



Қазақстан қор биржасы  
Казахстанская фондовая биржа  
Kazakhstan Stock Exchange

# Women Entrepreneurship: Global Trends

August 30, 2017

Astana, Kazakhstan



# Kazakhstan Business Climate

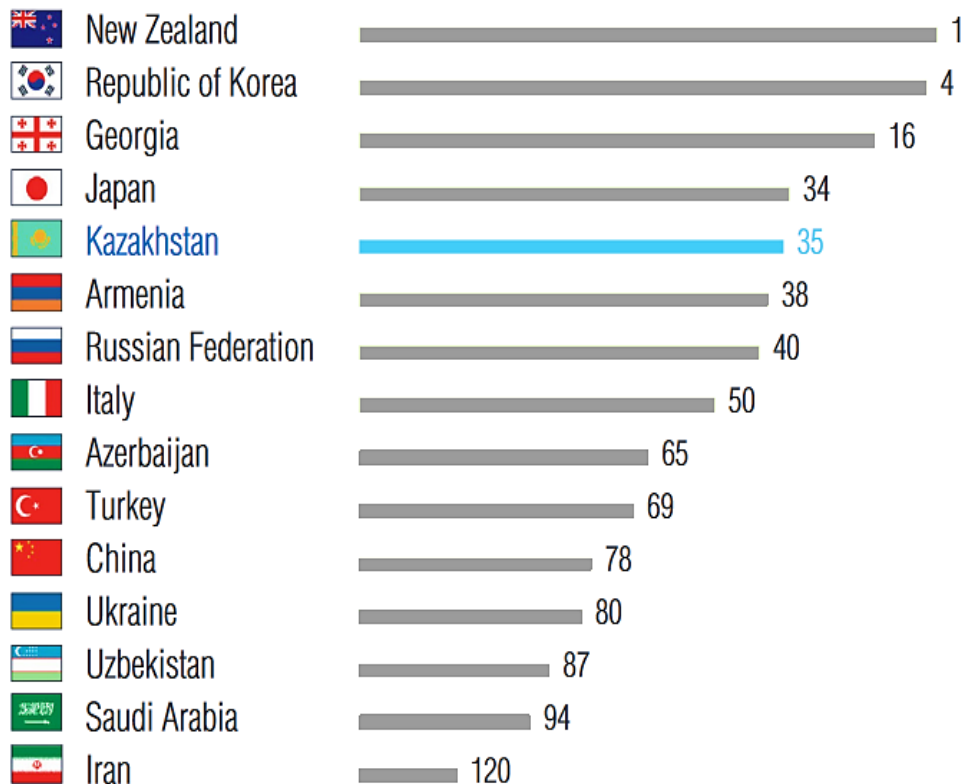




# Business Climate

## DOING BUSINESS 2017 RANKING

Kazakhstan pays special attention to **creating favorable business climate for investors and improving business environment**





Global Competitiveness Index 2016-2017  
• Kazakhstan ranks 53<sup>rd</sup> out of 144 economies



Economic Freedom Index  
• Kazakhstan ranks 42<sup>nd</sup> out of 180 economies



Gender Inequality Index 2016  
• Kazakhstan ranks 51st out of 144 economies

# Women's Economic Profile



- 17.670.000 people (**female - 51.7%**)
- Urban population – 57% (**female - 53.0%**)
- Rural population – 43% (**female - 23.4%**)
- Economically active population – 9.074 m (**female - 48.8%**)



- Employment – 8.624 m (**female – 48.4%**)
- Unemployment rate – 5% (**female – 5.7%**)
- Hired workers – 6.295 m (**female – 49.2%**)
- Self-employed – 2.329 m (**female – 46.0%**)



- SME - 1 530 258
- Proportion in business: **female - 50% (755 th.)**
- **44.2%** of women leading the business

# Women's Economic Profile

## Education

- enrollment rate in **secondary education**: female - **99%**, male – **98%**
  - **literacy rate**: female – **99.8%**
  - enrollment rate in **higher education**: female – **55.2%**
- 

## Business

- proportion in **business**: female - **50%**
  - proportion in **agricultural industry**: female – **20.3 %**
  - proportion of **landowners**: female - **30%** (1.1 m)
- 

## Public Administration

- proportion in **the lower house of the Parliament**: female - **27%**
  - proportion in **local executive bodies out of elected deputies**: female - **22.2%**
  - **40 women hold political positions**
- 

## Corporate Sector

- **private enterprises with female ownership** - **27.6%**
- **top managers of companies**: female - **37%**







Women Support Programmes

# Legal Support of Women at the State Level



## Constitution of Kazakhstan

- guarantees the right of every citizen to remuneration for work without any discrimination



## Labor Code of Kazakhstan

- everyone has **equal opportunities** in realizing their rights and freedoms at work (Art. 6 Prohibition of Discrimination at Work)
- an employee has right for **equal pay for equal work** without any discrimination (Art. 22, Basic Rights and Obligations of the Employee)



## Membership in International Labor Organisation (since 1993)

- **equal remuneration** for men and women for work of equal value nationwide (Convention No. 100)
- **equal Treatment and Equal Opportunities for Men and Women Workers** - workers with family responsibilities (Convention No. 156)



# Social Support of Women **at the State Level** K▲SE



## **Specifics of regulation on female labor, pregnant women labor and labor of women having child are fixed in the labor law:**

- provision of paid maternity leave of 70 calendar days before childbirth and 56 calendar days after childbirth

## **In order to stimulate birth rate growth and to support women:**

- **up to 1 year:**
  - childcare benefits, which are equal to 40% of the last labor remuneration of the woman
  - subsidizing mandatory pension contributions to working women during their stay in childcare leave
- **up to 1.5 years** – special hours for women with children under the age of one and a half years - additional paid breaks for feeding the child (children)
- **up to 3 years** - additional childcare leave before reaching the age of three years with retention of the position

# Women Support Programmes

## Adopted new Concept for Family and Gender Policy of the Republic of Kazakhstan 2030

Dynamic sector of women's entrepreneurship, reduction of women's unemployment, improvement of disproportion in remuneration for men and women

Raising the level of gender equality, responsibility, efficiency of family members' fulfillment their household, economic, moral, educational, protective and other important functions

Work is in progress to join the second Recommendation of the OECD's Council on the Gender Equality in Public Life

**Implementation of the Gender Equality Strategy of the Republic of Kazakhstan for 2006 - 2016**

**Adherence to Recommendations of the OECD Council on the Gender Equality in Education, Employment and Entrepreneurship**



# Financial Support

## “Women in Business” by the European Bank for Reconstruction and Development (EBRD)



The programme, the first of its kind in Central Asia, assists women-led SMEs with accessing finance and business advice:

- offers credit lines, risk management support and technical assistance to local partner banks who work with women-led SMEs and business advisory services, training and mentoring to women-led SMEs directly
- the Government has allocated US\$ 8.2 m for the programme
- approximately 2 000 women-led Kazakh SMEs are expected to benefit under the programme

## "Business Roadmap 2020" Integrated Business Support and Development Programme



The Government's programme is an effective tool for the integrated support of entrepreneurship in Kazakhstan and is designed to address main challenges that entrepreneurs face today, including female entrepreneurs, such as insufficient funding and lack of knowledge and information

*2 699 contracts for subsidising women entrepreneurs in the amount of US\$804.2 m have been concluded*

*932 guarantee agreements with women with total cost of loans of US\$60.4 m*

*preferential loans were received for total value of US\$30.3 m*

# Financial Support

## Development Programme of Productive Employment and Large-Scale Entrepreneurship for 2017-2021

- mass free education of women in professions demanded in the labor market
- creates favorable conditions for opening and running a business for women
- secures employment in permanent and temporary jobs
- from 1 month to 6 months of professional training in mastering professional skills in free short-term courses in hairdressing, culinary and sewing skills, digital literacy and English classes
- significant part of the training conducted in practice with involvement of enterprises (from 30% to 60% of study time)
- the training period will be determined depending of complexity of the qualification
- all participants of short-term program will be provided with a scholarship, travel expenses and reimbursement of housing expenses
- in 2017 it is planned to train 26.000 people

## "Atameken" National Chamber of Entrepreneurs of the Republic Kazakhstan and "Damu" Entrepreneurship Development Fund

- informing population about the instruments of state support for entrepreneurial activity
- consulting services for opening and running of entrepreneurial activities
- clarification of working conditions with financial instruments



A photograph showing several people in business attire sitting at a table, focused on writing on documents held on clipboards. The scene is brightly lit, and the background is slightly blurred, showing a whiteboard with green sticky notes. The overall atmosphere is professional and collaborative.

# KASE Overview

# KASE Highlights

**5**  
currency pairs



**149**  
issuers



**120+**  
equities in official list



**260+**  
bonds in official list



**Top 5**  
by equity market capitalisation among FEAS  
members (2015)



**2<sup>nd</sup>**  
among CIS exchanges by trading volume



**57**  
members of stock,  
derivatives and  
currency markets



**>100 000**  
retail investors



**20+**  
years on the  
Kazakhstan's capital  
market



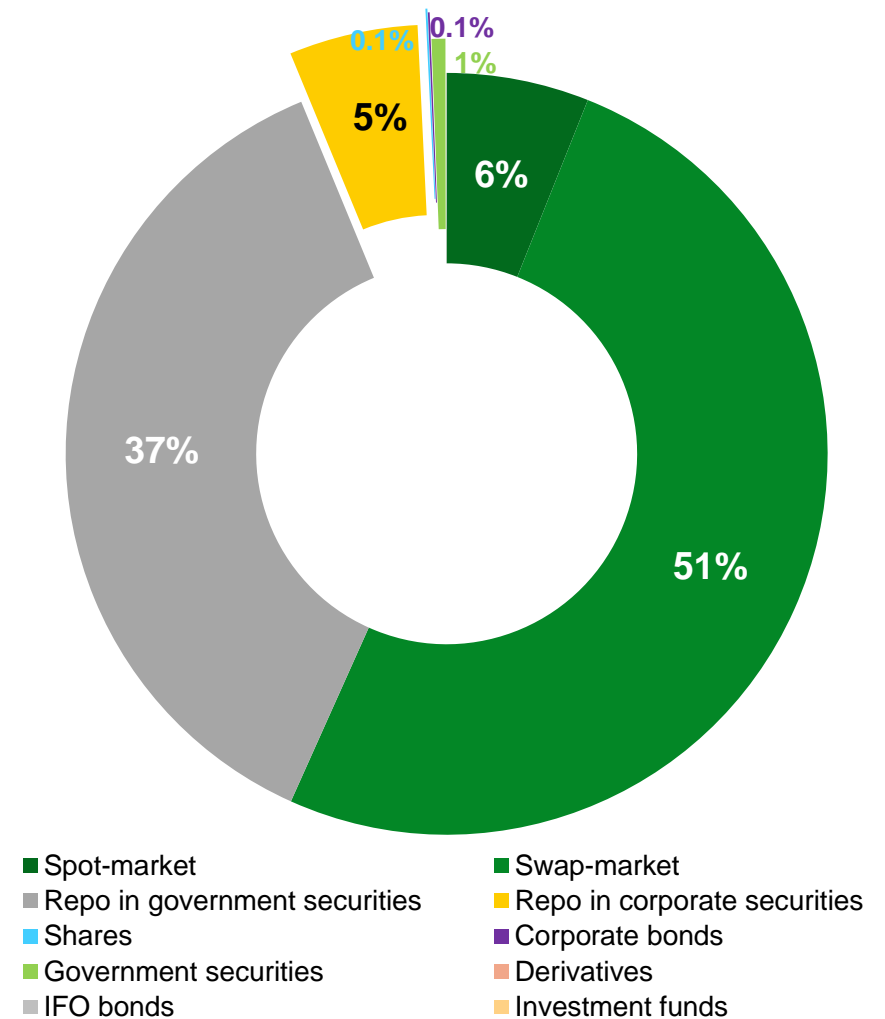
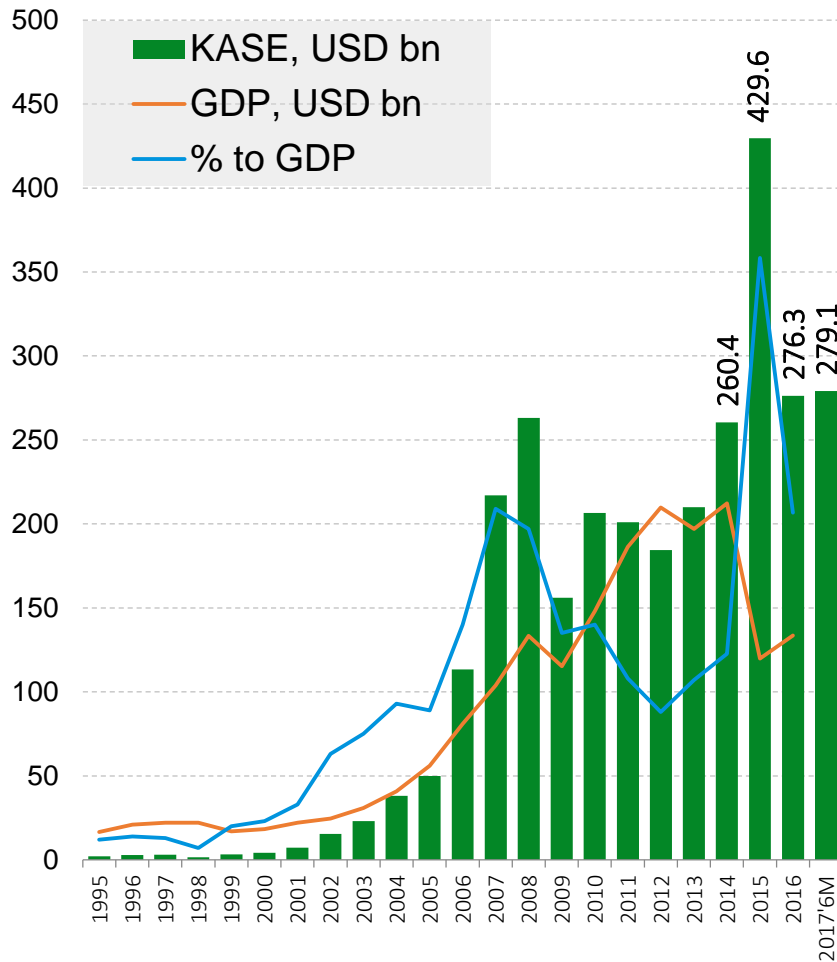
**Frontier**  
**MSCI** **FTSE**





# KASE Key Performance Indicators

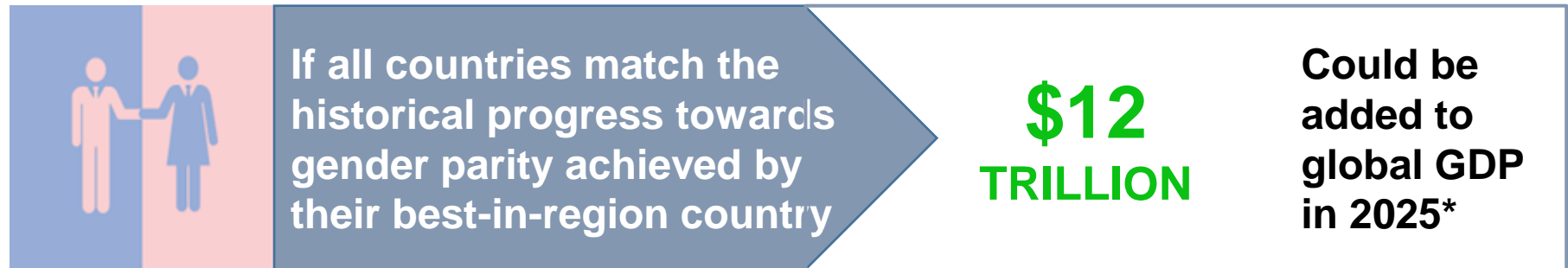
**KASE Market Volume and Kazakhstan's GDP**





# Global Initiatives for Gender Equality

# Gender equality facilitates GDP growth



Globally, the biggest opportunities to close gender gaps are in ***leadership positions, unpaid care work and political representation.***

Financial inclusion also represents substantial global opportunity (and, by implication, the closely related aspect of digital inclusion), particularly in Latin America and South Asia.

Narrowing gender gaps in maternal health and education will be critical for sub-Saharan Africa and South Asia.

\* Source: McKinsey Global Institute. Delivering The Power Of Parity: Toward A More Gender – Equal Society. 2016



# Global Initiatives - UN PRI



The PRI coordinated a collaborative engagement to encourage the representation of women on the board of directors and in senior management, and to promote greater disclosure by companies on the topic of gender.

It has also supported the 30% Club, which organises a global investor group coordinating the investment community's approach to women on boards\*, and has been organising investor letters to companies in the S&P 500 and Russell 1000 with no women on their boards.



In terms of stock selection, gender-lens investing is an emerging investment strategy to yield positive social and financial outcomes by evaluating investments based on their support for women's leadership, access to capital, products and services that benefit women, workplace equity or gender positive policies.

Source:

- 30 Percent Club (2017). Investor Group <https://30percentclub.org/initiatives/investor-group>
- Veris Wealth Partners (2015). [http://www.veriswp.com/wp-content/uploads/2015/03/CA\\_Women-Wealth-and-Impact-2.0\\_2015-03-05.pdf](http://www.veriswp.com/wp-content/uploads/2015/03/CA_Women-Wealth-and-Impact-2.0_2015-03-05.pdf)

# Global Initiatives - UN SSE



There are cross-cutting actions exchanges can take including:

- Requiring ESG disclosure;
- Requiring applicants for listing to disclose material convictions or judgements against it for violations of human rights rules, including gender-based violations, in its prelisting disclosures;
- Offering a separate listing segment that takes gender disclosure into account, or ranking listed companies based on quality and quantity of disclosed gender metrics, providing awards to the highest performers;
- Publicly adopting a policy that reflects an intent to advance human rights and gender equality across listed companies, in support of companies' compliance with national legal frameworks and the UN Guiding Principles on Business and Human Rights;
- conducting or sponsoring research on gender equality issues;
- Implementing and encouraging listed companies to implement the Women's Empowerment Principles (WEPs), a holistic framework to advance gender equality in the workplace, marketplace and community.

# Global Initiatives – Gender specific products

## INDEXES

Companies in the indexes are rated based on criteria of gender leadership, including representation by women on the board of directors and in executive management, presence of female CFO or female CEO, and whether they are signatories to the Women’s Empowerment Principles.



## BONDS

In addition to indices, some companies have begun to issue women-focused social impact bonds.



Impact Investment Exchange

**US\$8,000,000**

**5.65% Women’s Livelihood Bonds**  
**due 2021**

*The Women’s Livelihood Bond is the world’s first listed debt security with a dual focus on financial and social returns, empowering 385,000 women in Southeast Asia.*





# Gender Equality on stock exchanges



Participation on boards to reach 30% of gender diversity - **Bursa Malaysia**

Sponsorship for female executive to complete MBA and variety of gender – related training and education initiatives - **Australian Stock Exchange**

Range of education programmes for women through its Educational Institute, which are offered to high-potential entrepreneurs, C-level executives, members of boards and shareholders from non-listed companies - **BM&FBOVESPA**

Formation of an executive committee with 50% female representation, sending a signal to listed companies - **Egypt Stock Exchange**

Setting voluntary targets to increase the proportion of women in middle and upper management to 20%, and in lower management to 30%, by 2020 - **Deutsche Boerse Group**

Disclosures by gender of new hires (18% women, 16% men), turnover (11% women, 9% men), as well as hours spent in training programmes (16 hours / woman, 14 hours / man) - **Hong Kong Stock Exchange**

Requirement for listed companies to have at least one Woman director on their boards - **Bombay Stock Exchange and National Stock Exchange of India**

Commitment to achieve 40% female representation across the workforce, including senior management, by 2020 - **LSEG**

СВОЙ РЫНОК KASE

Индекс KASE

+58%  
ГОДОВЫХ

2016

# KASE Initiatives for Gender Equality

Динамика объемов торгов по секторам,  
трлн KZT

# Gender Equality on KASE



## KASE joined the UN initiative "Sustainable Stock Exchanges" (SSE)

- stock exchanges to develop and promote gender equality

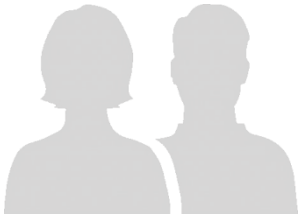
## SSE Gender Equality Survey 2016 – KASE

### Data on gender diversity across listed companies

- % of issuers with a female CEO - **10.5%**

### Exchange data on gender diversity

- % of women on the board - **currently 22%**
- % of women in senior management - **40%**
- % of women across the workforce - **62%**



## KASE adheres to the following gender equality principles:

- provide both women and men equal opportunities and outcomes, including equal remuneration for work of equal or comparable value. We note that the employee's remuneration is defined based on market rates
- provide full and genuine access to all occupations, including to leadership roles for women and men
- drive a culture where rewards are directly linked to employees' contributions and performance





# Gender Equality for Listed Companies

## November 2016 – KASE - ESG report

- the Methodology of preparing an Environmental, Social and Governance report was developed as part of the Kazakhstan Stock Exchange's obligation within the UN initiative "Sustainable Stock Exchanges"
- report is a recommendation on preparing ESG report for listed companies, as well as for members of KASE, and it includes a description of the subject and principles of preparation of an ESG report, approaches to information disclosure
- in accordance with ESG report, the Exchange recommends that companies provide information on all significant aspects of the activity, including the gender component of the companies

# Gender Equality for Listed Companies

## November 2016 – KASE - ESG report

*Article 4 under the Social Section, “Diversity and equal opportunities” recommends for issuers to:*

- disclose diversity metrics such as the gender break-down of representation across various levels of the workforce
- present data on the relation of the basis remuneration rate for women to that for men
- provide data on number of discrimination cases files and the measures taken against them

*According to KASE statistics, only 10.5% (15 out of 143) of issuers are managed by women*

# KASE initiative

## Ring the bell for gender equality



March 9, 2017 – KASE held Ring the Bell ceremony on the occasion of the International Woman’s Day on March 8.

This event highlighted the importance of the gender equality, women's empowerment for sustainable development and business.

Representatives of the Central Depository and large financial organisations - members of KASE took part in the event.

# Thank you for your attention!

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