

ANNOUNCEMENT

Investment portfolios of pension assets as of April 1, 2023

The enpf.kz website provides a report on the management of pension assets of the NBRK and the PIP as of April 1, 2023. A detailed report on the investment of pension savings is posted on the website enpf.kz in the section "Indicators - Investment activity", which monthly provides information on the management of pension assets by the National Bank of the Republic of Kazakhstan (NBRK) and investment portfolio managers (IPM). The total volume of pension assets as of April 1, 2023 amounted to about **KZT15,401.08 billion**. At the same time, UAPF pension assets [held in trust by the National Bank of the Republic of Kazakhstan](#) amounted to **KZT15,391.36 billion**. [Pension assets managed by the IPM](#) amounted to KZT 9.72 billion.

Investment portfolio of pension assets managed by the NBK

The main areas for investing pension assets of the NBRK as of April 1, 2023 are as follows: government securities of the Ministry of Finance of the Republic of Kazakhstan - 47.22%, bonds of quasi-public companies - 11.03%, bonds and deposits of second-tier banks of the Republic of Kazakhstan - 7.07%, State securities of foreign states - 5.64%, securities of international financial organizations - 2.46%, corporate bonds of Kazakhstani issuers - 0.10%.

As of April 1, 2023, the investment portfolio in terms of currencies in which financial instruments purchased using pension assets are denominated is as follows: investments in the national currency - 71.55%, in US dollars - 28.39%, in other currency - 0.05% of the portfolio of pension assets. It follows from the analysis of the income structure that income in the form of remuneration on securities, including on placed deposits and reverse REPO transactions and from market revaluation of securities, amounted to KZT435.62 bln, other income - KZT1.29 bln. And the instruments under external management and related to the revaluation of foreign currency brought losses in the amount of KZT91.24 bln, which confirms the impact of the unstable geopolitical situation, high volatility in global financial markets and inflation on investment income received this year.

Despite unfavorable external and internal factors due to the diversification of the investment portfolio of pension assets across instruments, industries and currencies, the total income for March 2023 is positive. As a result of investment activities, as well as due to the volatility of foreign exchange rates and changes in the market value of financial instruments, the amount of accrued investment income since the beginning of 2023 amounted to KZT345.67 bln.

The return on UAPF pension assets distributed to the accounts of contributors (beneficiaries) from the beginning of 2023 amounted to 2.26% with inflation of 3.20%.

At the same time, as of April 1, 2023, the return on pension assets for the last 12 months (from April 2022 to March 2023) for UAPF contributors (beneficiaries) amounted to 6.63%.

Recall that in the medium and long term, a positive real (exceeding accumulated inflation) return on pension savings is ensured.

[A detailed structure](#) of the investment portfolio of financial instruments managed by the NBK, indicating issuers and an overview of investment activities, are posted on the official website of the UAPF. Recall that in Kazakhstan there is a model of the state guarantee of the safety of pension savings. In accordance with Article 5 of the Law of the Republic of Kazakhstan *On Pension Provision in the Republic of Kazakhstan*, the state guarantees beneficiaries the safety of compulsory pension contributions and compulsory occupational pension contributions to the UAPF in the amount of actually made contributions, taking into account the inflation rate at the time of obtaining the right to pension benefits.

Investment Portfolio Managers

The total amount of funds managed by IPM is KZT9.72 bln.

As of April 1, 2023, pension assets held in trust by *Jusan Invest JSC* amounted to **KZT4.3 bln**.

The most significant investments of the company: NBRK notes - 31.09%, shares of Exchange Traded Funds (ETF) - 30.33% of the portfolio; Government securities of the Ministry of Finance of the Republic of Kazakhstan - 24.09%. Government securities of foreign states account for 8.46%. Note that 60.73% of the portfolio is presented in tenge; 39.27% - in US dollars.

As a result of investment activities, as well as due to the volatility of foreign exchange rates and changes in the market value of financial instruments, the accrued investment income for 2023 amounted to KZT147.84 million. The yield on pension assets amounted to 3.35%.

[A detailed structure](#) of the investment portfolio of financial instruments managed by *Jusan Invest JSC*, indicating issuers, is presented on the UAPF website.

As of April 1, 2023, pension assets held in trust by *Halyk Global Markets JSC* amounted to **KZT2.7 bln**.

The main investments in the portfolio structure are as follows: "reverse REPO" (no more than 90 calendar days) is 41.37%; equity instruments of foreign issuers (ETF units) - 13.61%; bonds of quasi-public organizations of the Republic of Kazakhstan - 11.88%; IFO bonds - 9.32%, NBRK notes - 8.98%, securities with state status, issued by the central governments of foreign states - 6.57%. Investments in the national currency amounted to 79.78% of the portfolio, in US dollars - 20.22%.

As a result of investment activity, the amount of accrued investment income for 3 months of the current year amounted to KZT83.27 mln. The return on pension assets has been 2.93% since the beginning of 2023.

[A detailed structure](#) of the investment portfolio of financial instruments managed by *Halyk Global Markets JSC* with indication of issuers is presented on the UAPF website.

UAPF pension assets held in trust by *BCC Invest JSC* amounted to **KZT1.6 bln**.

Among the main areas of investment, the following can be distinguished: government bonds of the Republic of Kazakhstan - 51.75% of the portfolio; bonds of quasi-public organizations of the Republic of Kazakhstan - 20.48%; shares (ETF for indices) - 9.69%, shares and depository receipts of foreign issuers - 5.18%. 79.22% of the portfolio was invested in instruments in national currency, 20.78% in US dollars.

As a result of investment activities, the amount of accrued investment income since the beginning of the year amounted to KZT35.15 mln. Return on pension assets - 2.12%. Most of the accrued investment income came from interest on reverse repurchase transactions and income from the market revaluation of securities.

[A detailed structure](#) of the investment portfolio of financial instruments managed by *BCC Invest JSC*, indicating issuers, is presented on the UAPF website.

UAPF pension assets held in trust management by *Centras Securities JSC* amounted to **KZT1.03 bln**.

63.17% of assets are invested in government securities of the Ministry of Finance of the Republic of Kazakhstan; cash on investment accounts is 10.76%; bonds of quasi-public organizations - 8.33%, shares and depository receipts issued by organizations of the Republic of Kazakhstan - 7.62%. 79.08% of the portfolio was invested in instruments in national currency, 20.92% in US dollars.

As a result of investment activities and changes in the market value of financial instruments, the amount of accrued investment income since the beginning of 2023 amounted to KZT20.88 mln. Return on pension assets - 1.88%.

[A detailed structure](#) of the investment portfolio of financial instruments managed by *Centras Securities JSC* with an indication of issuers is presented on the UAPF website.

As of April 1, 2023, pension assets held in trust by *Halyk Finance Subsidiary of Halyk Bank of Kazakhstan JSC* amounted to **KZT162.36 mln**.

Investments in the portfolio structure are as follows: reverse REPO (no more than 90 calendar days) is 85.67%, bonds of quasi-public organizations of the Republic of Kazakhstan - 7.40%, MFIs - 2.98%, NBRK notes - 2.95%, cash funds on accounts - 1%.

100% of the portfolio is invested in instruments in national currency. As a result of investment activities, the amount of accrued investment income since the beginning of 2023 amounted to KZT2.01 mln. Return on pension assets - 2.86%.

[A detailed structure](#) of the investment portfolio of financial instruments managed by *Halyk Finance Subsidiary of Halyk Bank of Kazakhstan JSC* with indication of issuers is presented on the UAPF website.

Recall that after receiving pension assets from UAPF, IPM 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 IPM Investment Declaration. When transferring pension savings to IPM management, the state guarantee is replaced by the guarantee of the management company to ensure the minimum level of profitability of pension assets. The minimum level of return is calculated based on the weighted average return on pension assets transferred to IPM management and 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)