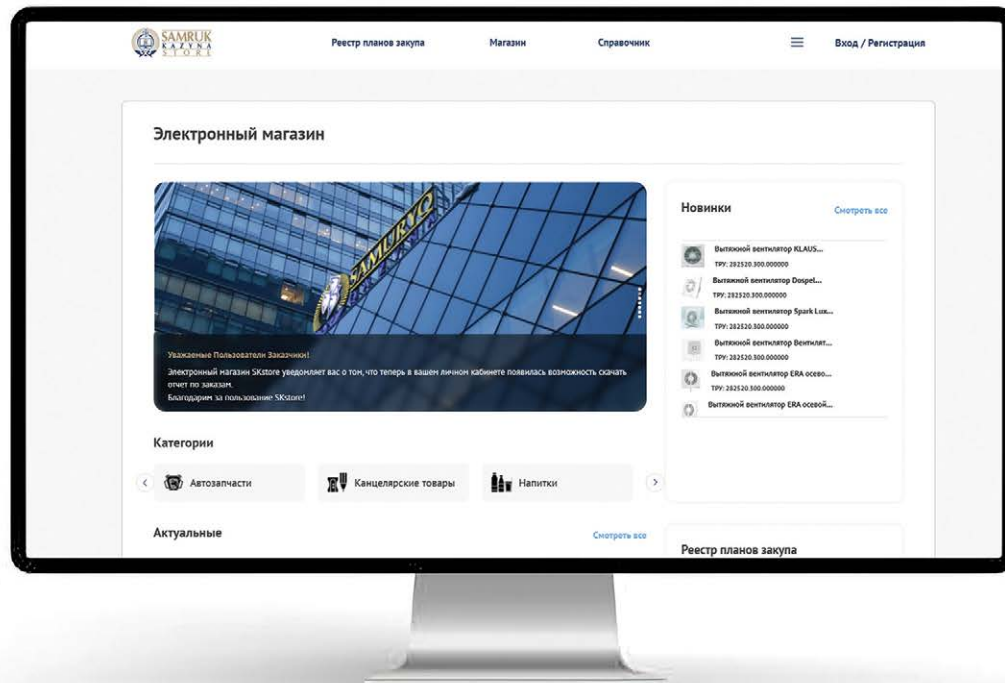




Promoting the development of small and medium-sized businesses

We actively support the development of small and medium-sized enterprises (SMEs) and domestic entrepreneurship in Kazakhstan.



This sector of the economy is a driver of innovation, employment growth and sustainable development, and we attach particular importance to its support. **GRI 3-3**

The share of SMEs in Kazakhstan at the end of 2023 was 36 per cent. To ensure the sustainability of Kazakhstan's economy, we focus on supporting the expansion of the SME share in GDP.

The companies of the Fund Group provide service support to SMEs by expanding the resource base, providing access to critical infrastructure, guaranteeing offtakes, making purchases from domestic producers, and attracting investors. **GRI 3-3**

For example, the realization of major projects for new production processes creates conditions for SME development, forming new regional clusters. Our major transport projects provide new opportunities for SMEs by providing access to new trade routes and global markets. With Atameken, we are increasing local content in the gas industry and creating a gas service industry almost from scratch.

The import substitution program is the key instrument for the support and development of domestic commodity producers (hereinafter – DCP). From 2018 to December 31, 2023, 68 new manufacturing projects were approved and 475 off-take contracts worth KZT 115.7 billion were signed with suppliers.

Additional measures are being developed to encourage Kazakh producers to participate in this program. For example, the possibility of concluding offtake-contracts for up to 20 years if there is a shortage of domestic products. At conclusion offtake-contract a potential manufacturer will be given counter obligations to purchase raw materials and components from DCP. **GRI 3-3**

IN ORDER TO SUPPORT SMALL BUSINESSES IN THE FUND'S PROCUREMENT SYSTEM, AN ELECTRONIC SHOP SKSTORE.KZ WAS CREATED IN 2023

GRI 3-3

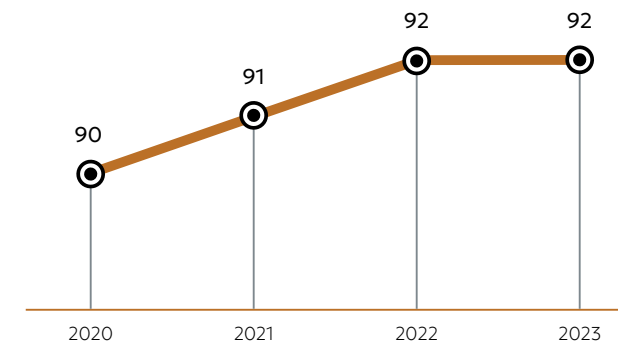
Approximately 6,000 suppliers are registered there, more than half of which are sole proprietorships. There is a possibility to buy in 1 day, i.e. there is no bureaucracy, and there is an automatic selection of suppliers, which reduces the risk of corruption. The amount of orders in 2023 was KZT 2.4 billion. This indicator is planned to reach KZT 100 billion by 2029, which means a 40-fold growth rate.

In 2023, the amount of goods (works, services) procured by the Fund totalled KZT 3,696 billion, and 92% of this amount is attributable to domestic suppliers. **GRI 203-2** The share of local content in procurement increased to 98% (79% in 2022). In 2024, the volume of procurement of goods from DCP is planned at KZT 0.75 trillion, by 2029 – KZT 2.1 trillion. **GRI 3-3**

Support for domestic producers is also provided for in our investment projects. For example, when implementing the "Comfortable School" project, the participation of domestic producers is enshrined in legislation.

We implement ESG criteria in our procurement activities. Particularly in reviewing applications from potential suppliers for projects under the New Productivity Programme. This process involves assessing projects against various criteria, including the use of renewable energy sources at all stages of a product's lifecycle and the use of technologies to reduce carbon footprints.

Table 8. Share of goods (works, services) purchased from domestic suppliers, %. **GRI 204-1**



³⁸ Vlast.kz

³⁹ Domestic suppliers are suppliers registered in the Republic of Kazakhstan. The indicator takes into account companies subject to the Fund's Procurement Rules.