

## ANNOUNCEMENT

### **What is the amount of pension from UAPF in 2023?**

From January 1, 2023, pension benefit payments from the UAPF to pensioners who retired after January 1, 2018 were increased by 5%.

Benefit payments from the UAPF are made in accordance with the Methodology approved by the Decree of the Government of the Republic of Kazakhstan dated October 2, 2013 No. 1042 (*as amended from April 1, 2021*) (hereinafter referred to as the Methodology).

According to this Methodology, pension benefits to retirees are calculated as follows: in the first year of receiving payments, the amount of pension savings is multiplied by the pension savings payment rate - 6.5% and divided by 12.

For beneficiaries of certain categories: people with disabilities of groups 1 or 2, established indefinitely, as well as people who worked in hazardous industries, whose savings were formed at the expense of compulsory occupational pension contributions in the aggregate for at least sixty months, the Methodology provides for correction factors that increase the amount monthly pension benefit. For persons meeting more than one of the above conditions, the correction factor with the highest value is applied.

At the same time, the monthly pension benefit from the UAPF is paid in the amount of at least 70% of the subsistence minimum established for the corresponding financial year by the law on the republican budget (in 2023, the subsistence minimum was 40,567 tenge). Accordingly, since the beginning of the year, the size of the minimum payment from the UAPF has increased by 8.5% and will amount to 28,396.9 tenge ( $70\% * 40,567$ ).

In subsequent years, the amount of the monthly pension benefit increases by the indexation rate of pension benefits - 5%.

If the amount of pension savings as of the date of application does not exceed twelve times the minimum pension established by the law on the republican budget for the corresponding financial year, this amount is paid to the beneficiary from the UAPF in a lump sum (in 2023, the lump sum pension benefit will be 636,912 tenge =  $12 * 53,076$  tenge).

For persons who exercised their right to receive pension benefit payments from the UAPF before January 1, 2018, pension benefits are calculated according to the methodology that was in force at the time of assignment of pension payments: the amount of the annual pension benefit is calculated and does not exceed the largest of thirty times the minimum pension (in 2023 – 1,592,280 tenge =  $30 * 53,076$  tenge) and the value calculated as the product of the amount of pension savings by the coefficient of the current value of pension savings at the corresponding age of the beneficiary.

Recall that pension benefit payments from the UAPF are made until the pension savings on the individual pension saving account are exhausted.

*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))*