

## ANNOUNCEMENT

### **UAPF contributors received KZT 938 billion of net investment income**

The amount of pension savings of the contributors of the Unified Accumulative Pension Fund as of September 1, 2021 exceeded KZT 12.9 trillion. As you know, this amount includes pension contributions and investment income.

It is important to note that in only eight months from January 1 to September 1, 2021, net investment income in the amount of KZT 938.9 billion was accrued to the accounts of UAPF contributors, which is KZT 67 billion or 8% more than in the same period last year. The return on pension assets of the UAPF under the management of the National Bank of the Republic of Kazakhstan from the beginning of the year as of September 1 was 7.65%, with inflation of 5.8%. At the same time, the yield for the last 12 months was 10.68%, while inflation for the same period was 8.7%.

Let us recall that 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 consolidation of all pension assets in the UAPF amounted to over KZT 5.6 trillion. As of September 1, 2021, the share of net investment income in the total amount of pension savings is 36.5%.

At the same time, the investment yield from the day of the founding of the accumulative pension system itself (1998) to September 1, 2021 with an accruing total was 656.67%, inflation was 531.25%. Thus, the real return on pension assets for the period from the beginning of the accumulative pension system until September 1, 2021 was 125.41%.

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 the UAPF's pension assets and the financial instruments in which the UAPF's pension assets are placed is published on the UAPF's official website ([www.enpf.kz](http://www.enpf.kz)) in the "Indicators / Investment Activity" section.

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.

Note that the pension assets held in trust by Jusan Invest JSC showed a return from the beginning of operations (which is March 15, 2021) to September 1, 2021 at the level of 5.1%. The return for the same period of pension assets held in trust by Halyk Global Markets is 4.7%; BCC Invest JSC - 3.7%. Centras Securities JSC has been managing pension assets since April 1, 2021, during which time the investment yield was 5.9%.

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 yield 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 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))*