

## ANNOUNCEMENT

### **Kazakhstanis returned more than KZT 354 billion to UAPF**

As of **February 1, 2022**, since January 2021, the UAPF has executed **781,736 applications** from contributors (beneficiaries) to use pension savings to improve housing conditions. UAPF transferred **KZT 2.5 trillion** to special accounts of Kazakhstanis opened in banks-authorized operators. The average amount of lump-sum pension benefits is **KZT 3.2 million**.

Most of the executed applications were sent by residents of Almaty (17.7%), Nur-Sultan (13.5%), Mangistau region (12.0%). Detailed information is available on the website [www.enpf.kz](http://www.enpf.kz) in the “Indicators” section - for what purposes do Kazakhstanis plan to use lump-sum pension benefits and by regions (subsections “[Lump-sum pension benefits for improving housing conditions by goals](#)” and “[Lump-sum pension payments for improving housing conditions](#)”, respectively).

It should be noted that in January 2022, the UAPF completed **50,060 applications** for improving housing conditions for a total amount of about **KZT 76.2 billion**. The average withdrawal amount was about **KZT 1.5 million**. For comparison, in December these figures were as follows: **the number of executed applications - 208,431** in the amount of **KZT 413.1 billion**. The average amount of seizures in December 2021 amounted to about **KZT 2.0 million**.

To date, the authorized operators accepting applications for the use of part of pension savings are Otbasay Bank Housing Construction Savings Bank JSC, Halyk Bank of Kazakhstan JSC, Altyn Bank JSC, Bank CenterCredit JSC and Bank Freedom Finance Kazakhstan JSC. A significant part of the executed applications was submitted through Otbasay Bank Housing Construction Savings Bank JSC (**95.0% of the total number of executed applications**), followed by Halyk Bank of Kazakhstan JSC (**3.6%**), Bank CenterCredit JSC (**1.3%**), Altyn Bank JSC (**0.05%**) and Bank Freedom Finance Kazakhstan JSC (**0.03%**).

We emphasize that after receipt of a lump sum pension benefit to a special account opened with an authorized operator (Otbasay Bank Housing Construction Savings Bank JSC), the beneficiary provides the authorized operator with documents confirming the intended purpose of lump sum pension benefits **within 20 working days from the date of their receipt** ( in accordance with paragraph 13 of *the Rules for the use of lump-sum pension benefits to improve housing conditions in accordance with the legislation of the Republic of Kazakhstan*). An exception is the replenishment of the contribution to housing construction savings for further accumulation in order to purchase a dwelling or build an individual residential building (including the acquisition of a land plot with a designated purpose - individual housing construction. In this case, the beneficiary provides Otbasay Bank with documents confirming the intended purpose of lump-sum pension benefits in **within 3 years from the date of their receipt**. For other authorized operators (second-tier banks), applications for a one-time pension benefit and documents of the beneficiary by purpose are considered in the manner and terms established by the bank's internal documents. At the same time, the bank transfers lump-sum pension benefits according to their target appointment within 10 working days from the date of crediting the amounts of lump-sum pension benefits to the special accounts of the applicant (beneficiary) are returned to the UAPF.

The beneficiary can also return the transferred amount to UAPF without waiting for the specified period by submitting to the authorized operator a corresponding application, which the authorized operator must execute **within 3 (three) business days** from the date of receipt of the application for a refund from the beneficiary.

It should be noted that about **KZT 337.7 billion** was returned to the individual pension saving accounts (IPSA) of contributors (beneficiaries) from authorized operators due to the fact that the one-time

pension benefits by Kazakhstanis were not used on time, at the request of the applicant and for other reasons. Of this amount, 17.3 billion tenge was returned in January 2022.

UAPF also executed **159,591 applications** for medical treatment for a total of **KZT 143.4 billion**. At the same time, the average withdrawal amount is **KZT 0.9 million**. At the same time, **KZT 16.5 billion** was returned to the IPS of contributors (beneficiaries) in the UAPF from the authorized operator (Otbasy Bank Housing Construction Savings Bank JSC), these funds were not used on time, at the request of the applicant and for other reasons.

Since the beginning of 2022, **21,276 applications** for medical treatment have been executed for a total amount of **KZT 18.2 billion**. The average amount of seizures in January of this year amounted to **KZT 0.9 million**. In December, these data were as follows: **the number of executed applications - 64,394** in the amount of **KZT 58.6 billion**. The average amount of withdrawals in December 2021 amounted to **KZT 0.9 million**.

You can get acquainted with the current statistics on the use of pension savings for medical treatment on the website [www.enpf.kz](http://www.enpf.kz) in the section "Indicators" - "[Lump-sum pension benefits for medical treatment](#)"

As of February 1 of this year, the Investment Portfolio Manager (IPM) transferred about **KZT 7.4 billion**, UAPF executed **4,329** applications. The average transfer amount is **KZT 1.7 million**. Detailed statistics on the transfer of pension savings to trust management is also available on the website [enpf.kz](http://enpf.kz) in the section "Indicators" - "[Transfer of pension savings to management companies](#)".

At the moment, UAPF has concluded agreements 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](#)". It should be noted that out of **KZT 7.4 billion - 45.75% or KZT 3.38 billion** were transferred to Jusan Invest JSC, **27.72% or KZT 2.05 billion** to Halyk Global Markets JSC, **15.94% or KZT 1.18 billion** in BCC Invest JSC, **10.59% or KZT 0.78 billion** in Centras Securities JSC

Recall that after receiving pension assets from the UAPF, the UIP invests them in permitted 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.

Under the Law on Pension Provision, IPMs are entitled to charge an investment management fee. The maximum amount of remuneration of the IPM cannot exceed 7.5% of the received investment income. The actual amount of the commission is annually approved by the governing body of the IPM and may change no more than once a year.

During the period when pension savings are under the management of the National Bank until the contributor reaches retirement age, there is a guarantee of the safety of pension savings, taking into account the level of inflation. 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 profitability of pension assets, which is calculated based on the weighted average profitability of pension assets transferred to the management of the IPM operating on 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))*