

ANNOUNCEMENT

Voluntary pension contributions are an effective way to replenish your pension capital

The following types of contributions are made within the framework of the funded pension system in Kazakhstan: mandatory (10% of the employee's salary, deducted monthly by the employer), compulsory occupational pension contributions (5% of the income of workers in harmful and dangerous professions, paid from the employer's budget), as well as employer's compulsory pension contributions (ECPC) from 2024 for all employees born in 1975 and later (from 1.5% in 2024 with a gradual increase to 5% in 2028, in 2025 - 2.5%). There are also **voluntary pension contributions (VPC)**, which can be deducted by both individuals and legal entities. Individuals contribute funds for themselves and (or) for their loved ones from their income, and legal entities - in favor of their employees and (or) third parties. It is worth noting that citizens pay VPC on their own initiative, independently setting their amount and frequency. This is one of the advantages of this type of contribution.

Voluntary pension contributions can be transferred through second-tier banks, as well as by submitting an application to the employer, on the basis of which he will transfer them to UAPF in favor of the declared person. The procedure for receiving pension payments through VPC is determined by the recipient independently in accordance with the UAPF pension rules.

To conclude an agreement and open an individual pension savings account (IPSA) for VPC, there is no need to visit the UAPF office - IPSA for accounting of VPC, as well as for other types of pension contributions, is opened automatically. Opening of IPSA for accounting of VPC is carried out without an application on the basis of:

- lists of individuals submitted by agents to UAPF when transferring VPC;
- initial contribution received by UAPF from an individual in his/her own favor or in favor of a third party when transferring VPC.

Identification of the individual in whose favor pension contributions are made is carried out using personal data (full name, IIN, date of birth) specified in the electronic format of the payment order when transferring VPC. UAPF receives all necessary information about the details of the current identity document of the individual, place of permanent residence and other information from the relevant information systems of state bodies.

In Kazakhstan, voluntary pension contributions enjoy tax advantages. For example, VPC transferred by the employer in favor of the employee are not considered as income of an individual; for the employer, such expenses are deductible when calculating corporate income tax. That is, the employer in this case receives tax benefits.

Voluntary pension contributions, as well as all types of compulsory ones, are invested and generate income for contributors. By default, pension assets are managed by the National Bank of the Republic of Kazakhstan. However, contributors have the right to transfer pension savings to investment portfolio managers (IPM), which offer various investment strategies with different levels of profitability and risk. And if compulsory and compulsory occupational pension savings can be transferred to IPM up to 50%, then voluntary pension savings can be transferred to management in full. The transfer of IPM savings occurs upon the contributor's application, which can be submitted electronically in the personal account on the fund's website or at any UAPF branch. Based on the investment results, you can change the management company, but not more than once a year. Thus, participation in the management of pension assets is another advantage of VPC.

Pension benefits through VPC can be received before reaching retirement age - starting from the age of 50. In addition, they are provided to persons with disabilities, as well as foreigners and stateless persons who have moved to a permanent place of residence outside the Republic of Kazakhstan, unless

otherwise provided by the laws of the Republic of Kazakhstan and international treaties ratified by the Republic of Kazakhstan.

An application for receiving pension benefit payments through voluntary pension contributions (VPC) is submitted to UAPF: online in your personal account on the enpf.kz website or in the UAPF mobile application, as well as in any division of the Fund.

The amount of pension savings through all types of contributions can be easily monitored 24/7 also in your personal account on the enpf.kz website.

It is worth noting that in the event of the death of a person with pension savings, including through voluntary pension contributions, they are inherited in the manner established by the legislation of Kazakhstan. In particular, the inheritance of pension savings is carried out by will or by law. When there is no will or does not determine the fate of the entire inheritance, as well as in other cases, inheritance by law comes into force.

The UAPF website contains a list of the necessary documents for receiving pension benefit payments depending on the method of their submission to UAPF, requirements for their execution, as well as application forms and samples of their completion, a sample power of attorney. You can also pre-check the documents sent for pension payments from UAPF by using the UAPF electronic service "Preliminary check of documents for pension benefit payment".

It should be noted that pension benefit payments from UAPF are made until the pension savings are exhausted.

UAPF reminds that the timely adoption by the contributor of a decision to transfer voluntary pension contributions (VPC) will help to significantly replenish their pension capital and receive higher payments in the future.

For reference: As of January 1, 2025, savings on voluntary pension contributions amounted to about **7.94 billion tenge**, showing an increase of 50.3% over the year. This is the highest rate of growth of savings among all types of contributions. The number of IPSAs for VPC accounting increased by 10.7% over the year and amounted to **439,582 units**.

UAPF consulting services can be obtained via instant messengers (chat bot in WhatsApp and Viber at +7 777 000 14 18), call center at 1418 (free call within Kazakhstan), on the corporate website enpf.kz, as well as on the official UAPF pages on social networks Instagram, Facebook, VKontakte, X (Twitter), Telegram, Odnoklassniki.

UAPF was founded on August 22, 2013 on the basis of GNPf APF JSC. The founder and shareholder of the UAPF 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. Trust management of UAPF pension assets is carried out by the National Bank of the Republic of Kazakhstan. In accordance with the pension legislation, the UAPF attracts compulsory pension contributions, employer's compulsory pension contributions, compulsory occupational pension contributions, voluntary pension contributions, as well as carries out enrollment and accounting of voluntary pension contributions formed at the expense of the unclaimed amount of guaranteed compensation for the guaranteed deposit, transferred by the organization carrying out mandatory guarantee of deposits, in accordance with the Law of the Republic of Kazakhstan "On mandatory guarantee of deposits placed in second-tier banks of the Republic of Kazakhstan", ensures the implementation of pension benefits. The Fund also carries out accounting of target assets and target requirements, accounting and crediting of target savings (TS) to target savings accounts, payments of TS to their recipients in bank accounts, accounting for returns of TS in the manner determined by the Government of the Republic of Kazakhstan within the framework of the National Fund for Children program (More details at www.enpf.kz)

