

- Chairman **Kanat Ayapbergenov** (member of the Board of Directors, Independent Director of the Company);
- Member of the Committee **Anvar Mukayev** (Deputy Chairman of the Board in “Zerde” National ICT Holding JSC);
- Member of the Committee **Arman Nurushev** (member of the Board of Directors, Independent Director of the Company).

# CORPORATE RISK MANAGEMENT SYSTEM

The main goal of the current corporate risk management system of National Information Technologies JSC (hereinafter: Company) is to achieve an optimal balance between the growth of the Company, its profitability and risks, as well as to ensure sustainable development within the framework of strategic plans implementation and achievement of the established objectives.

Risk management in the Company is regulated by the Risk Management Policy, Rules for Risk Identification, Assessment and Management as well as in-house rules and methods developed based on the best practices in the field of risk management such as ISO 31000 "Principles and Guidelines on Risk Management", ISO 9001: 2015 "Quality Management Systems. Requirements ", ISO/IEC 27001: 2013 "ISMS. Requirements" and ISO/IEC 20000-1: 2018 "Information technology (IT). Service Management".

Risk management is a control process and is integrated into all business processes of the Company by implementing and applying risk management models and tools, fixing the responsibility of participants of the corporate risk management system in the relevant regulatory documents of the Company, and also procedure for carrying out work within the system.

## CORPORATE RISK MANAGEMENT SYSTEM OF THE COMPANY IS A MULTI-LEVEL STRUCTURE:



**First level**– Sole Shareholder (makes strategic decisions to manage risks).

**Second level** – Board of Directors (determines the risk management policy). Audit Committee is established under the Board of Directors, responsibilities of which include the control over the risk management system of the Company.

**Third level**– Management (responsible for arrangement of efficient risk management system to ensure implementation and observance of corporate policies).

**Fourth level**– Risk Management Service (responsible for arrangement and coordination of risk identification and evaluation process).

**Fifth level**- Structural units represented by each employee manage risks on the level of business processes owners.

**Internal Audit Service** executes regular assessment of risk management system efficiency.

Following the results of 2019, **assessment of risk management system efficiency** was conducted **with assignment of a final score of 87.5%**, which according to the international ISO 31000 standards is a high indicator and maturity level is "Managed".

# CORPORATE RISK MANAGEMENT SYSTEM

In order to effectively manage risk factors and stimulate communication process, the Company has introduced a **single classification of risks** in the context of functional groups and subgroups of risks and their components with indication of the level of risk appetite:

Risk group	Description	Risk appetite level in 2019	Clarification
<b>Strategic</b>	The risk of losses due to changes or errors (drawbacks) when determining and implementing the strategy of the Company's activity and development, changes in the political environment, regional conjuncture, industry recession, and other external factors of systemic nature	<b>Low</b>	The Company cannot afford to disrupt strategic objectives, since these objectives are of national importance.
<b>Financial</b>	Risks related to the capital structure and decrease in financial profitability: market risks (fluctuations in prices for goods, works and services), liquidity risks, counterparty risks (fulfillment of contractual obligations)	<b>Average</b>	The Company faces such financial risks as price risk and liquidity risk. The Company can accept minor financial risks, since it has sufficient resources to respond to the identified financial risks.
<b>Project</b>	The risk of deterioration in the final indicators of investment projects/system software products arising under the influence of external and internal factors	<b>High</b>	A number of project risks should be taken in order to implement state programs. Many programs are determined by strategic decisions of the Sole Shareholder, while some of the programs carry significant project risks.
<b>Operational</b>	The risk of losses in the result of drawbacks or errors in the implementation of internal processes made by employees (including personnel risks), functioning of information systems and technologies (technological risks), information security, as well as due to external events	<b>High</b>	The Company has sufficient resources to respond to the identified operational risks. There are sufficient own funds to take minor operational risks.
<b>Legal</b>	The risk of expenses (losses) in the result of violation of requirements of the legislation of the Republic of Kazakhstan or inconsistency of practice to in-house documents, and in relations with non-residents of the Republic of Kazakhstan - with the legislation of other states	<b>Average</b>	The Company does not accept non-compliance with the established legal and regulatory requirements.

# CORPORATE GOVERNANCE

## COMPOSITION OF MANAGEMENT BOARD OF NATIONAL INFORMATION TECHNOLOGIES JSC

as of December 31, 2019

The Management Board carries out overall management of the Company's activities and is responsible for implementation of the development strategy and/or development plan as well as decisions made by the Board of Directors and the Sole Shareholder.

In 2019, 90 meetings of the Management Board took place and decisions were made for 185 issues.



**Asset Turyssov**

Chairman of the  
Board



**Yergazy Omarov**

Deputy Chairman of the  
Board



**Daulet Bekmanov**

Deputy Chairman of the  
Board



**Akhan Sarmanov**

Deputy Chairman of the  
Board



**Dias Kadyrov**

Deputy Chairman of the  
Board

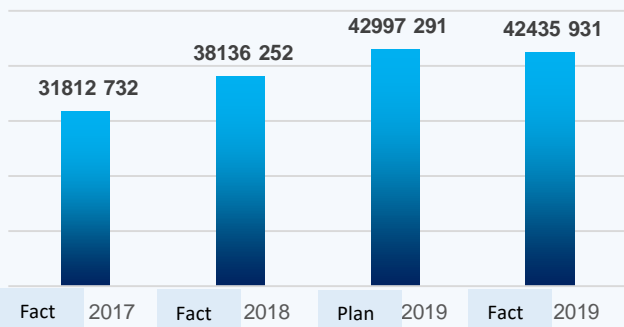


**Malik Makan**

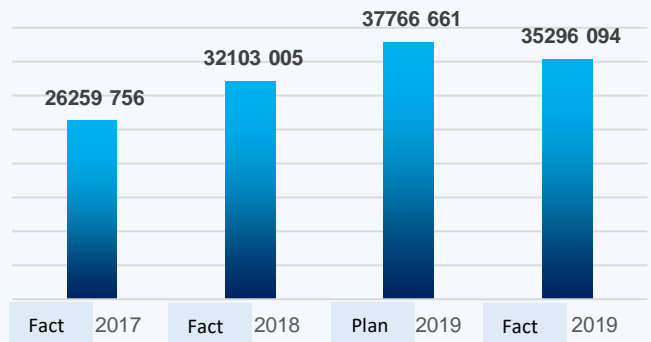
Deputy Chairman of the  
Board

# Fulfilment of financial indicators in 2019

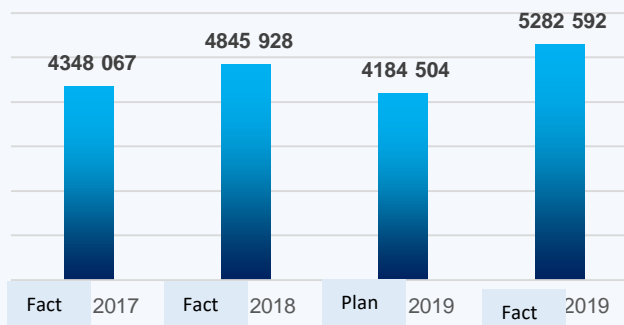
**Revenues (thous. KZT.)**



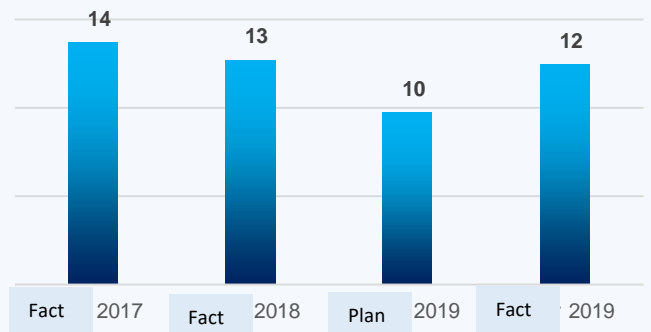
**Expenses (thous. KZT)**



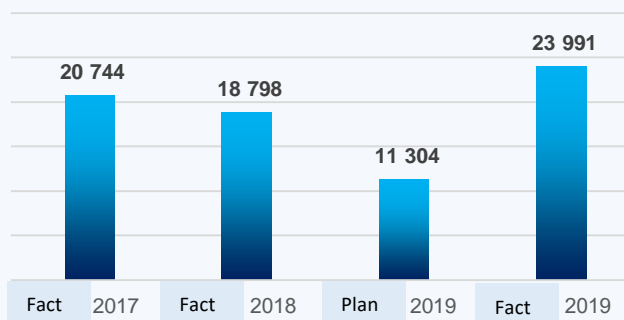
**Net profit (thous. KZT)**



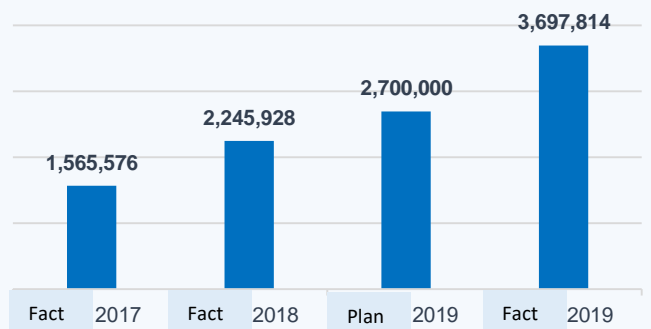
**Profitability (%)**



**Labour productivity (thous. KZT)**



**Paid dividends (thous. KZT)**



## NIT JSC REVENUES BROKEN DOWN BY SERVICES



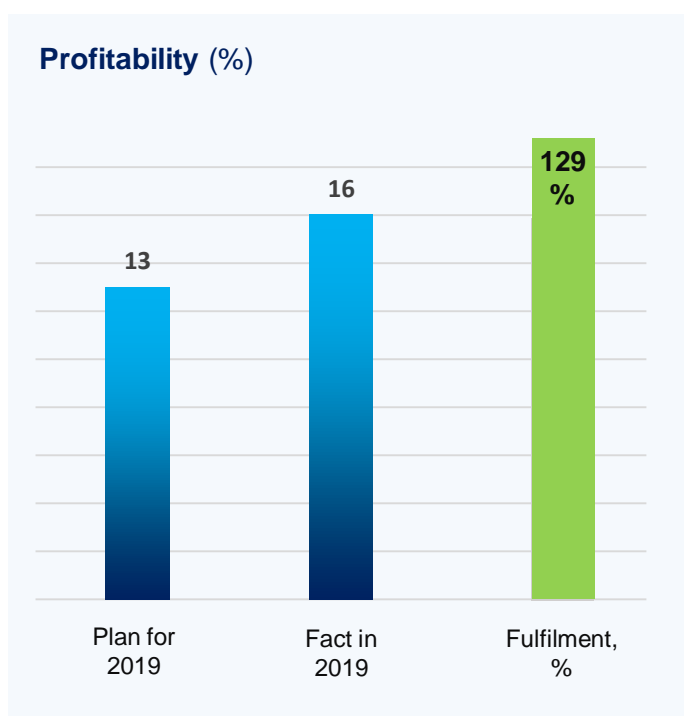
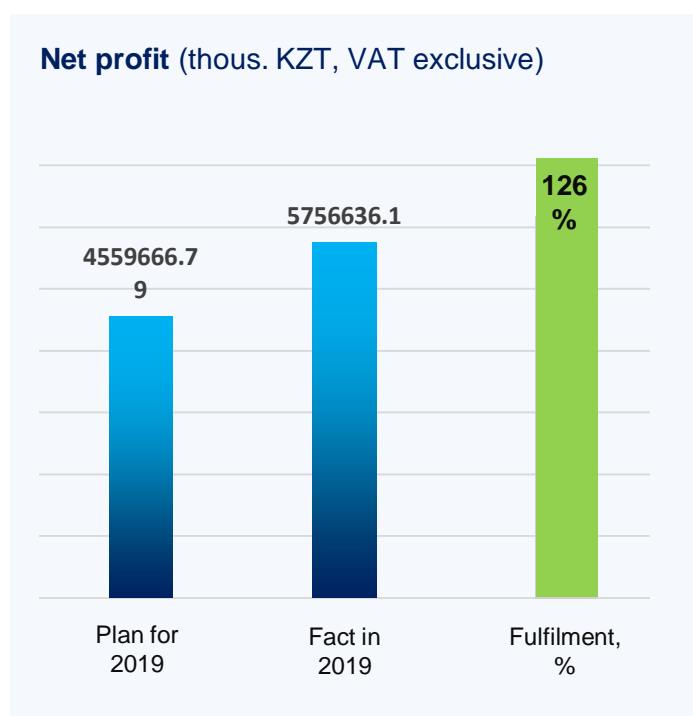
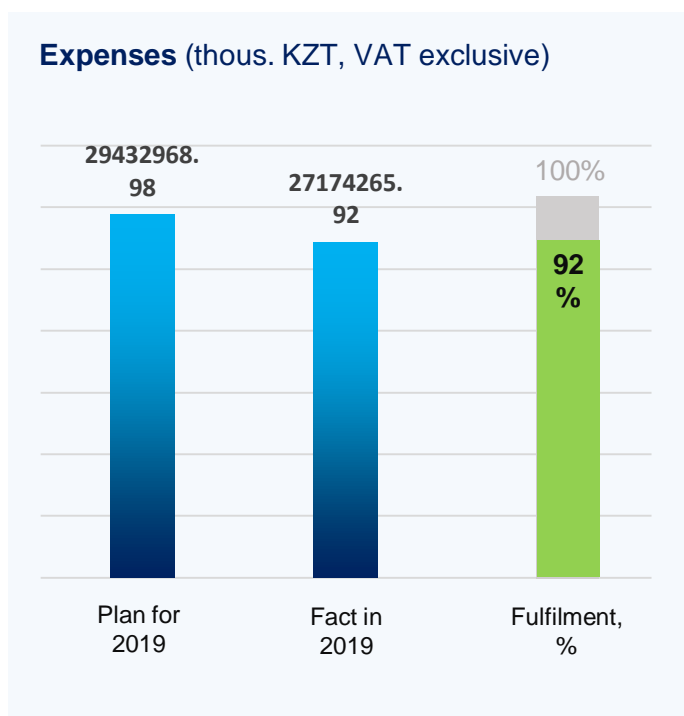
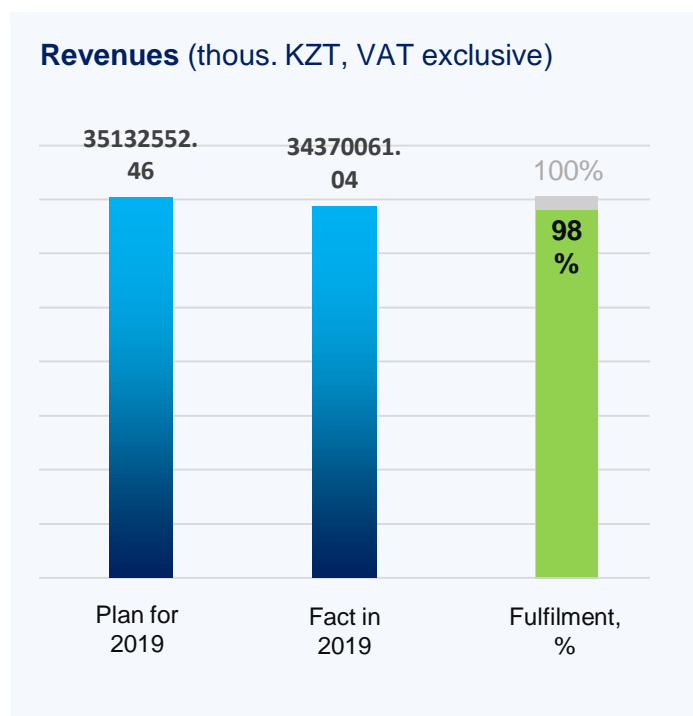
- Communication services (IaaS)
- Regional IT Centers, IE (own contracts)
- Support of ISSs
- Hosting services, REGP (IaaS)
- Systems and Technical Support
- ICT service (PaaS)
- ICC services
- ICT service (SaaS)
- Co-location (IaaS)
- Information Security
- Others
- Internet Resources Support

Services	thous. KZT, VAT inclusive	Percentage, %
Communication services(IaaS)	28 334 306	61%
Regional IT Centers, IE (own contracts)	5 711 401	12%
Support of ISSs	4 074 554	9%
Hosting services, REGP (IaaS)	2 610 062	6%
Systems and Technical Support	1 968 145	4%
ICT service (PaaS)	1 002 891	2%
ICC services	1 128 063	2%
ICT service (SaaS)	575 772	1%
Co-location (IaaS)	506 503	1%
Information Security	369 823	0,8%
Others	42 884	0,1%
Internet Resources Support	26 829	0,1%
<b>Total</b>	<b>46 351 193</b>	<b>100%</b>

# OVERALL INDICATORS

## FOR 21 INVESTMENT PROJECTS IN 2019

(thous. KZT, VAT exclusive)





# AUDIT AND FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION AS OF December 31, 2019

	Clar.	December 31, 2019 (thous. KZT)	December 31, 2018 (thous. KZT)
<b>SHORT-TERM ASSETS</b>			C
Cash and cash equivalents	4	5 043 391	3 128 279
Funds in loan institutions	5	17 972 706	22 699 000
Other current financial assets	6	28 979	27 492
Trade receivables	7	179 560	246 493
Inventories	8	211 904	163 208
Advances paid		553	1 698
VAT reclaimed		558 979	333 984
Advanced payment for other taxes	9	4 919	7 827
Advanced payment for income tax		1	369 763
Other current assets	10	559 055	343 318
Total short-term assets		24 560 047	27 321 062
Assets for sale	11	4 756	17 512
<b>LONG-TERM ASSETS</b>			
Long-term receivables		431	1 294
Financial assets measured at amortized cost	12	73 206	63 875
Fixed assets	13	10 328 850	10 158 857
Right-of-use asset	14	3 185 652	-
Intangible assets	15	2 740 700	1 381 463
Other long-term assets		129 108	-
Total long-term assets		16 457 947	11 605 489
<b>TOTAL ASSETS</b>		<b>41 022 750</b>	<b>38 944 063</b>
<b>SHORT-TERM LIABILITIES</b>			
Trade accounts payable	16	12 091 856	16 356 518
Employee benefit	17	748 488	804 730
Short-term lease liabilities	14	688 633	-
Contract liabilities		13 177	11 123
Estimated liabilities	18	150 129	-
Corporate income tax due for payment		188 344	-
Other current liabilities	19	307 940	597 133
<b>Total short-term liabilities</b>		<b>14 188 567</b>	<b>17 769 504</b>
<b>LONG-TERM LIABILITIES</b>			
Long-term lease liabilities	14	2 534 779	-
Deferred tax liabilities	20	643 719	459 129
Total liabilities		3 178 498	459 129
<b>CAPITAL</b>			
Authorized capital	21	13 497 723	13 486 791
Retained profits	21	10 157 962	7 228 639
Total capital		23 655 685	20 715 430
<b>TOTAL CAPITAL AND LIABILITIES</b>		<b>41 022 750</b>	<b>38 944 063</b>

# AUDIT AND FINANCIAL STATEMENTS

## STATEMENT OF FINANCIAL POSITION AS OF December 31, 2019

	Clar.	December 31, 2019 (thous. KZT)	December 31, 2018 (thous. KZT)
Income from sale of goods and services	22	41 384 961	36 241 846
Cost of goods and services sold	23	(33 548 081)	(30 770 608)
Gross profit		7 836 880	5 471 238
Distribution costs	24	(34 141)	(36 395)
Administrative costs	25	(1 323 277)	(1 133 345)
Other income	26	83 802	787 461
Other costs	26	(303 673)	(162 657)
Operating profit		6 259 591	4 926 302
Exchange differences, net		(555)	7 710
Financial income	27	967 167	1 099 235
Financial costs	14	(86 365)	-
Pre-tax income		7 139 838	6 033 247
Income tax expenses	28	(1 857 246)	(1 187 319)
Income/ (loss) per year		5 282 592	4 845 928
Other consolidated income:		5 282 592	4 845 928
Components of other consolidated income		-	-
Tax effect of other consolidated income		-	-
Total consolidated income		5 282 592	4 845 928

## STATEMENT OF FINANCIAL POSITION AS OF December 31, 2019 (indirect method)

	Clar.	December 31, 2019 (thous. KZT)	December 31, 2018 (thous. KZT)
<b>Flow of cash from operating activities</b>			
Pre-tax income		7 139 736	6 033 247
<b>Adjustments to:</b>			
Depreciation and amortization		2 165 919	1 486 295
Amortization of future-period expenses		536 756	702 930
Accrual of reserve for unused vacations, benefits and related taxes		315 272	269 015
Accrual of reserve for impairment losses on receivables and cash from credit institutions		129 517	5 245
Accrual of reserve for liabilities to the budget (CIT) and audit services, legal claims		131 311	-
Accrual of reserve for surplus stock		10 775	-
Write-off of intangible assets and fixed assets		11 652	47 083
Income from reversing of impairment loss		(7 458)	-
Income from retirement of assets		(8 282)	
Write-off of reserve for surplus stock		(1 963)	(2 612)
Other income		(13 365)	(674 413)
Financial expenses		86 365	-
Financial income		(967 167)	(1 099 235)
Other adjustments		(117 996)	(12 876)
		9 411 072	6 754 679
Change in inventories		(176 253)	(64 513)
Change in trade and other receivables		60 756	(744 287)
Change in advanced payment for other taxes		2 909	(364 518)
Change in VAT due to payment		(224 996)	-
Change in advances paid		1 738	2 409
Change in other current financial assets, other long-term and current assets		(340 907)	(15 045)
Changes in taxes and other statutory payments		(52 298)	-
Change in accounts payable		(4 568 249)	6 796 013
Change in liabilities to employees		(40 016)	36 718
Change in other short-term liabilities		68 744	(404 940)
		4 142 500	11 996 516
Income tax paid		(1 168 470)	(1 039 564)
Benefit received		815 718	814 744
Benefit paid		(86 365)	-
Net sum of funds from operating activities		3 703 383	11 771 696
<b>Flow of cash from investment activities</b>			
Bank deposits to loan institutions		(812 533 000)	(438 577 051)
Withdrawal of bank deposits		817 158 912	435 293 625
Acquisition of intangible assets		(1 201 803)	(314 971)
Expenses on construction-in-progress and uninstalled equipment		-	(60 027)
Acquisition of fixed assets		(2 430 518)	(2 403 723)
Repayment of long-term financial investments		5 382	3 153
Net sum of funds from investment activities		998 973	(6 058 994)
<b>Flow of cash from financial activities</b>			
Dividends paid		(2 600 000)	(2 782 491)
Repayment of liabilities for right-of-use assets		(161 602)	-
Net sum of funds from financial activities		(2 761 602)	(2 782 491)
Net change of cash and cash equivalents		1 940 754	2 930 211
Impact of exchange rates to KZT		(441)	7 610
Impact of change in funds book value		(25 201)	-
Cash and cash equivalents at start	4	3 128 279	190 458
Cash and cash equivalents at the end	4	5 043 391	3 128 279

# 2019 RESULTS

## KEY ACHIEVEMENTS

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**80%** automated public services



**74** new services implemented to achieve 80% of public services automation



@EgovKzBot

In **Telegram Bot** obtainment of 23 services implemented in Telegram, Vkontakte, Facebook messengers



**8 339 720** - NCA digital signatures issued  
**46 704** -GA CA digital signatures issued



**60 services** designed and launched in **eGov mobile** app: new design, extended capabilities, digital signature issuance, 60 services, app store.



**134 operators**

**ICC subcontracting. 1<sup>st</sup> stage: Pilot**  
ICC services and 134 operators were subcontracted.  
• Subcontracting budget: KZT 207 mln for 3 months  
• Contractor: KT Cloud Lab LLP



**670** contracts concluded with Technical Inspection Operators  
**1 148 041** requests for open data



**187 bln KZT**

**37 ISs connected** in 5 government agencies,  
**10 analytical cases** developed,  
**37 liaison protocols** signed.  
**The achieved effect is more than KZT 187 billion.**



Single Platform of Government Agencies` Websites designed and launched

GOV.KZ

The project “**Smart Bridge - Display of Services**” was implemented and put into operation, which facilitates the process of integration and interaction of government agencies with private business as well as development of a competitive environment



The project “**Smart Contract**” was implemented and put into operation, which is a platform for conclusion of electronic contracts with application of Blockchain technology

Smart Contract

Launch of backup system with placement of backups on separate storage systems in SCGA and REGP



**10 bln** investments from market for delivery of service-based informatization model service  
**2 bln** saved from the republican budget

G-Cloud

The Single Platform created under the implementation of Clause 78 of “Digital Kazakhstan” SP

SmartData  
Ukimet

Pursuant to Article 23, Clause 4 of the Law “On Joint-Stock Companies”, in 2018, dividends **in the amount of 2 600 000 thous. KZT** were timely paid to “Zerde” Holding.



4 major processes were automated on Bitrix24 corporate portal:  
35 operating business processes were automated in Service Desk system  
38 support processes were automated on Bitrix24 corporate portal



A license was obtained to provide 24/7 services of the Operational Information Security Center to Government Agencies.

**More than 2.5 million** different types of attacks prevented (DOS attacks, unauthorized access, SQL injection, etc.)

ОЦИБ

The following was developed and put into operation: “Control, Accounting and Issuance of Control Stamps, Excise Stamps and Other Printed Products of BF RSE under NB RK” IS, e-Sapa mobile app and API-service to check validity of control stamps











e.sapa



Staff size of the Company, including regional structural units is 1979 employees

## THE COMPANY WORKS ON IMPROVING ITS PERSONNEL POLICY ON A PERMANENT BASIS:

### IN 2019

- ✓ **advanced training was organized for 1470 employees** (52 employees received certificates that comply with the international standards)
- ✓ **612 employees were awarded under non-material encouragement:**
  -  “Yeren Yenbegi Ushin”  
1 employee
  -  NIT JSC Medal of 1<sup>st</sup> Degree  
25 employees
  -  “Certificate of Merit of RK”  
1 employee
  -  NIT JSC Medal of 2<sup>nd</sup> Degree  
78 employees
  -  “Uzdik Bailanisshi”  
5 employees
  -  NIT JSC Medal of 3<sup>rd</sup> Degree  
188 employees
  -  “Certificate of Merit” MDDIAI of RK  
19 employees
  -  certificates of merit of NIT JSC  
167 employees
  -  “Recognition Letter” MDDIAI of RK  
14 employees
  -  recognition letters of NIT JSC  
114 employees
- ✓ **financial assistance was provided to 343 employees**
- ✓ **competence and performance assessment of employees were conducted**
- ✓ **within cooperation with universities of the country, 25 memorandums with educational institutions are available**
- ✓ **135 students successfully undergone internship in the Company and 5 of them were employed by the Company**

**Under implementation of the Message of the Head of State K.Zh. Tokayev to the people of Kazakhstan as of September 2, 2019 “Constructive public dialogue is the basis of stability and prosperity of Kazakhstan”, the Company carried out activities to implement the Message in terms of staff optimization and staff costs reduction:**

- ✓ in 2019, 10 from an administrative unit were outsourced
- ✓ in 4<sup>th</sup> quarter of 2019 under the pilot project. ICC services (134 employees) were transferred to competitive environment to KT Cloud Lab LLP
- ✓ under decision of the BD of the Company as of December 04, 2019 No.12, staff size of the Company was reduced from January 05, 2020 to 23 units (8 administrative unit; 15 operating unit) и составляет 1979 ед.
- ✓ in 2021 **it is planned to reduce 79 employees**: 69 units from operating unit and 10 units from administrative unit
- ✓ based on the 2021 budget, an issue will be considered to transfer a part of the Company employees to a permanent distant work (from 10 % to 40% from staff size)

**Transfer of employees to distant work, in its turn, will enable reducing the expenses indicated in the Government Decree as of December 2, 2014 “On Defining of Limits for Certain Types of Administrative Expenses...”, such as:**  
1) service transport ; 2) rent of spaces; 3) use of telephone communication, etc.

# SOCIAL ACCOUNTABILITY

Under socially useful activities, the Company carries out activities in the following areas:



## PROVISION OF CHARITY SUPPORT TO THOSE IN NEED

- social protection and support of vulnerable social groups
- support and financing of low-income citizens whose income is below the subsistence level;
- support and financing of social sphere non-profit organizations (organizations of veterans/disabled people, orphanages, etc.)

In 2019, 17 applications from individuals and legal entities for the provision of charitable/sponsorship assistance were considered and assistance **was provided to 8 applicants**.



## PROVISION OF EMPLOYMENT OPPORTUNITIES TO THE DISABLED

in 2019, **3 disabled employees were employed to the Company's Integrated Call Center as Operators** to consult citizens on public services delivery obtaining public services



## PARTICIPATION IN VARIOUS SOCIAL PROJECTS, VOLUNTEERING

- support of the Great Patriotic War participants, vulnerable social groups
- participation in citywide voluntary clean-ups, environment protection campaigns

# SUSTAINABLE DEVELOPMENT OF THE COMPANY

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Pursuant to the decision of the Board of Directors of the Company as of December 19, 2019 No. 13, Sustainable Development Policy and Action Plan for the Sustainable Development of the Company were approved. Sustainable development basic principles involve achieving of the strategic goals of the Company without compromising its sustainability in the long term, taking into account the interests of various stakeholders. The Company's Sustainable Development Policy takes into account all aspects of the Company's activities, including economic, social and environmental ones.

## THE FOLLOWING WORK IS DONE BY THE COMPANY UNDER IMPLEMENTATION OF SUSTAINABLE DEVELOPMENT POLICY AND ACTION PLAN:

### In terms of economic aspects implementation:

- By order of the Chairman of the Management Board of the Company as of February 24, 2020 No. 69, the Action Plan to improve the quality of services provided by the Company was approved;
- By the decision of the Board of Directors of the Company as of December 4, 2019 No. 12, the Register and Risk Map of the Company for 2020 were approved;
- The Methodology for calculating the cost of the Company's services was developed;
- An Action Plan was developed to improve and promote the image/reputation of the Company.

### In terms of social aspects:

- By order of the Chairman of the Management Board of the Company as of March 31, 2020 No. 130, the Action Plan to improve corporate culture was approved;
- 21 organizational and management acts on labor safety and protection were developed, including 15 Labor Protection Regulations used to perform hazardous work and high risk work;
- By order of the Chairman of the Management Board of the Company as of March 11, 2020 No. 104, amendments were made to the Anti-Corruption Policy of NIT JSC;
- By the order of the Chairman of the Management Board of the Company as of December 30, 2019 No. 1162, the Advanced Training Plan for the Company's Employees for 2020 was approved.

### In terms of environmental aspects:

- An Action Plan for energy saving and energy efficiency improvement of regional data centers for 2018-2022 was developed.



# GOALS AND PLANS FOR THE FUTURE



## AREAS AND GOALS

### PROVISION OF QUALITATIVE SERVICES TO GOVERNMENT AGENCIES



Improving the quality of services delivered to government agencies on the regular basis



Developing infrastructure



Creating information security loop relevant to the current level of cyber threats

### DEVELOPMENT OF NEW ACTIVITY AREAS AND PARTNERSHIP RELATIONS WITH BUSINESS



International cooperation



Developing consulting services



Developing partnerships for promotion of state-of-the-art technologies

### INCREASE OF PERFORMANCE EFFICIENCY AND LABOUR PRODUCTIVITY



Creating NIT JSC HR brand



Increasing efficiency of operating activities



Increase in income and provision of financial sustainability



Enhancing NIT JSC goodwill



**THANK YOU!**

National Information Technologies  
JSC

**2019**