

## ANNOUNCEMENT

### **Investment income of pension assets for 5 months of 2024 exceeds last year's figures**

Net investment income distributed to pension accounts of contributors and beneficiaries for 5 months of 2024 exceeded KZT631.3 bln. This is almost KZT138 bln (or 28%) more than the same period last year.

Let us recall that the total amount of pension assets (formed from compulsory pension contributions (CPC), compulsory occupational pension contributions (COPC) and voluntary pension contributions (VPC)) as of June 1, 2024 amounted to about KZT19.2 trln. At the same time, the net investment income accumulated since 2014 (after the merger of pension assets into the UAPF) exceeded KZT9 trln. Taking into account payments made, this amounts to more than 37% of pension assets.

The return on pension assets of the UAPF, formed at the expense of CPC, COPC, VPC for 5 months of 2024 under the management of the National Bank of the Republic of Kazakhstan amounted to 3.49%, over the last 12 months it amounted to 10.31%.

Investment income consists of income in the form of interest on financial instruments (on securities, deposits and other transactions), market and currency revaluation of financial instruments, income on assets under external management, etc. Diversification of the investment portfolio ensures the safety and sustainable return on pension savings.

Note that pension savings are long-term investments, and it is advisable to analyze the amount of investment income over a period of at least a year. If we take a longer-term investment period, then, for example, the investment return from the founding of the funded pension system in 1998 to June 1, 2024 on an accrual basis amounted to 848.42%, with inflation for the same period being 784.21%. Thus, investment returns in the long term exceed inflation.

In addition, Kazakhstan has a unique guarantee of the safety of mandatory types of pension contributions, taking into account the level of inflation. In cases of a decrease in return in a certain period of time, which affected the accumulated return of the contributor upon the onset of the right to payments, compensation for the difference is guaranteed by the state.

The return on pension assets of the UAPF, formed from employer compulsory pension contributions (ECPC), as of June 1, 2024 from the beginning of the year is 1.14%. Note that ECPC began to be transferred to notional pension accounts from January 1, 2024 and the total amount of savings amounted to KZT77.5 bln.

The entire system of investment management and accounting of pension assets is transparent: each contributor has the opportunity to see their investment income in their personal account on the [enpf.kz](http://enpf.kz) website or in the mobile application.

Information on the investment management of pension assets of the UAPF and on the financial instruments in which the pension assets of the UAPF are placed is published on the official website of the UAPF ([www.enpf.kz](http://www.enpf.kz)) in the section “[Indicators/Investment activities](#)”.

*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.*

*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](http://www.enpf.kz)).*