

## ANNOUNCEMENT

June 28, 2022

### UAPF contributors were convinced of the transparency of the Fund's work

**The "Open Doors Day" has already become a traditional event for contributors and beneficiaries of the Unified Accumulative Pension Fund. UAPF employees once again held it in the virtual space. For the convenience of contributors and beneficiaries, our employees once again held it in the virtual space.**

Anyone could attend the event using the online platform and join the Open Doors Day without leaving their home. The main theme of the event is “Pension Asset Management: How and where pension assets are invested”.

It is commonly known that, the pension savings of UAPF contributors are continuously invested and work for the contributor. Last year alone, from January 1, 2021 to January 1, 2022, the increase in pension savings due to net investment income reached KZT1.4 trln. The return on pension assets of the UAPF managed by the National Bank of Kazakhstan amounted to 11.13%, with inflation of 8.4%. Recall that investment income includes income in the form of interest on securities (deposits and other operations), income in the form of market revaluation of financial instruments, income in the form of currency revaluation, income on assets under external management, etc.

The guests of the event knew that the amount of pension savings of contributors is recalculated and re-evaluated weekly in accordance with the results of pension assets investments. While the investment income includes income in the form of interest on securities (deposits and other operations), income in the form of market revaluation of financial instruments, income in the form of currency revaluation, income on assets under external management, etc. About 2/3 of investments are placed in tenge and about 1/3 - in foreign currency, most of the foreign currency investments - in US dollars. Since the value of financial instruments and exchange rates change all the time, the income from market and currency revaluation can be both positive as well as negative in a single period.

It is worth emphasizing 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 subject to constant changes in market conditions.

The Fund's specialists shared that in addition to the National Bank of Kazakhstan, UAPF contributors can transfer part of their savings to companies to investment portfolio managers (IPM). At the moment, the UAPF has concluded an agreement on trust management of pension assets with four IPMs. Recall that after receiving pension assets from the UAPF, IPM invests them in authorized financial instruments.

In general, in accordance with the Law On Pension Provision in the Republic of Kazakhstan, the state provides a guarantee of the safety of pension savings taking into account inflation at the time of obtaining the right for pension payments. This norm, which has no analogues anywhere in the world, contributes to the safety of contributors' assets from inflation. When transferring pension savings to the management of the IPM, the guarantee of the state is replaced by the guarantee of the management company to ensure a minimum level of profitability of pension assets.

The event was held throughout the country with a high attendance. Each of the participants was satisfied with the electronic format of the Open Doors Day, and many expressed a desire to independently study the information on the investment management of pension assets of the UAPF and the financial instruments in which the pension assets of the Fund are placed which is available on the official website [www.enpf.kz](http://www.enpf.kz).

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