

## ANNOUNCEMENT

### UAPF presents a report on investing pension savings

#### *Investment portfolios of pension assets as of October 1, 2023*

The website [enpf.kz](http://enpf.kz) provides a report on the management of pension assets of the NBRK and IPM as of October 1, 2023. A detailed report on the investment of pension savings is posted on the [enpf.kz](http://enpf.kz) website in the “Indicators - Investment Activity” section, which provides monthly information on the management of pension assets by the National Bank of the Republic of Kazakhstan (NBRK) and investment portfolio managers (IPM). The total volume of pension assets as of October 1, 2023 amounted to about **KZT17,228.7 billion**. At the same time, pension assets of the UAPF, which are [in trust management of the National Bank of the Republic of Kazakhstan](#), amounted to **KZT17,216.9 billion**. [Pension assets managed by IPM](#) amounted to **KZT11.8 billion**.

#### **Investment portfolio of pension assets managed by the NBRK**

The main directions for investing pension assets by the NBRK as of October 1, 2023 are as follows: government securities of the Ministry of Finance of the Republic of Kazakhstan - 47.2%, bonds of quasi-state companies - 10%, bonds of second-tier banks of the Republic of Kazakhstan - 5.02%, government securities of foreign states - 4.1%, deposits of the NBRK - 3%, securities of international financial organizations - 2.2%.

The investment portfolio by currencies in which financial instruments acquired using pension assets are denominated, as of October 1, 2023, is as follows: investments in national currency - 68.2%, in US dollars - 31.8% of the pension portfolio assets.

The structure of the income received demonstrates that income in the form of interest on securities, including on placed deposits and reverse repo operations and from market revaluation of securities, amounted to KZT1,069.8 billion, income on assets under external management, brought in KZT239.9 billion, income from revaluation of foreign currency - KZT89 billion, other income - KZT3.9 billion.

As a result of investment activities, as well as due to the volatility of foreign exchange rates and changes in the market value of financial instruments, the amount of accrued investment income since the beginning of 2023 as of October 01, 2023 amounted to KZT1,402.6 billion.

The return on UAPF pension assets distributed to the accounts of contributors (beneficiaries) for 9 months of the current year amounted to 8.9% with inflation of 7.2%.

Moreover, as of October 1, 2023, the return on pension assets for the last 12 months (from October 2022 to September 2023) for UAPF contributors (beneficiaries) amounted to 10.14%.

Note that in the medium and long term, positive real (exceeding accumulated inflation) returns on pension savings are ensured.

The [detailed structure](#) of the investment portfolio of financial instruments managed by the National Bank of Kazakhstan, indicating the issuers and an overview of investment activities are posted on the official website of the UAPF. Let us recall that in Kazakhstan there is a model of state guarantee of the safety of pension savings. In accordance with Article 217 of the Social Code of the Republic of Kazakhstan, the state guarantees beneficiaries the safety of compulsory pension contributions and compulsory

occupational pension contributions to the UAPF in the amount of contributions actually made, taking into account the level of inflation at the time of receipt of the right to pension benefits.

### Investment Portfolio Managers

The total amount of funds managed by IPM is 11.8 billion tenge.

As of October 1, 2023, pension assets under trust management of *Jusan Invest JSC* amounted to **KZT4.5 billion**.

The company's main investments: Government securities of the Ministry of Finance of the Republic of Kazakhstan - 32.4%; Exchange Traded Funds (ETF) units – 27%; notes of the National Bank of Kazakhstan - 23.7%; “reverse repo” – 10.4%, foreign government securities – 6.4%. Note that 66.5% of the portfolio is presented in tenge; 33.5% - in US dollars.

As a result of investment activities, as well as due to the volatility of foreign exchange rates and changes in the market value of financial instruments, the amount of accrued investment income as of October 01, 2023 from the beginning of the year amounted to KZT392 million. The return on pension assets for 9 months of the current year is 9.3%.

The [detailed structure](#) of the investment portfolio of financial instruments managed by Jusan Invest JSC, indicating the issuers, is presented on the UAPF website.

As of October 1, 2023, pension assets under trust management of *Halyk Global Markets JSC* amounted to **KZT2.6 billion**.

The main investments in the portfolio structure are as follows: notes of the National Bank of Kazakhstan - 27.8%, bonds of quasi-public organizations of the Republic of Kazakhstan - 15.9%; “reverse repo” (no more than 90 calendar days) - 12.4%; MFO bonds – 10.7%; securities with government status issued by central governments of foreign countries – 8.4%; equity instruments of foreign issuers (ETF units) – 7.7%. Investments in national currency accounted for 75.7% of the portfolio, in US dollars – 24.3%.

As a result of investment activities, the amount of accrued investment income as of October 1, 2023 from the beginning of the year amounted to KZT347.4 million. The return on pension assets amounted to 13.5% for 9 months of the current year.

The [detailed structure](#) of the investment portfolio of financial instruments managed by Halyk Global Markets JSC, indicating the issuers, is presented on the UAPF website.

Pension assets of the UAPF, which are in trust management of *BCC Invest JSC* amounted to **KZT1.9 billion**.

Among the main areas of investment are the following: government bonds of the Republic of Kazakhstan – 26% of the portfolio; bonds of quasi-public organizations of the Republic of Kazakhstan – 20.4%; units (index ETF) – 7%; bonds of microfinance organizations – 4.6%, corporate bonds of resident issuers of the Republic of Kazakhstan – 4.2%. 81.8% of the portfolio was invested in instruments in national currency, and 18.2% in US dollars.

As a result of investment activities, the amount of accrued investment income as of October 1, 2023 from the beginning of the year amounted to KZT157.2 million. The return on pension assets for 9 months

of the current year is 10.2%. The majority of accrued investment income came from remuneration on reverse repo transactions and income from market revaluation of securities.

The [detailed structure](#) of the investment portfolio of financial instruments managed by BCC Invest JSC, indicating the issuers, is presented on the UAPF website.

As of October 1, 2023, the pension assets of the UAPF, which are in trust management of *Centras Securities JSC* amounted to **KZT927.1 million**.

57.28% of assets are invested in government securities of the Ministry of Finance of the Republic of Kazakhstan; cash in investment accounts is 11.5%; “reverse repo” – 10.7%; shares and depositary receipts issued by organizations of the Republic of Kazakhstan – 8.8%; bonds of quasi-public organizations – 9.6%. 78.2% of the portfolio was invested in instruments in national currency, and 21.8% in US dollars.

As a result of investment activities and changes in the market value of financial instruments, the amount of accrued investment income as of October 1, 2023 from the beginning of the year amounted to KZT80.6 million. The return on pension assets for 9 months of the current year amounted to 8.2%.

The [detailed structure](#) of the investment portfolio of financial instruments managed by Centras Securities JSC, indicating the issuers, is presented on the UAPF website.

As of October 1, 2023, pension assets held in trust by *Halyk Finance Subsidiary of the Halyk Bank of Kazakhstan JSC* amounted to **KZT1,891.7 million**.

Investments in the portfolio structure are as follows: NBRK notes – 26.3%; government securities of the Ministry of Finance of the Republic of Kazakhstan – 25.9%; bonds of quasi-public organizations of the Republic of Kazakhstan – 21.2%; “reverse repo” (no more than 90 calendar days) - 9.3%; Exchange Traded Funds (ETF) units – 4.2%; Government securities of foreign countries – 4.1%.

86.5% was invested in instruments in national currency, 13% in US dollars, 0.5% in euros.

As a result of investment activities, the amount of accrued investment income as of October 1, 2023 from the beginning of the year amounted to KZT57.3 million. The return on pension assets for 9 months of the current year is 12.1%.

The [detailed structure](#) of the investment portfolio of financial instruments managed by Halyk Finance Subsidiary of the Halyk Bank of Kazakhstan JSC, indicating the issuers, is presented on the UAPF website.

Let us note that after receiving pension assets from the Unified Pension Pension Fund, IPM invests them in permitted financial instruments specified in the *Rules for the implementation of investment portfolio management activities*, approved by Resolution of the Board of the National Bank of the Republic of Kazakhstan dated July 1, 2023 No. 62, and provided for in the IPM Investment Declaration. When transferring pension savings to IPM management, the state guarantee is replaced by a guarantee from the management company to ensure a minimum level of return on pension assets. The minimum level of return is calculated based on the weighted average return of pension assets transferred to the management of IPM, operating on the market.

Let us remind you that from July 1, 2023, contributors can transfer no more than 50% of pension savings into trust management at the expense of compulsory pension contributions (CPC) and compulsory occupational pension contributions (COPC), without taking into account the minimum adequacy threshold

for investment portfolio managers (IPM), by choosing such a company yourself. Investors who have voluntary pension savings can transfer them to IPM in the amount of 100%.

*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))*