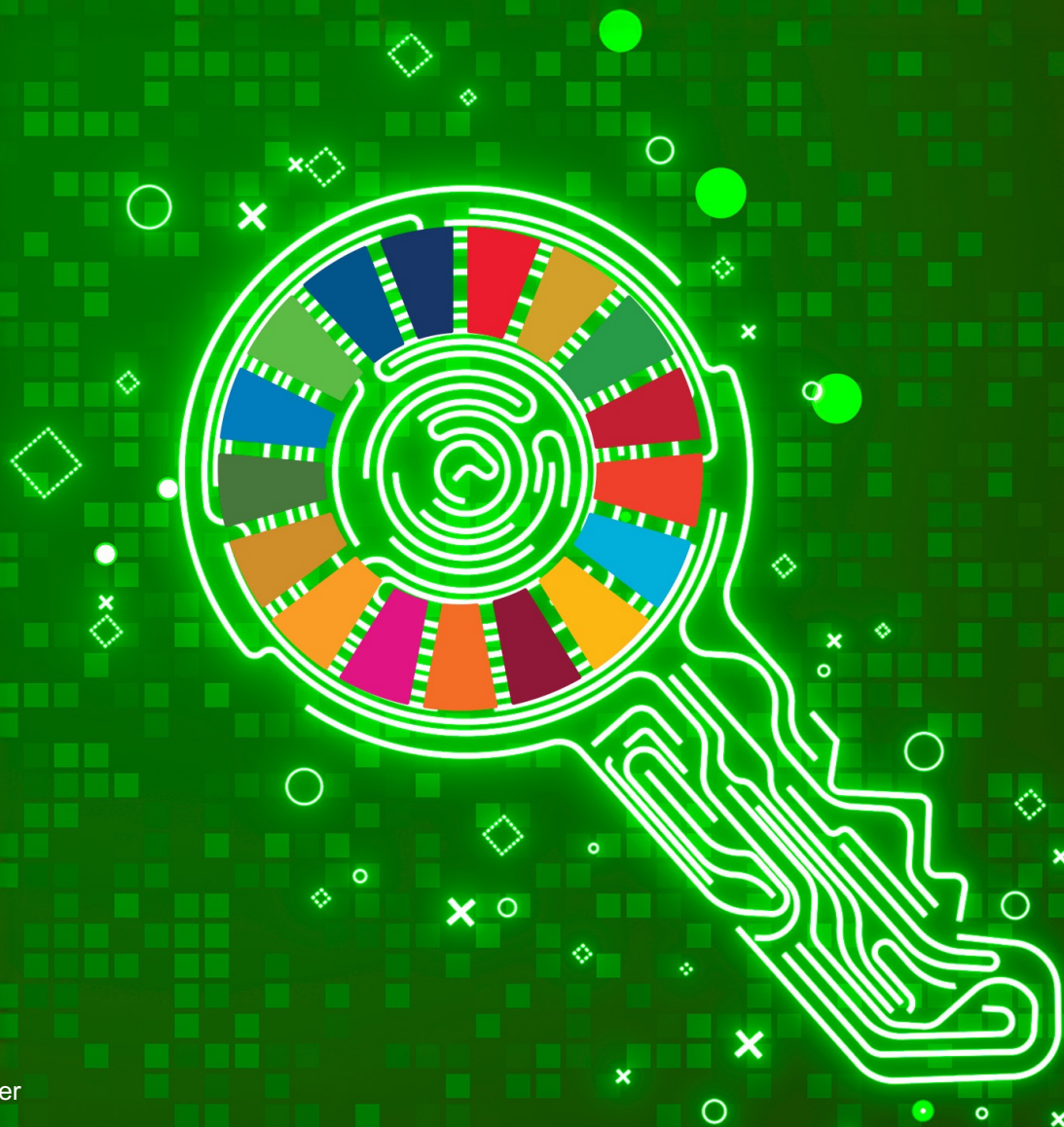


PRIORITIZING SDGS AS A KEY TO REAL PROGRESS



№4

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Effectiveness of achieving the SDGs largely depends on the number and relevance of sustainable development goals that a company adopts as a strategic guideline and integrates into its operations. Limited resources, differences in industry specifics, scale of operations and nature of impacts make it impossible for a company to participate equally effectively in achieving all goals. Whereas prioritizing SDGs allows businesses to focus resources on areas where they can achieve the greatest positive impact, while simultaneously reducing their own strategic risks and creating new opportunities for development.

In this issue, we examine approaches to identifying priority SDGs for business and introduce case studies from Kazakhstan's companies demonstrating how SDGs can be linked to industry specifics, significant impacts and strategic objectives.

Methods and approaches to prioritizing the UN Sustainable Development Goals

Modern approaches to determining priority SDGs are based on principles that focus a company's efforts on the most significant areas allowing to reduce negative effects and create impact on society, economy and the environment, take into account the stakeholder expectations as well as strategic risks and opportunities for the business.

At the same time, selection of goals should not turn into "SDG washing" - choosing the most "convenient", easily achievable or least costly goals, while significant negative impacts remain outside the perimeter of business responsibility.



Sectoral analysis - the first step in choosing SDGs

Each sector of the economy has a significant impact on a limited number of SDGs. For example, for energy companies, the most significant are SDG 7 "Affordable and clean energy" and SDG 13 "Climate action", for enterprises in the agribusiness sector - SDG 2 "Zero hunger", SDG 6 "Clean water and sanitation" and SDG 15 "Life on land", and for the financial sector - SDG 8 "Decent work and economic growth", SDG 9 "Industry, innovation and infrastructure" and SDG 10 "Reduced inequalities". Thus, based on their industry affiliation, businesses can quickly identify the most likely areas of impact for their business and, accordingly, the relevant SDGs.

To assist businesses, the international organizations have developed guides and reference books at various times. Thus, *WBCSD* (1) released a series of industry documents *SDG Sector Roadmap* (2) including for the chemical and oil and gas industries, agriculture and other sectors. Each document contains a list of relevant sectoral SDGs, the rationale for including each SDG in the list, examples of impacts and best practices. For companies operating in the service, transport and automotive industries, a table indicating relevant SDGs in the *World Benchmarking Alliance Industry to SDG Mapping* (3) will be useful.

The most convenient modern practical tool is the *SDG Action Manager* (4) platform. It allows to receive recommendations on the most relevant SDGs in interactive mode after completing a basic company profile.

However, it should be noted that the sectoral approach should be considered only as a preliminary stage. While it does allow to identify potentially significant areas, it does not reflect the specifics of a particular company or take into account the scale of its actual impact.

Impact-based prioritization approach

A more balanced approach to identifying relevant SDGs is the approach based on analysis of a company's impact. Two international standards *UNDP SDG Impact Standards* (5) and *ISO/UNDP PAS 53002:2024 Guidelines for contributing to the United Nations Sustainable Development Goals (SDGs)* (6) explicitly indicate that prioritization begins not with selecting the most attractive or socially significant SDGs, but with identifying the actual and potential impacts on stakeholders and then comparing them with the relevant sustainable development objectives and goals.

SDG Action Manager platform allows a company to conduct an impact analysis taking into account the geographical context, business model characteristics and stakeholder interactions.

Thus, when choosing SDGs, companies should seek an answer to the question: "what results of our operations are most significant for society and the environment?". As a result, priority is given to those areas where the organization is truly capable of enhancing the positive impact or minimizing the negative.

(1) World Business Council for Sustainable Development, a global non-profit organization uniting more than 250 leading companies from around the world, helping businesses implement environmental and social standards to ensure carbon neutrality and sustainable development.

(2) <https://www.wbcsd.org/actions/sdg-sector-roadmaps/>.

(3) <https://assets.ctfassets.net/l575jm7617lt/a9gp1qeOo4xSIVVsuo0Xvg/e6cae6b05a66e222f00ca35361fd986d/sdg-am-technical-guide-en-us.pdf>.

(4) <https://unglobalcompact.org/take-action/sdg-action-manager>.

(5) https://sdgprivatefinance.undp.org/sites/default/files/resource-documents/SDG-Impact-Standards-for-Bonds-Version-1_0-FINAL_EN.pdf.

(6) <https://www.iso.org/standard/87945.html>.

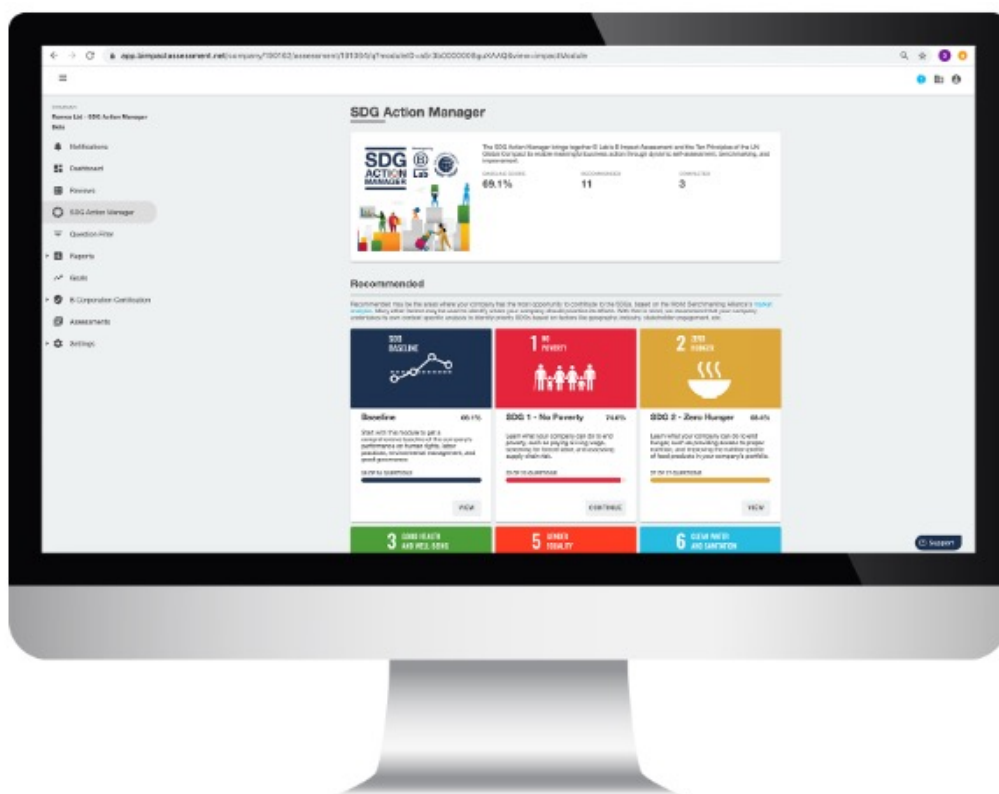
An important feature of this approach is that it gives equal attention to both positive and negative impacts. International standards emphasize that business's contribution to achieving the SDGs is impossible without systemic management of the negative consequences of its operations. Therefore, prioritization should take into account not only existing sustainability projects, but also areas where the organization creates the greatest environmental, social or economic risks.

Role of stakeholders

Modern standards view sustainable development as the result of a company's interaction with a wide range of stakeholders. The SDG prioritization process should include a step of identifying the

most relevant stakeholder groups, identifying their expectations, assessing the nature of occurring impacts, and analyzing which SDGs are most closely related to the identified issues. This approach helps to avoid a situation where a company determines priorities solely based on its own strategic interests.

Thus, the focus today is on the ability of an organization to create positive changes and minimize the negative consequences of its operations for society, nature and the economy. This approach ensures not just formal compliance with individual SDGs, but rather the real contribution of business to achieving the Sustainable Development Goals.



Case study: Bank CenterCredit JSC

About the company

Bank CenterCredit (BCC) is one of the largest universal banks in Kazakhstan, founded in 1988. The bank services private and corporate clients, as well as small and medium businesses, providing a wide range of banking, investment, insurance and digital financial services. At the end of 2025, Bank CenterCredit's assets exceeded 8.5 trln tenge, and its staff numbered 8,000 employees. The bank has one of the largest regional networks in Kazakhstan, including more than 100 branches and over 500 ATMs. The bank's ecosystem includes the digital bank BCC.KZ, its mortgage subsidiary BCC Invest, insurance and investment services, as well as products for retail, corporate and investment banking.

The Bank's approaches to selecting priority SDGs

Bank CenterCredit has began systemic work with the UN Sustainable Development Goals in 2023 after joining the UN Global Compact. Integration of the SDGs has become a part of development of the Bank's sustainable development management system and introduction of ESG approaches into strategic and operational management.

The Bank's methodology for determining priority SDGs is based on the principle of identifying those Sustainable Development Goals to which the organization is able to make the most significant and measurable contribution. For this, the Bank uses an approach combining analysis of strategy, industry specifics and stakeholder expectations.

The process of determining priority SDGs

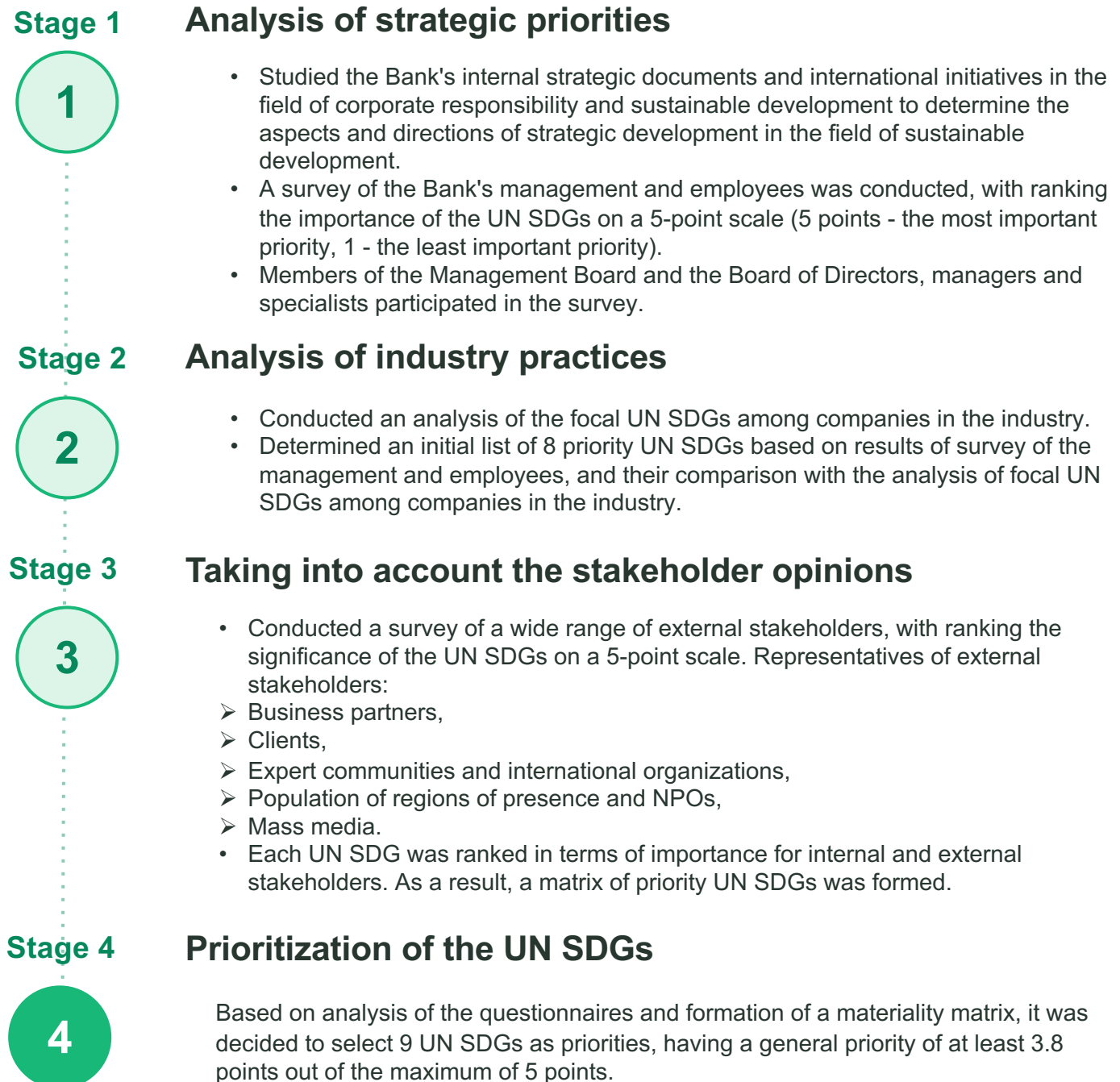
Determination of priority SDGs at the Bank is a sequential process that includes formation of a list

of potentially relevant goals, assessment of their significance with involvement of stakeholders, and subsequent approval of priority goals.

The process (Fig. 1) begins with formation of an extended list of potentially relevant SDGs (long list). Its preparation takes into account the Bank's strategic priorities in the field of sustainable development, international practices, and approaches applied in the financial sector. The process is coordinated by the Sustainable Development Center.



Figure 1. The process of determining Bank CenterCredit's priority SDGs



The next step is assessing the significance of each Sustainable Development Goal. In contrast to approaches based solely on expert assessment, the Bank actively engages stakeholders in the priority-selecting process. The assessment involves representatives of the Bank's management, employees, clients, business partners, representatives of the expert community and public organizations. The participants are asked to rate significance of each SDG for the Bank's operations and its potential contribution to sustainable development on a five-point scale.

The obtained results are analyzed and used to build a SDG priority matrix (Fig. 2). On its basis, a list of focal (priority) Sustainable Development Goals is determined, reflecting both the Bank's strategic priorities and the stakeholder expectations. The final list of priority SDGs is set out in the Bank's Sustainable Development Policy that is approved by the Board of Directors. Information on the priority SDGs and the Bank's contribution to their achievement is disclosed annually in the Sustainability Report.

Figure 2. The SDG priority matrix of Bank CenterCredit



SDG priority in points

No.	SDG Name	Int.	Ext.	Total
1	4 Quality education	4.05	4.35	4.20
2	8 Decent work and economic growth	3.73	4.35	4.04
3	3 Good health and well-being	4.23	3.80	4.01
4	13 Climate action	3.71	4.25	3.98
5	5 Gender equality	3.79	4.15	3.97
6	9 Innovation and infrastructure	3.65	4.20	3.93
7	17 Partnership for the goals	3.51	4.30	3.90
8	6 Clean water and sanitation	3.84	3.90	3.87
9	7 Affordable and clean energy	3.93	3.70	3.82

No.	SDG Name	Int.	Ext.	Total
10	10 Reduced inequalities	3.63	3.75	3.69
11	11 Sustainable cities and communities	3.65	3.60	3.63
12	2 Zero hunger	3.97	3.25	3.61
13	12 Responsible consumption and production	3.76	3.45	3.61
14	16 Peace, justice and strong institutions	3.51	3.65	3.58
15	15 Life on land	3.57	3.50	3.54
16	14 Life below water	3.41	3.40	3.41
17	1 No poverty	3.61	3.35	3.48

A distinctive feature of the Bank's approach is regular updating of the assessment. An annual follow-up survey of internal and external stakeholders is conducted to assess whether the selected SDGs remain relevant and to identify changes in stakeholder expectations and the external environment. After analyzing its results, taking into account the changes in the Bank's Strategy, business model and external conditions, a decision is made on the need to revise the list of focal SDGs.

SDG integration and performance assessment

Once the priority SDGs have been identified, they are integrated into the Bank's sustainable development management system. The focal Goals are set out in the Sustainability Policy and are taken into account when developing the ESG strategy, planning the initiatives and preparing the non-financial reporting.

For example, SDG 13 was identified as a priority based on stakeholder expectations, climate-related risks, and the impacts associated with both the Bank's own operations and the projects it finances. This prompted the Bank to develop and approve its Climate Strategy.

The Bank annually monitors its contribution to achievement of selected SDGs and discloses information on the achieved results in public reporting.

From prioritization to practical implementation

After approval, the priority SDGs are integrated into the Bank's sustainable development management system. They are taken into account when developing the ESG and climate strategies, planning the initiatives, setting the performance indicators and preparing the non-financial reporting.

Strategic goals related to SDGs are decomposed to KPIs and set out in the goal maps of the responsible units. Their implementation is monitored through management dashboards and internal reporting. The results are also considered by the Sustainable Development Committee under the Board of Directors.

Information on the Bank's contribution to achieving the focal SDGs is published annually as part of the Sustainability Report. Thus, the selected Goals are translated from the general list of international benchmarks into specific activity areas, indicators and results.

What can we learn from the Bank CenterCredit case

The Bank CenterCredit case demonstrates a stakeholder-driven approach to deep SDG prioritization with broad stakeholder engagement.

The Bank's experience shows that an effective prioritization process must consider not only the organization's strategy but also its actual impacts, take into account the views of stakeholders, and include an annual review of relevance of the selected priorities.

Bank CenterCredit's recommendations

The Bank notes that its participation in the UN Global Compact's international SDG Ambition program in 2023-2025 played an important role in improving its approach to work with the SDGs. The obtained experience has confirmed that the most effective integration of SDGs is achieved when they are viewed not as an independent area of corporate social responsibility, but as a tool for managerial decision-making, strategic planning and long-term business development.

Case study: Samruk-Energy JSC

About the company

Samruk-Energy JSC is the largest multi-profile electric power holding in Kazakhstan, established in 2007 and being a part of the Samruk-Kazyna JSC structure. The Group comprises more than 25 subsidiaries with a total of approximately 20,000 employees. Samruk-Energy JSC accounts for 30% of the country's installed electric capacity and over 39% of its thermal coal production. The main activity areas are production of electric and thermal energy, transmission, distribution and sale of electric power, coal mining, as well as implementation of state policy in the field of electric power through modernization, reconstruction and construction of generating capacities. The Group includes the largest energy companies in Kazakhstan, including facilities of national importance - Ekibastuz GRES-1 and GRES-2, Almaty Electric Power Plants (AEPP), Alatau Zharyk Company (AZC), as well as hydro, wind and solar energy assets. At the end of 2025, 40.4 bln kWh of electricity has been generated, and the installed capacity of plants amounted to 7,885 MW.

Samruk-Energy's approaches to selecting priority SDGs

Samruk-Energy JSC has been gradually integrating sustainable development principles into its corporate governance system for many years. The Company has been publicly disclosing non-financial information since 2009, and the UN Sustainable Development Goals were first reflected in public reporting in 2019. Subsequently, the approach to determining the relevant Goals evolved from their formal comparison with the Company's operations to assessment of actual contribution to achieving the UN SDGs.

Selection of priority Sustainable Development Goals at Samruk-Energy JSC is considered as

continuous process integrated into the sustainable development management system. The relevance of SDGs is assessed taking into account the changes in development strategy, industry trends, climate regulation, technological transformation and stakeholder expectations. Prioritization is based on a comprehensive analysis of the Company's business model and impacts on the economy, society and environment.

The Corporate Governance and Sustainability Department coordinates the process of prioritization and management of achieving the SDGs. Relevant units in the areas of strategy, production operations, occupational safety, ecology, personnel management, risk management and internal control participate in determining the priority SDGs.

The process of determining the priority SDGs is carried out at two levels (Fig. 3). The first level is implemented as part of development of a five-year Plan of sustainability initiatives. At this stage, the Company analyzes development strategy, results of annual assessment of material topics, specifics of the electric power industry, national priorities of the Republic of Kazakhstan in the area of sustainable development and energy transition, as well as the Company's international commitments within the UN Global Compact and other ESG initiatives. The identified material topics are then compared with the UN SDGs and SDG objectives, and an extended list of potentially relevant SDGs (long list) is formed.

Prioritization is carried out through the stakeholders assessing the importance of key topics related to energy supply security, climate change, occupational safety, human capital development, gender equality, environmental aspects and innovation.

Figure 3. Samruk-Energy's two-tier SDG prioritization model



After the analysis, a list of priority SDGs is formed based on three key criteria: the Company's impact scale, a topic's significance for stakeholders, and the ability to measure results.

The second level represents an annual update of priorities as part of the materiality analysis and preparation of integrated reporting. Based on results of interaction with stakeholders, a materiality matrix is formed, reflecting the most significant sustainability topics for the Company and its stakeholders. This Matrix serves as the basis for checking the relevance of previously determined priority SDGs and, if necessary, adjusting them. In 2025, SDGs 1, 4, 5, 6, 7, 8, 9, 12, 13, 15 and 17 were approved as priorities.

Once SDG priorities are identified, they are integrated into strategic documents, such as the Development Strategy of Samruk-Energy JSC and the Plan of Sustainability Initiatives approved by the Board of Directors. In particular, the Development Strategy of Samruk-Energy JSC for 2024-2031 includes areas related to decarbonization, energy infrastructure development, environmental responsibility, innovation and human capital development. In addition, priority SDGs are used in developing the corporate programs in various areas, assessing the performance and preparing the integrated reporting.

Confirming correctness of choice of priority SDGs

Correctness of choice of priority SDGs is confirmed by their stable link with the development strategy, results of analysis of material topics and the stakeholder expectations. Further confirmation is provided by the ability to demonstrate specific projects and measurable results in each of the selected areas, as well as the stability of the list of priority SDGs over several assessment cycles. For

an energy company, an important criterion is that the selected SDGs reflect key industry challenges, including ensuring energy security, decarbonization, infrastructure development, rational use of natural resources and ensuring a just energy transition.

What can we learn from the Samruk-Energy case

The Company's approach to selecting relevant SDGs and prioritizing them based on impact assessment, material topics and strategy, as well as subsequent validation and clarification of priorities with stakeholders is an example of a comprehensive approach in which the Company, as early as at the goal-setting stage, plans its contribution to achieving the Sustainable Development Goals by minimizing the negative impact of its activities and creating a positive impact on the environment, society and the economy.

The Company's recommendations

Summarizing its own experience, Samruk-Energy JSC notes that the most effective model is one in which the selection of SDGs is based not on reputational considerations or desire to demonstrate contribution to all 17 goals, but on analysis of the actual impact of the business. The Company believes that the Sustainable Development Goals acquire practical value only when they become part of the management and investment decision-making system, influencing development strategy, performance indicators and corporate processes.



For reference:

Kazakhstan Stock Exchange JSC (KASE) is the leading stock exchange in the Central Asian region. KASE ranks second among CIS exchanges by securities trading volume and fifth by equity market capitalisation among FEAS exchanges, based on 2024 results.

It is a universal trading venue for corporate and government securities, bonds of international financial institutions, foreign currencies, money-market transactions — repo and swaps — and derivative instruments. KASE is a member of the World Federation of Exchanges (WFE), the Federation of Euro-Asian Stock Exchanges (FEAS) and other international and domestic professional associations, and is also a participant in the UN Sustainable Stock Exchanges initiative.

Sustainability Solutions has been operating in the management consulting market for more than 14 years. Since 2023, the company has been implementing projects to introduce sustainability and ESG tools and practices in Central Asia. Members of the Sustainability Solutions team hold international certifications in corporate governance, ESG risk analysis, climate responsibility and non-financial disclosure standards (GRI, SASB, TCFD, IFRS S1 and S2). The team's sector expertise covers the financial and banking sector, industry, agriculture, construction and other areas.

Partner of the Kazakhstan chapter of the World Business Council for Sustainable Development (BCSD Kazakhstan) and of the Sustainable Development Academy under the Union of Banks of Kyrgyzstan.

More information: <https://ssolutions.group/>