



SUSTAINABILITY REPORT: S ASPECT



The Company's greatest asset is its employees. The Company provides equal opportunities for professional and personal development and prioritizes their safety and well-being.

EMPLOYEE RELATIONS

MANAGEMENT APPROACH

GRI 3-3

Kazakhtelecom JSC provides its employees with fair compensation and social support, invests in training and development programs, and strives to improve working conditions.

To attract digital talent, Kazakhtelecom JSC is implementing a multi-tiered staffing program, actively cooperating with universities, and in the future, plans to nurture its future employees starting from school age.

The Company offers various programs for employees, including the "Demeu" social support program, medical insurance, and a preferential mortgage lending program.

Kazakhtelecom JSC ensures equal pay opportunities regardless of position or gender. The average monthly salary in the Company is determined based on internal compensation rules and does not depend on the employee's job title.

The Company continues implementing the Employee Experience strategy, adopted in 2021, which outlines the key strategic initiatives in human resource management.





EMPLOYEE EXPERIENCE STRATEGY

ORGANIZATIONAL DEVELOPMENT

WELL-BEING AND HEALTH

CORPORATE CULTURE

EX OPERATIONS

New management model:

- › Transition to a divisional management model
- › Centralization of operational and strategic functions
- › Optimization of the Head Office structure (-158 FTE or 39% of Head Office staff)

Performance Efficiency:

- › Monthly, semi-annual, and annual performance assessments through KPI implementation
- › Identification of labor inefficiencies via Big Data analysis

Compensation System Effectiveness:

- › Production staff salaries ≈ market median, including annual indexation and job grade adjustments reflecting minimum wage growth
- › Implementation of an economic model for wage budget planning
- › Reward system management based on grading methodology
- › Introduction of additional incentives for project teams and digital transformation teams (FCF)

Labor Productivity Increase:

- › Overall headcount optimization over 4 years: -3,115 FTE (-15%)
- › Administrative staff reduced by 419 FTE (-26%)

Implementation of a comprehensive Well-Being program:

- › Development of the Wellbeing program (health monitoring, medical screenings, wellness marathons, fitness and health activities, individual psychological counseling, annual medical check-ups, vaccination, and line manager training).

Industrial Relations Development:

- › Strengthening social partnerships with industry and local trade unions
- › Updating the collective agreement
- › Systematizing employee grievance handling
- › Zero-tolerance policy toward workplace violence
- › Monitoring living and working conditions through IR screening
- › Conducting research on employees’ social stability and well-being (SRS).

Social Support:

- › Implementation of the Demeu program to support specific employee categories. In 2024, over 1,600 employees received social support totaling more than KZT 300 million, including:
 - Continued issuance of targeted interest-free loans
 - Continued preferential lending program
 - Supplementary agreement to the Collective Agreement signed on 01.06.2023
 - Medical insurance agreement signed for 2024.

Development of corporate CREDO values:

- › Updated corporate values code developed
- › Top managers engaged as ambassadors of value promotion
- › CREDO projects implementation: 2023, Western region (4 oblasts), 170 leaders, 43 projects, 1,100 participants
- › Collaboration of alumni and project updates reflecting new business realities
- › Women’s leadership forum.

Recognition of Achievements:

- › Implementation of non-monetary motivation programs:
 - Best in Profession awards
 - Government awards
 - Corporate awards
 - Professional holidays.
- › Recognition with jubilee awards for length of service and the honorary title “Uzdik baylanysshy” on the 30th anniversary.

Dynasty Program:

- › IT-Summer Camp for employees’ children
- › “play/learn/be safe (HSE)” for employees’ children
- › Digital Literacy Olympiad in cooperation with AITU for senior students
- › Tuition reimbursement for employees’ children enrolled in universities.

Development of the Corporate University of Kazakhtelecom JSC:

- › Launch of specialized academies:
 - Service and Sales
 - Technical
 - Leadership & JAS
 - Financial
 - HSE & ESG
 - EX
 - Digital
 - QAZAQ & ENGLISH.
- › Internal service trainer pool established for state language training
- › eMBA projects launched to develop the talent pool.

ProTelecom Internship Program:

- › Transformation of recruitment via university relations:
 - 26 memorandums with universities
 - 40 memorandums with vocational schools
 - 834 students enrolled in internships
 - 201 students employed.

EX Process Digitalization:

- › Development of the Employee Portal ecosystem
- › Development of ktbot – a training and communication assistant
- › Automation of 6 EX processes based on EJM.



PRINCIPLES OF KAZAKHTELECOM JSC HR POLICY



Social Responsibility

The Company complies with the labor legislation of the Republic of Kazakhstan in its employee relations to ensure social well-being.



HR System Transparency

The Company applies transparent HR procedures through systemic processes (appointments, career development, training and development, performance evaluation, etc.) to achieve strategic goals under the Employee Experience program.



Succession

The Company views employee training and development as vital tools for ensuring a qualified succession pipeline.



Client-Centricity

The HR function aims to enhance a client-oriented approach through employee interaction with external customers, promoting a positive business reputation.



Individual Responsibility

HR professionals promote strong self-discipline and individual accountability among employees to achieve high performance.



The balance of interests and goals of Kazakhstan Telecom JSC and its employees

The Company respects the interests of its employees and bases decisions on their needs while equally expecting employees to respect the Company’s interests to support its business goals.



Innovative Thinking

The Company sees innovative thinking as a competitive advantage and ensures all conditions are in place for employees to cultivate innovation, with a focus on optimizing and automating Company products and technologies.

Kazakhstan Telecom JSC manages human resources in line with the labor laws of the Republic of Kazakhstan, internal regulations, policies, and codes, while taking into account international best practices.

The HR management system of Kazakhstan Telecom JSC is governed by the Employee Experience Office. The main responsibilities of this department include enhancing employee efficiency, fostering personnel development, and strengthening corporate culture.

Kazakhstan Telecom JSC strictly adheres to the requirements of Kazakhstan’s labor laws and maintains principles of fair recruitment, development, and working conditions for all employees. The Company continuously improves the organizational mechanisms and procedures of the HR function.



The “Personnel Management Policy of Kazakhtelecom JSC” remains in effect.

Key areas of the Policy include:

- › Recruitment, motivation, and creation of favorable conditions for qualified staff through human resource development aligned with the Company’s strategic goals
- › Effective development of corporate culture that supports the realization of the Company’s strategy
- › Introduction of modern methods and advanced HR technologies, improvement of EX processes to enhance the efficiency of EX functions.

The Policy’s objective is to define principles and approaches to HR management aligned with the business strategy “JRun” and the four strategic development directions (SNR):

1. Jaqyn – business transformation through outstanding customer experience
2. Birlik – internal client focus and improving their experience
3. Alau – full data potential utilization, IT infrastructure modernization, information security, microservices-based architecture, and multi-cloud environments
4. Orken – network modernization and operational efficiency improvement.

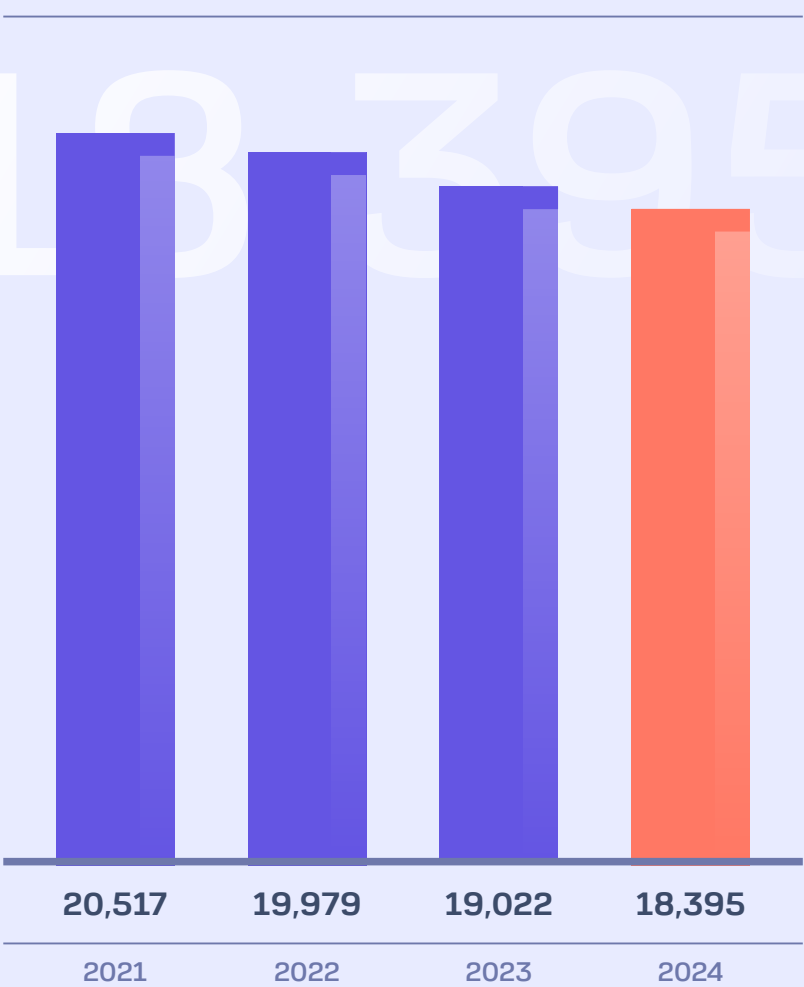
Employee training and development is overseen by the Employee Experience Office – a structural unit of the Company’s HR system. Its activities are governed by the following internal documents:

- › Rules for Knowledge Management at Kazakhtelecom JSC
- › Rules for Talent Pool Formation and Training at Kazakhtelecom JSC.

WORKFORCE SIZE AND STRUCTURE

GRI 2-7

WORKFORCE DYNAMICS, 2021-2024, PERSONS



18,395

persons

Workforce headcount as of 2024

✓ 3.3%

GRI 405-1

WORKFORCE BREAKDOWN BY AGE GROUP AS OF DECEMBER 31, 2024

Category	Total, persons	Under 30		30-50		Over 50	
		Persons	Share, %	Persons	Share, %	Persons	Share, %
Total workforce	18,395	2,853	15.5	10,449	56.8	5,093	27.7
- in management positions	1,121	22	2	745	66.4	354	31.6
- specialists	12,831	2,102	16.4	7,655	59.7	3,074	23.9
- workers	4,443	729	16.4	2,049	46.1	1,665	37.5

GRI 405-1

WORKFORCE BREAKDOWN BY GENDER AS OF DECEMBER 31, 2024

Category	Total, persons	Men		Women	
		Persons	Share, %	Persons	Share, %
Total workforce	18,395	11,702	63.6	6,693	36.4
- in management positions	1,121	797	71.1	324	28.9
- specialists	12,831	6,768	52.7	6,063	47.3
- workers	4,443	4,137	93.1	306	6.9

GRI 405-1

EMPLOYEES WITH DISABILITIES

Category	Total, persons	Men		Women	
		Persons	Share, %	Persons	Share, %
Total number of employees with disabilities	228	159	69.7	69	30.3
- in management positions	7	5	71.4	2	28.6
- specialists	158	97	61.4	61	38.6
- workers	63	57	90.5	6	9.5