

ANNOUNCEMENT

In the long run, a positive real return on pension savings is ensured

The amount of pension savings of contributors to the Unified Accumulative Pension Fund as of January 1, 2023 amounted to about **KZT14.7 trillion**.

At the end of the year, investment income earned by the National Bank of the Republic of Kazakhstan and investment portfolio managers amounted to about KZT914.4 billion. At the end of 2022, the return on UAPF pension assets, which are in trust management of the National Bank, amounted to 6.55%.

Against the background of the fact that in 2022 many international institutional investors, including pension funds, received negative asset management results and suffered significant losses as a result of the negative macroeconomic situation in the world, the National Bank of the Republic of Kazakhstan showed a positive return on pension assets in nominal terms.

As has been repeatedly noted, pension assets are characterized by a long investment horizon and, accordingly, one of the main goals of their investment is the safety of pension savings and real return in the long term. Therefore, it is advisable to consider the indicators of return and inflation over a long time horizon.

In the long term, a positive real (exceeding accumulated inflation) profitability of pension savings is ensured. The investment return from the period of foundation of the funded pension system (1998) as of January 1, 2023, on an accrual basis, amounted to **732.29%**, with inflation for the entire period of **678.06%**.

Income earned by the National Bank of the Republic of Kazakhstan since 2014, the period of completion of the consolidation of all pension assets in the UAPF, exceeded **KZT6.9 trillion**.

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 level of inflation. Even if the decrease in return in a particular period will affect the accumulated return of the contributor when the right to payments occurs, the difference will be compensated by the state.

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, including an interview with experts from the accumulative pension system on investing pension assets, is on the YouTube channel БЖЗКЕҢПФ.

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)