

Sustainable supply chain

Kaspersky’s procurement activities are based on the principles of transparency and honesty. All companies that plan to become Kaspersky contractors are provided with equal conditions to take part in competitive procedures.

The Company’s procurement procedures are regulated by the following internal documents:

- Procurement Guideline
- Contracts Approval Policy

All procurements are organized into distinct categories. Purchases are grouped based on similarities in technical and functional capabilities, as well as their relevance to various businesses, such as marketing, professional services, IT and production costs.

To manage procurements effectively, the Company has identified key thresholds based on the cumulative procurement amount per year for each category.

- Procurements up to US\$25,000 have a simplified procedure: two competitive proposals are sufficient.
- Procurements ranging from US\$25,000 to US\$100,000 require a minimum of three proposals or two from trusted suppliers that were selected in the tender procedure and have successful experience working with our Company.
- Procurements valued at more than US\$100,000 require a tender procedure, which involves several of the Company’s units: procurement, the tender committee and cross-functional participants.

Tender-based procurements are subject to specific thresholds based on budgets. For instance, procurements exceeding US\$1 million require the attendance of Kaspersky’s business director during the tendering process.

Our security service verifies partners before they are invited to participate in a tender. We do not work with companies that do not have experience or a good reputation: 99 percent of our contractors have been working in the market for at least three years.

We plan to supplement the set of mandatory requirements for suppliers with a clause stating that the company must have an anti-corruption policy. During the reporting period, we already began including an anti-corruption clause in contracts with our contractors.

To ensure the confidentiality required by the specifics of the business and the competitive environment, and to avoid collusion among potential suppliers, we do not publish the numerical and qualitative results of tenders or the names of the parties involved.

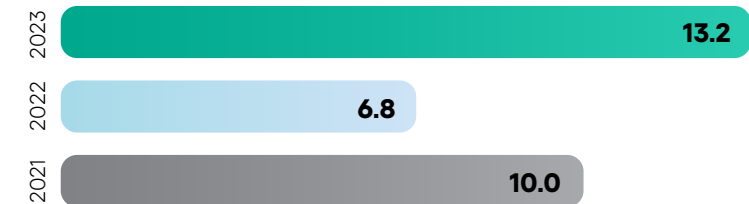
In 2023, the number of suppliers remained at the same level as during the previous two years. The savings achieved through tender procedures and cost reductions in procurements more than doubled in 2023 compared with 2022 and amounted to US\$13.2 million.

The Company worked with **5,080** suppliers in 2023

Number of Kaspersky suppliers at end of reporting period, thousand



Amount saved by the Company as a result of tenders and cost reductions during the procurement of goods and services, US\$ million¹



¹ Excluding costs for third parties.