

Approved
Minutes of the Board of Directors
of UAPF JSC
dated October 11, 2017 No. 5

**2017 – 2021 Corporate Development Strategy
of
“Unified accumulative pension fund” joint stock company**

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Introduction

2017 – 2021 UAPF JSC Corporate Development Strategy was developed in accordance with the new principles of social policy determined in the “Kazakhstan – 2050” State Strategy and the Concept of further modernization of the pension system of the Republic of Kazakhstan until 2030. It is a continuation of the main development trends specified in 2015 – 2019 UAPF JSC Corporate Development Strategy approved by the Board of Directors of UAPF JSC on November 20, 2014 (Minutes No. 4).

Today, the activities of “Unified accumulative pension fund” joint stock company (hereinafter, UAPF or the Fund) are primarily focused on the meeting of current needs of members and beneficiaries in terms of providing an access to pension services, to full and accurate information. Besides this UAPF plays a key role in the functioning and further development of individually fully funded system components of the country’s pension provision system.

The purpose of UAPF is to strive to create all necessary conditions for the citizens of the Republic of Kazakhstan, foreigners and stateless persons permanently residing on the territory of the Republic of Kazakhstan to give them an opportunity to form pension capital in UAPF.

Mission

Organizational assistance to members in the accumulation of pension savings by means of service quality improvement, accurate pension assets record keeping as well as pension savings planning culture development.

Vision

UAPF is a reliable single administrator and operator of all financial and information flows of individually fully funded pension system of the Republic of Kazakhstan.

Values

The UAPF in its work is guided by the fundamental principles of social responsibility including:

- ✓ respect for human rights
- ✓ observance of the rule of law
- ✓ transparency
- ✓ respect for the interests of all stakeholders
- ✓ ethical conduct
- ✓ accountability

UAPF as a socially responsible organization:

- delivers its services to members and beneficiaries of pension savings effectively, in a timely manner and fullest extent;
- takes care of its employees taking into account the fact that the most important asset of the organization is its employees;
- fulfills its obligations towards the state, partners and suppliers;
- takes good care of environment through the prudent use of resources in accordance with needs and appropriate waste disposal.

In accordance with the abovementioned the following values of UAPF are determined:

Reliability – the Fund operates strictly within the limits of the legislation of the Republic of Kazakhstan.

Transparency – the Fund is focused on keeping up the high standards of corporate governance, regularly publishes information on members’ accounts and its current financial situation in open information sources.

Customer focus – the interests of UAPF members - is the most important, and the Fund shall do everything possible to ensure that its pension services are available anywhere in the Republic of Kazakhstan, as well as abroad, so they understandable and meet the expectations of customers.

Progressiveness and self-improvement – the Fund’s staff keeps constantly learning and applies new skills and knowledge to be ready for the demands and challenges of the time.

Responsibility – UAPF executives and staff are responsible to members and beneficiaries of pension savings for the continuous improvement of the Fund’s activities and rational use of resources.

Strategic goals and objectives

1. High quality services in accordance with the best practice standards
 - 1.1. Ensuring equal access to pension services
 - 1.2. Compliance with the established standards of pension services
 - 1.3. Keeping Fund’s business processes in line with the quality management system standards for the further improvement of integrated risk management and internal control system

2. Development of pension savings planning culture among the population of the Republic of Kazakhstan
 - 2.1. Raising the level of financial and legal competence of the population in pension provision sphere
 - 2.2. Strengthening public confidence in individually fully funded pension system through the promotion of positive image of UAPF
 - 2.3. Promotion of personal pension plans culture
 - 2.4. Promotion of voluntary pension schemes

3. Implementation of the legislation of the Republic of Kazakhstan on further improvement of the individually fully funded pension system of Kazakhstan
 - 3.1. Improving the parameters and mechanisms for the pension benefits payment from UAPF
 - 3.2. Introduction of notional defined contribution component of the individually fully funded pension system – compulsory pension contributions of employer
 - 3.3. Implementation of UAPF functions as a Competent Authority within the Agreement on pension provision for the working population in EAEU member countries
 - 3.4. Implementation of the mechanism for the targeted use by contributors of a part of pension savings for alternative purposes (housing, medical treatment)
 - 3.5. Implementation of a mechanism for the transfer of pension assets to fiduciary management of an investment portfolio manager at the choice of the contributor

Chairman of the Executive Body

N. Nauryzbayeva