

## ANNOUNCEMENT

### **Most often, contributors intend to use lump-sum pension benefits for the full purchase of housing**

As of **August 11, 2021**, the UAPF executed **386,375 applications** of contributors (beneficiaries) to use pension savings to improve housing conditions. The UAPF transferred **KZT 1.7 trillion** to special accounts of Kazakhstanis opened in banks-authorized operators. The average amount of one-time pension payments amounted to KZT 4.4 million.

Most of the executed applications were sent by residents of Almaty (16.7%), Mangystau region (14.8%), Nur-Sultan (12.9%). On the website [www.enpf.kz](http://www.enpf.kz), in the "Indicators" section, detailed information is posted - for what purposes Kazakhstanis plan to use lump-sum pension benefits and in the context of regions (subsections "[Lump-sum pension benefits to improve housing conditions by goals](#)" and "[Lump-sum pension benefits to improve housing conditions](#)", respectively).

Today, the authorized operators accepting applications for the use of part of pension savings are Otbasy Bank Housing Construction Savings Bank JSC, Halyk Bank of Kazakhstan JSC, Altyn Bank JSC, Bank CenterCredit JSC and Bank Freedom Finance JSC Kazakhstan". A significant part of the executed applications was submitted through Housing Construction Savings Bank Otbasy Bank JSC (**95.3% of the total number of executed applications**), followed by Halyk Bank of Kazakhstan JSC (**3.8%**), Bank CenterCredit JSC (**0.9%**), Altyn Bank JSC (**0.03%**) and Bank Freedom Finance Kazakhstan JSC (**0.01%**).

The most popular sub-goal for lump-sum benefits for housing is the acquisition of ownership of housing under civil law transactions (full settlement). They account for more than half of the executed applications (**51.2% or 197,978 applications**). The second line is occupied by partial repayment of debt on a mortgage housing loan (including within the framework of financing by an Islamic bank) - **54 804 applications or 14.2%** of the total number of executed applications. The third most popular sub-goal is the partial repayment of mortgage debt under the housing construction savings system - **45,213 applications or 11.7%** of the total number of executed applications

We remind you that after the receipt of a lump-sum pension benefit to a special account opened with an authorized operator (Housing Construction Savings Bank Otbasy Bank JSC), the beneficiary provides the authorized operator with documents confirming the intended purpose of the lump-sum pension benefits **within 45 working days from the date of their receipt** (according to clause 13 of the *Rules for the use of lump-sum pension benefits to improve housing conditions in accordance with the legislation of the Republic of Kazakhstan*). In case of failure to provide the authorized operator with supporting documents within the prescribed period, these funds are subject to return to the UAPF. In addition, when using pension savings, citizens have the right to change the purpose specified in the application during the registration of real estate through authorized operators.

The contributor can also return the transferred amount to the UAPF without waiting for the specified period by submitting a corresponding application to the Otbasy Bank Housing Construction Savings Bank JSC, which the bank must execute **within 3 (three) business days** from the date of receipt of the application for the return from the beneficiary.

Note that about **KZT 210.3 billion** was returned to the individual pension saving accounts (IPSA) of contributors (beneficiaries) from authorized operators due to the fact that the lump-sum pension benefits by Kazakhstanis were not used in due time, at the request of the applicant and for other reasons.

Also, the UAPF executed **29,487 applications** for medical treatment for a total amount of **KZT 27.5 billion**. At the same time, the average amount withdrawn is **KZT 0.9 million**. At the same time, **KZT 4.4 billion** from the authorized operator (Otbasy Bank Housing Construction Savings Bank JSC) returned to the ITS of contributors (beneficiaries) in the UAPF, these funds were not used on time, according to the

applicant's statement and for other reasons. You can get acquainted with the current statistics on the use of pension savings for treatment on the website [www.enpf.kz](http://www.enpf.kz) in the section "Indicators" - "[Lump-sum pension benefits for medical treatment](#)".

As of **August 11** of this year, **KZT 4.8 billion** was transferred to the Investment Portfolio Managers (IPM), the UAPF executed **2,395 applications**. The average transfer amount is **KZT 2.0 million**. Detailed statistics on the transfer of pension savings to trust management are also available on the website [enpf.kz](http://enpf.kz) in the "Indicators" section - "[Transfer of pension savings to management companies](#)".

At the moment, UAPF has concluded agreements on trust management of pension assets with four UIPs. 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](#)". Note that from KZT 4.8 billion - **43.89% or KZT 2.1 billion** was transferred to Jusan Invest JSC, **27.76% or KZT 1.3 billion** to Halyk Global Markets JSC, **18.65% or KZT 0.9 billion** in BCC Invest JSC, **9.70% or KZT 0.5 billion** in Centras Securities JSC.

Recall that after receiving pension assets from the UAPF, the IPM invests them in 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.

Pursuant to the Pension Provision Law, IPMs are entitled to charge investment management fees. The maximum amount of remuneration for the IPM cannot exceed 7.5% of the received investment income. The actual value of the commission is approved annually by the management body of the IPM and may change no more than once a year.

During the period when pension savings are under the management of the National Bank until the contributor reaches retirement age, there is a guarantee of the safety of pension savings, 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 profitability 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 GNPF APF 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))*