

## Procurement activities

The Company carries out procurement activities in accordance with the Rules for procurement of goods, works and services of Samruk-Kazyna Sovereign Welfare Fund (hereinafter – the Holding) and organizations, fifty or more percent of voting shares (participatory interests) of which are directly or indirectly owned by Samruk-Kazyna JSC on the right of ownership or trust management. The Rules determine the procedure for procurement by customers of goods, works and services at the cost of their own funds.

### Procurement of goods, works and services is based on the following principles:

- ▶ publicity and transparency of the procurement process;
- ▶ optimal and efficient application of funds for procurement;
- ▶ acquisition of goods, works and services of good quality;
- ▶ provision all potential suppliers with equal opportunities to participate in the procurement process providing support to organizations of disabled persons (individuals with disabilities who carry out entrepreneurial activities) included in the Register of organizations of disabled persons (individuals with disabilities who carry out entrepreneurial activities) of the Holding;
- ▶ fair competition among potential suppliers;
- ▶ assistance in procurement between organizations included in the Holding with the aim to develop cooperation within the Holding;
- ▶ control and responsibility for decisions made;
- ▶ minimization of intermediaries' participation in the procurement process;
- ▶ effective implementation of strategic investment projects.

The procurement process includes the development and approval of the procurement plan(s), selection of suppliers, conclusion and execution of the procurement contract.

### Procurement volume in 2017, million tenge excluding VAT

Indicator	Amount	% of execution	
<b>Amount of the procurement plan for 2017,</b>	<b>82,052.92</b>	<b>100</b>	
including:			
<i>goods</i>	8,123.94	9.9	
<i>works</i>	30,437.67	37.1	
<i>services</i>	43,491.31	53.0	
<b>Amount of procurement, for which suppliers have been determined,</b>	<b>82,052.92</b>	<b>100</b>	<b>Local content share</b>
including:			
<i>goods</i>	8,123.94	100.0	69.0%
<i>works</i>	30,437.67	100.0	76.9%
<i>services</i>	43,491.31	100.0	87.1%
<b>Saving under contracts,</b>	<b>4,327.21</b>	<b>5</b>	
including:			
<i>goods</i>	488.94	6.0	
<i>works</i>	469.41	1.5	
<i>services</i>	3,368.86	7.7	

In 2017, the Company's revenue grew by 27 % against the level of 2016 or 13 % to the planned figure.

