

ANNOUNCEMENT

UAPF contributors earned over 1 trillion tenge in a year

The amount of pension savings of the contributors of the Unified Accumulative Pension Fund as of October 1, 2021 exceeded 13.1 trillion tenge. As you know, this amount includes pension contributions and investment income.

A significant increase in pension savings was due to net investment income, which exceeded 1 trillion tenge from January 1 to October 1, 2021. The return on pension assets of the UAPF under the management of the National Bank of the Republic of Kazakhstan since the beginning of the year has not been 8.89%, with inflation of 6.2%. At the same time, the profitability for the last 12 months was 10.08%, while inflation for the same period was 8.9%.

Let us recall that as a result of investing pension assets, the amount of pension savings of contributors is recalculated weekly and on the last day of the month. 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 5.8 trillion tenge. At the same time, the investment yield from the day of the founding of the accumulative pension system itself (1998) to October 1, 2021 with a cumulative total amounted to 665.38%, inflation amounted to 533.64%. Thus, the real return on pension assets for the period from the beginning of the accumulative pension system to October 1, 2021 amounted to 131.74%.

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 website or in a mobile application. Information on the investment management of the UAPF's pension assets and on the financial instruments in which the UAPF's pension assets are placed is published on the UAPF's official website (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 in the section "Services" - "[Register of investment portfolio managers](#)".

Recall that after receiving pension assets from the UAPF, the IPM invests them in 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 October 1, 2021 at the level of 4.1%. The return for the same period of pension assets held in trust by *Halyk Global Markets* is 4.9%; *BCC Invest JSC* - 4.5%. *Centras Securities JSC* has been managing pension assets since April 1, 2021, during which time the investment yield was 6.6%.

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 inflation rate. When transferring pension savings to the IPM management, 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 profitability is calculated based on the weighted average return 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)