

## ANNOUNCEMENT

### **The share of net investment income in the total amount of pension savings amounted to 36.1%**

The amount of pension savings of the contributors of the Unified Accumulative Pension Fund as of August 1, 2021 amounted to KZT 12.8 trillion. This amount includes pension contributions and investment income.

For 7 months of 2021, a net investment income in the amount of KZT 798.3 billion was credited to the accounts of contributors, thereby blocking the volume of incoming contributions under all types of agreements. For comparison, for the same period last year it was KZT 752.9 billion.

At the same time, the yield of the UAPF pension assets under the management of the National Bank of the Republic of Kazakhstan since the beginning of the year amounted to 6.48% with inflation of 5.3% over the same period. Over the past 12 months, the profitability of pension assets managed by the NBRK is 10.56% with inflation of 8.4%.

Recall that pension contributions received on individual pension saving accounts (IPSA), which are kept by the UAPF, are invested by the fiduciary manager of pension assets - the National Bank of the Republic of Kazakhstan - in various financial instruments.

The amount of pension savings of contributors (beneficiaries) is recalculated and revalued on a weekly basis in accordance with the results of investment of pension assets. Investment income includes income in the form of remuneration on securities (deposits and other operations), income in the form of market revaluation of financial instruments, income in the form of foreign exchange revaluation, income on assets under external management, etc.

In general, the investment income provided by the National Bank since the merger of all pension assets in the UAPF amounted to over KZT 5.5 trillion. As of August 1, 2021, the share of net investment income in the total amount of pension savings is 36.1%.

If we take the period since the founding of the accumulative pension system of Kazakhstan in 1998, then the net investment income amounted to KZT 6.3 trillion.

The investment yield as of August 1, 2021 with an accrual total was 648.44%. At the same time, inflation amounted to 528.27%. Thus, the real return on pension assets for the period from the beginning of the accumulative pension system to August 1, 2021 was 120.17%.

In addition to the National Bank, UAPF contributors can transfer part of their savings to investment portfolio management companies (IPMs). At the moment, UAPF has concluded an agreement on trust management of pension assets with four IPMs. You can get acquainted with information about them and study their investment declarations on the website [enpf.kz](http://enpf.kz) in the section "Services" - "Register of investment portfolio managers".

Recall that after receiving pension assets from the UAPF, the IPM invests them in the authorized financial instruments specified in the *Rules for the implementation of investment portfolio management activities*, approved by the Resolution of the Board of the National Bank of the Republic of Kazakhstan dated February 3, 2014 No. 10, and provided for in the Investment Declaration of the IPM.

It should be noted that pension assets held in trust by Jusan Invest JSC showed a return from the beginning of operations (March 15, 2021) at the level of 4.13%. Return on pension assets held in trust by Halyk Global Markets JSC for the same period 2.96%; JSC "BCC Invest" 2.77%. Centras Securities JSC has been managing pension assets since April 1, 2021, during which time the investment yield was 3.99%.

It should be emphasized that pension savings are long-term investments and it is advisable to analyze the amount of investment income for a period of at least 1 (one) year. Short-term data (weekly, monthly, etc.) are not indicative because depend on constant changes in market conditions.

The entire system of investment management and accounting of pension assets is transparent: each contributor has the opportunity to see his investment income in his personal account on the [enpf.kz](http://enpf.kz) website or in a mobile application. Information on the investment management of UAPF's pension assets and on financial instruments in which the UAPF's pension assets are placed by the National Bank of the Republic of Kazakhstan and investment portfolio managers is published on the UAPF's official website ([www.enpf.kz](http://www.enpf.kz)) in the "Indicators / Investment Activity" section.

During the period when pension savings are managed by the National Bank until the contributor reaches retirement age, a guarantee of the safety of pension savings is in effect, taking into account the inflation rate. When transferring pension savings to the management of the IPM, the state guarantee is replaced by the guarantee of the management company to ensure the minimum level of return on pension assets. The minimum level of profitability is calculated based on the weighted average yield of pension assets transferred to the management of the IPM operating in the market.

*The UAPF was established on August 22, 2013 on the basis of GNPFA PF JSC. The UAPF founder and shareholder 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. UAPF pension assets are managed by the National Bank of the Republic of Kazakhstan. From January 1, 2016, the functions for developing proposals to improve the management of pension assets were transferred to the National Fund Management Council. In accordance with the pension legislation, the UAPF attracts compulsory pension contributions, compulsory occupational pension contributions, voluntary pension contributions, pension benefits, individual accounting of pension accumulations and benefits, provides the contributor (beneficiary) with information on the status of his pension accumulations (for more information visit [www.enpf.kz](http://www.enpf.kz))*

