

PROCUREMENT PRACTICES

GRI 2-6

KEGOC JSC has established an effective procurement system based on the principles of transparency, openness, equality, and the promotion of fair competition.

In 2024, the Company's procurement activities were carried out in accordance with the Procurement Procedure of Samruk-Kazyna JSC and organizations in which Samruk-Kazyna JSC directly or indirectly owns 50% or more of the voting shares (interests) through ownership or trust management, as approved by the Fund's Board of Directors.

The priorities of procurement activities include:

- ◆ purchasing goods from organizations involving persons with disabilities that are registered in the Samruk-Kazyna Group supplier registry (including individual entrepreneurs with disabilities) and that manufacture the procured products;
- ◆ purchasing goods from manufacturers of the procured goods who are registered in the Samruk-Kazyna group manufacturer registry;
- ◆ conducting procurement among pre-qualified potential suppliers.

The Company applies a preliminary qualification procedure for potential suppliers, which includes assessing compliance with the qualification requirements defined under the above Procedure. This assessment is conducted through questionnaires and audits.

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As part of the preliminary qualification procedure, potential suppliers are evaluated based on the following criteria:

- ◆ legal compliance;
- ◆ organization of contractual activities;
- ◆ availability of supplier resources;
- ◆ quality assurance of goods, works, and services;
- ◆ project and risk management; occupational health and safety;
- ◆ environmental protection.

KEGOC JSC also took measures to support manufacturers of procured goods as stipulated by the relevant procedure.

Potential suppliers are not eligible to participate in the Company's procurement procedures if:

- ◆ the potential supplier, its subcontractor (co-executor), or consortium member is listed in the register of unscrupulous participants of public procurement and/or in the register of dishonest suppliers, and/or in the list of unreliable potential suppliers (suppliers) of Samruk-Kazyna JSC, and/or in the list of debtors recognized bankrupt by a court decision in force;

- ◆ the potential supplier and/or its subcontractor (co-executor), and/or their executives or founders (shareholders) are listed among entities and individuals associated with the financing of terrorism and extremism, or with the financing of the proliferation of weapons of mass destruction, as defined by the Law of the Republic of Kazakhstan On Counteracting Legalization (Laundering) of Proceeds from crime and financing of terrorism;
- ◆ the potential supplier and/or its subcontractor (co-executor), and/or their founders (shareholders) are legal entities registered in countries or territories listed by the authorized state body as tax havens.

Accordingly, all procurement procedures include mandatory screening of potential suppliers for compliance with the above restrictions.

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KEGOC JSC ensures that potential suppliers have the right to submit appeals and complaints in the event of disagreement with the actions (or inaction) of the procurement organizer or decisions of the tender or expert commission.

All appeals are reviewed in accordance with established procedures, with a mandatory analysis of the claims presented. Based on the results, reasoned decisions are made to either uphold or reject the complaint, with subsequent notification of the applicants.

To facilitate interaction with suppliers, procurement procedures are conducted via the Samruk-Kazyna JSC Electronic Procurement Portal (www.zakup.sk.kz), which ensures broader supplier participation and fosters a competitive environment, thereby enhancing procurement efficiency.

The current Annual procurement plan and Long-term procurement plan of KEGOC JSC are published on both the Samruk-Kazyna JSC Procurement portal and on the KEGOC JSC official website (www.kegoc.kz) in the "Procurement" section.

Procurement by KEGOC JSC in 2024, million tenge

	KEGOC JSC	Energoinform JSC	Total
Goods (excluding electricity from neighboring countries, including the Russian Federation and the Kyrgyz Republic)	28,811	402.64	29,214
Works	18,733	22.88	18,756
Services	14,444	462.55	14,907
Electricity	67,355	38.50	67,394
Total	129,343	926.57	130,270

To promote sustainable development principles and ESG among its contractors, KEGOC JSC has developed and implemented a Supplier Code of Conduct based on the UN Global Compact principles and the Sustainable Development Goals (SDGs).

The Code is an integral part of all supplier contracts and reflects the Company’s commitment to building a responsible and ethical supply chain. All KEGOC JSC suppliers are required to comply with the Code provisions, including the following principles:

- ◆ prohibition of corruption and related offenses in their activities;
- ◆ prohibition for their employees, representatives, and subcontractors under contracts with the
- ◆ Company from engaging in commercial bribery and other corrupt practices;
- ◆ elimination of all forms of illegal forced labor;
- ◆ prohibition of child labor;
- ◆ exclusion of any form of discrimination, including in employment and labor relations;
- ◆ compliance with labor regulations regarding working hours and rest periods;
- ◆ compliance with regulations on minimum wage;
- ◆ adherence to labor legislation.

The Code also includes norms for suppliers' compliance with the following principles:

- ◆ fair employment practices;
- ◆ ethical standards;
- ◆ anti-corruption requirements;
- ◆ occupational health and safety;
- ◆ environmental protection;
- ◆ confidentiality and data security.

KEGOC JSC implements procurement category strategies (PCS) of Samruk-Kazyna JSC aimed at optimizing procurement approaches for goods, works, and services, focusing on maximizing benefits over the long or short term. These strategies are based on analyses of past expenditures, future needs, supply markets, and business requirements.

In 2024, Samruk-Kazyna JSC implemented PCS for the categories “IT Equipment” and “Special Clothing.”

Supplier Indicators for Goods in 2024

Suppliers — Registry (PDPO)	
including	
In PCS framework	1
Not in PCS framework	0
Total Contract Amount	195,943,200

Suppliers — Non-registry (PDPO)	
including	
In PCS framework	1
Not in PCS framework	0
Total contract amount	37,865,256

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In 2024, the share of domestic value in KEGOC JSC’s procurement of goods, works, and services was 76%, including:

- ◆ 64% in goods procurement (excluding electricity supplies from neighboring countries);
- ◆ 81% in works and services procurement.

For the subsidiary Energoinform JSC, the domestic value shares were:

- ◆ 26.95% in goods procurement;
- ◆ 98.97% in works and services procurement.

76%

the share of domestic value in procurement of goods, works, and services in 2024