

ANNOUNCEMENT

Accumulated return exceeds inflation

The amount of pension savings of contributors to the Unified Accumulative Pension Fund as of November 1, 2022 amounted to **KZT14.1 trillion**. Investment income accrued since the beginning of the year, 672.6 billion tenge, the return on pension assets over the past 12 months on pension assets, provided by the National Bank of the Republic of Kazakhstan (from November 2021 to October 2022), amounted to **5.97%**.

Analyzing the return on pension assets over the past five years (2017-2021), it can be noted that it exceeded inflation annually.

For the period from 2014 (the time when all pension assets were merged into the UAPF) to October 2022, the accumulated investment income amounted to **KZT6.7 trillion**, and the accumulated return on pension assets is **119.5%** with inflation of **115.2%**.

If we take an even longer time period, then the investment return from the day the funded pension system was founded (1998) as of November 1, 2022, on an accrual basis, amounted to **718.78%**, with inflation for the entire period of **658.01%**.

The given data show 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 subject to constant changes in market conditions. In the medium and long term, a positive real (exceeding accumulated inflation) return on pension savings is ensured.

Even if the decrease in return in a particular period will affect the accumulated return on an individual contributor upon the onset of the right to benefits, we recall that in the Republic of Kazakhstan there is a unique guarantee of the safety of compulsory types of pension contributions, taking into account the inflation rate.

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 website or in a mobile application.

Information on investment management of UAPF pension assets and financial instruments in which UAPF pension assets are placed is published on the official website of UAPF (www.enpf.kz) in the section “Indicators/Investment activity”.

A lot of interesting and useful information on the [БЖЗКЕНПФ](#) YouTube channel.

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)

