

ANNOUNCEMENT

More than 40% of pension savings are net investment income

Pension savings in individual pension accounts of contributors consist of incoming contributions and investment income received as a result of managing pension assets. Since the unification of all pension assets in the UAPF (April 1, 2014), as of July 1, 2025, the share of net investment income in the total amount of savings, taking into account payments already made, is 40.5%, the amount of accumulated net investment income exceeded **KZT12.18 trillion**.

Despite short-term fluctuations observed in the first months of 2025, investment income for 6 months amounted to about **KZT350.7 billion**. The return on pension assets managed by the NBRK and formed through compulsory, compulsory occupational and voluntary contributions over the past 12 months from July 2024 to June 2025 amounted to **12.22%** with inflation of **11.8%**. ECPC's return as of July 1, 2025 over the past 12 months was **12.15%**.

If we consider a longer period, then in the medium and long term, a positive real return on pension savings is ensured, outpacing the level of accumulated inflation. Thus, the accumulated investment return from the foundation of the funded pension system in 1998 until July 1, 2025, with a cumulative total, amounted to **996.28%** with inflation for the entire period of **892.73%**.

The above figures confirm that the return on pension assets for individual short-term periods of time is not an indicator of the effectiveness of their management, since income in the form of remuneration for financial instruments and other transactions accrued over a short period of time does not always cover fluctuations in the value of securities and exchange rates for a given period. Therefore, it is advisable to carry out an objective assessment of investment income for a period of at least one year.

We also remind you that Kazakhstan has a unique guarantee of the safety of compulsory pension contributions, taking into account the inflation rate. In cases of a decrease in return in a particular period, which affected the contributor's accumulated return upon the right to payments, compensation for the difference is guaranteed by the state.

The entire system of investment management and accounting of pension assets is transparent: each contributor has the opportunity to see their investment income in their personal account on the enpf.kz website or in the mobile application.

Information on investment management of UAPF pension assets and on financial instruments in which UAPF pension assets are placed is published on the official UAPF website (www.enpf.kz) in the section "Statistics and Analytics/Investment Management of Pension Assets".

UAPF was founded on August 22, 2013 on the basis of GNPF APF JSC. The founder and shareholder of the UAPF is the Government of the Republic of Kazakhstan represented by the State Institution Committee of State Property and Privatization of the Ministry of Finance of the Republic of Kazakhstan. Trust management of UAPF pension assets is carried out by the National Bank of the Republic of Kazakhstan. In accordance with the pension legislation, the UAPF attracts compulsory pension contributions, employer's compulsory pension contributions, compulsory occupational pension contributions, voluntary pension contributions, as well as carries out enrollment and accounting of voluntary pension contributions formed at the expense of the unclaimed amount of guaranteed compensation for the guaranteed deposit, transferred by the organization carrying out mandatory guarantee of deposits, in accordance with the Law of the Republic of Kazakhstan "On mandatory guarantee of deposits placed in second-tier banks of the Republic of Kazakhstan", ensures the implementation of pension benefits. The Fund also carries out accounting of target assets and target requirements, accounting and crediting of target savings (TS) to target savings accounts, payments of TS to their recipients in bank accounts, accounting for returns of TS in the manner determined by the Government of the Republic of Kazakhstan within the framework of the National Fund for Children program (More details at www.enpf.kz)