

**JOINT STOCK COMPANY  
UNIFIED ACCUMULATIVE  
PENSION FUND**

Pension Plan Assets

Financial Statements and  
Independent Auditor's Report  
for the Year Ended 31 December 2021

TABLE OF CONTENTS

---

	Page
STATEMENT OF MANAGEMENT'S RESPONSIBILITIES FOR THE PREPARATION AND APPROVAL OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021	1
INDEPENDENT AUDITOR'S REPORT	2-4
FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 DECEMBER 2021:	
Statement of Profit and Loss	5
Statement of Net Assets Available for Benefits	6
Statement of Cash Flows	7
Statement of Changes in Net Assets Available for Benefits	8
Notes to the Financial Statements	9-45

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

### Statement of Management's Responsibilities for the Preparation and Approval of the Financial Statements for the Year Ended 31 December 2021

---

Management of Joint Stock Company Unified Accumulative Pension Fund ("the Fund") is responsible for the preparation of the financial statements that present fairly the financial position of the pension assets as at 31 December 2021, and the results of its operations, cash flows and changes in net assets available for benefits for the year then ended, in accordance with Financial Reporting Standard "Accounting and disclosure of operations with pension assets" approved by Regulation No. 195 of the Management Board of the National Bank of the Republic of Kazakhstan on 26 July 2013 ("the FRS"). The FRS sets out certain specific accounting and financial reporting requirements in respect of the pension assets, and stipulates that International Financial Reporting Standards ("IFRS") apply for those areas not specifically addressed by the FRS. In preparing the financial statements, the Fund, as a reporting organization, in accordance with IAS 26 Accounting and Reporting by Retirement Benefit Plans, for pension assets uses the concept of "Pension Plan Assets" ("Plan").

In preparing the financial statements, management is responsible for:

- Properly selecting and applying accounting policies;
- Presenting information, including accounting policies, in a manner that provides relevant, reliable, comparable and understandable information;
- Providing additional disclosures when compliance with the specific requirements in FRS are insufficient to enable users to understand the impact of particular transactions, other events and conditions on the Plan's financial position and financial performance; and
- Making an assessment of the Plan's ability to continue as a going concern.

Management is also responsible for:

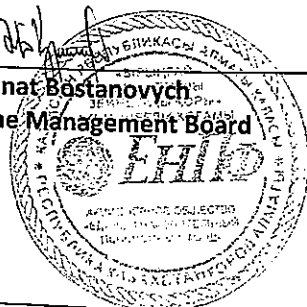
- Designing, implementing and maintaining an effective and sound system of internal controls throughout the Plan;
- Maintaining adequate accounting records that disclose, with reasonable accuracy at any time, the financial position of the Plan, and which enable them to ensure that the financial statements of the Plan comply with FRS;
- Maintaining accounting records in compliance with legislation of the Republic of Kazakhstan;
- Taking such steps as are reasonably available to them to safeguard the assets of the Plan; and
- Detecting and preventing fraud and other irregularities.


The financial statements of the Plan for the year ended 31 December 2021 were authorised for issue by the Management of the Fund on 9 March 2022.

On behalf of the Management Board:

  
Kurmanov Zhanat Bostanovich  
Chairman of the Management Board

9 March 2022  
Almaty



  
Sarinova Amankul Zhaksylykovna  
Chief Accountant

9 March 2022  
Almaty

## INDEPENDENT AUDITOR'S REPORT

To the Shareholder of Joint Stock Company Unified Accumulative Pension Fund

### Opinion

We have audited the financial statements of the Pension Plan Assets ("the Plan") of Joint Stock Company Unified Accumulative Pension Fund ("the Fund"), which comprise the statement of net assets available for benefits as at 31 December 2021, the statement of profit and loss, statement of cash flows and statement of changes in net assets available for benefits for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In our opinion, the accompanying financial statements present fairly, in all material respects, the financial position of the Plan as at 31 December 2021, and its financial performance and its cash flows for the year then ended in accordance with Financial Reporting Standard "Accounting and disclosure of operations with pension assets" approved by Regulation No. 195 of the Management Board of the National Bank of the Republic of Kazakhstan on 26 July 2013 ("the FRS").

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing ("ISAs"). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Plan in accordance with the International Ethics Standards Board for Accountants' *Code of Ethics for Professional Accountants* (the "IESBA Code") together with the ethical requirements that are relevant to our audit of the financial statements in the Republic of Kazakhstan, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with FRSs, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Plan's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Plan or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Plan's financial reporting process.

Deloitte refers to one or more of Deloitte Touche Tohmatsu Limited ("DTTL"), its global network of member firms, and their related entities (collectively, the "Deloitte organization"). DTTL (also referred to as "Deloitte Global") and each of its member firms and related entities are legally separate and independent entities, which cannot obligate or bind each other in respect of third parties. DTTL and each DTTL member firm and related entity is liable only for its own acts and omissions, and not those of each other. DTTL does not provide services to clients. Please see [www.deloitte.com/about](http://www.deloitte.com/about) to learn more.

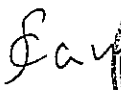

## Auditor's Responsibilities for the Audit of the Financial Statements



Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Plan's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Plan's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Plan to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

  
  
Roman Sattarov  
Engagement Partner  
Qualified Auditor of the Republic of Kazakhstan  
Qualification certificate №MF-0000149  
dated 31 May 2013

  
  
Zhangir Zhilysbayev  
General Director  
Deloitte LLP  
State license on auditing in the  
Republic of Kazakhstan  
№0000015, type MFU-2, given by the  
Ministry of Finance of the  
Republic of Kazakhstan  
dated 13 September 2006

9 March 2022  
Almaty

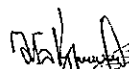
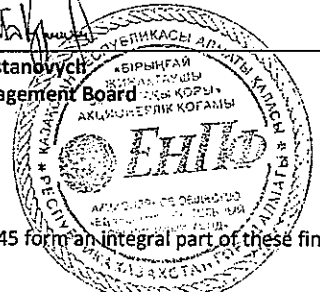
# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

### Statement of Profit and Loss for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)

	Notes	For the year ended 31 December 2021	For the year ended 31 December 2020
Interest income	4, 18	844,426,003	806,227,203
Dividend income	5, 18	29,012,767	25,449,324
Net gain on operations with financial assets	6	314,148,892	87,163,610
Net gain on foreign exchange operations	7	68,319,485	290,944,118
Net gain on assets under investment management of foreign organisations	13	140,973,592	50,249,168
Recovery of previously written-off impairment losses on financial assets		180,000	266,249
Other income		2,163,624	2,201,059
<b>Total income</b>		<b>1,399,224,363</b>	<b>1,262,500,731</b>
Commission expense	8, 18	(41,180,567)	(42,656,240)
<b>Total expense</b>		<b>(41,180,657)</b>	<b>(42,656,240)</b>
<b>Net profit for the year</b>		<b>1,358,043,796</b>	<b>1,219,844,491</b>

On behalf of the Management Board:

  
  
**Kurmanov Zhanat Bostanovich**  
**Chairman of the Management Board**

9 March 2022  
Almaty

  
**Sarinova Amankul Zhaksylykovna**  
**Chief Accountant**

9 March 2022  
Almaty

The notes on pages 9-45 form an integral part of these financial statements.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

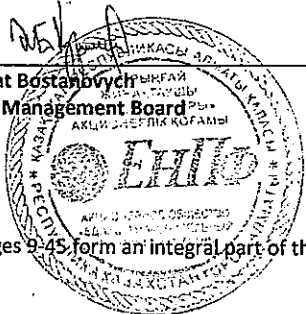
### Statement of Net Assets Available for Benefits as at 31 December 2021 (in thousands of Kazakhstani Tenge)

	Notes	31 December 2021	31 December 2020
<b>ASSETS</b>			
Cash and cash equivalents	9, 18	678,631,057	60,780,272
Bank deposits	10, 18	378,712,022	866,796,986
Financial assets at fair value through profit or loss	11, 18	4,694,496,253	3,045,700,805
Financial assets at amortised cost	12, 18	6,377,258,594	8,127,306,475
Assets under investment management of foreign organisations	13	1,382,501,952	816,525,360
Dividend receivables	11	877	-
<b>Total assets</b>		<b>13,511,600,755</b>	<b>12,917,109,898</b>
<b>LIABILITIES</b>			
Account payable	11	431,641,215	-
Commission payable	18	1,683,889	1,948,749
Personal income tax payable from benefits paid		6,461,890	902,377
Claims of pension beneficiaries		1,731,085	781,742
Other liabilities		16,418	1,402
<b>Total liabilities</b>		<b>441,534,497</b>	<b>3,634,270</b>
<b>Net assets available for benefits</b>		<b>13,070,066,258</b>	<b>12,913,475,628</b>

On behalf of the Management Board:

  
Kurmanov Zhanat Bostanovich  
Chairman of the Management Board

9 March 2022  
Almaty



  
Sarinova Amankul Zhaksylykovna  
Chief Accountant

9 March 2022  
Almaty

The notes on pages 9-45 form an integral part of these financial statements.




# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

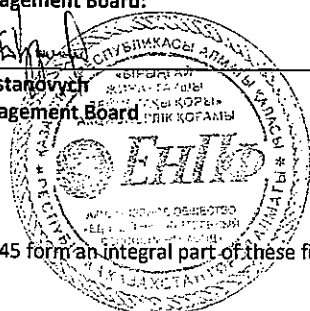
### Statement of Cash Flows for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)


	Notes	Year ended 31 December 2021	Year ended 31 December 2020
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>			
Change in net assets available for benefits		156,590,630	2,112,936,234
<i>Adjustments for:</i>			
Interest income	4	(844,426,003)	(806,227,203)
Dividend income	5	(29,012,767)	(25,449,324)
Net gain on financial assets	6	(314,148,892)	(87,163,610)
Net gain on foreign exchange operations	7	(68,319,485)	(290,944,118)
Net gain on assets under investment management of foreign organisations		(140,973,592)	(50,249,168)
Recovery of previously written-off impairment losses		(180,000)	(266,249)
<b>Change in operating assets and liabilities</b>			
Decrease in commission payable		(264,859)	(3,279,193)
Increase/(decrease) in claims of pension beneficiaries		948,312	(1,487,360)
Increase/(decrease) in personal income tax payable from benefits paid		5,559,513	(252,573)
Increase/(decrease) in other liabilities		15,033	(6,895)
Change in other operating assets and liabilities		(1,393,376)	(3,345,398)
<b>Cash (outflows)/inflows from operating activities</b>		<b>(1,235,605,486)</b>	<b>844,265,143</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Interest received		804,660,560	642,647,562
Dividends received		28,999,710	25,286,044
Proceeds from bank deposits		35,923,499,074	31,658,116,407
Placement of bank deposits		(35,420,901,334)	(31,805,443,240)
Sales and repayment of financial assets at fair value through profit or loss		4,293,818,772	5,168,029,167
Purchases of financial assets at fair value through profit or loss		(5,234,768,868)	(6,175,254,959)
Sales of derivatives		-	12,907,879
Sales and repayment of financial assets at amortised cost		1,987,760,410	400,396,087
Purchases of financial assets at amortised cost		(107,459,147)	(704,334,234)
Placement of assets to investment management of foreign organisation		(425,003,000)	(554,391,000)
<b>Cash inflows/(outflows) from investing activities</b>		<b>1,850,606,177</b>	<b>(1,332,040,287)</b>
<b>Net increase/(decrease) in cash and cash equivalents</b>		<b>615,000,691</b>	<b>(487,775,144)</b>
Cash and cash equivalents at the beginning of the year (Note 9)		60,780,272	521,573,950
Effect of changes in exchange rates on cash and cash equivalents		2,850,094	26,981,466
<b>Cash and cash equivalents at the end of the year (Note 9)</b>		<b>678,631,057</b>	<b>60,780,272</b>

On behalf of the Management Board:

  
Kurmanov Zhanat Bostanovich  
Chairman of the Management Board

9 March 2022  
Almaty



  
Sarinova Amankul Zhaksyiykovna  
Chief Accountant

9 March 2022  
Almaty

The notes on pages 9-45 form an integral part of these financial statements.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets


### Statement of Changes in Net Assets Available for Benefits for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)

	Notes	Year ended 31 December 2021	Year ended 31 December 2020
Net profit for the year		1,358,043,796	1,219,844,491
Pension contributions received	14	1,681,433,214	1,086,520,316
Benefits paid	15	(2,882,886,380)	(193,428,573)
<b>Change in net assets available for benefits</b>		<b>156,590,630</b>	<b>2,112,936,234</b>
Net assets available for benefits at the beginning of the year		12,913,475,628	10,800,539,394
<b>Net assets available for benefits at the end of the year</b>		<b>13,070,066,258</b>	<b>12,913,475,628</b>

On behalf of the Management Board:

  
Kurmanov Zhanat Bostanovich  
Chairman of the Management Board

9 March 2022  
Almaty

  
Sarinova Amankul Zhaksylykovna  
Chief Accountant

9 March 2022  
Almaty

The notes on pages 9-45 form an integral part of these financial statements.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

---

### 1. Organization

These financial statements reflect Pension Plan Assets (hereinafter - "the Plan") as a reporting organization, in accordance with International Financial Reporting Standards (hereinafter - "IFRS") (IAS) 26 "Accounting and Reporting by Retirement Benefit Plans", are regulated by the pension legislation of the Republic of Kazakhstan and represents a defined contribution plan where pension contributions are accumulated and out of which benefits are paid.

On 21 June 2013, there were amendments enacted to the Law "On pensions in the Republic of Kazakhstan" (hereinafter - "the Law on pensions"). In accordance with the amended Law on pensions all mandatory pension, mandatory professional pension contributions in the Republic of Kazakhstan are performed by the Fund.

The Fund is a non-for-profit organisation. Its sole shareholder is the Government of the Republic of Kazakhstan, represented by the Committee of State Property and Privatisation of the Ministry of Finance of the Republic of Kazakhstan (hereinafter - the "CSPP").

In accordance with the Law on pensions and the Agreement on fiduciary management signed by National Bank of the Republic of Kazakhstan (hereinafter - "the NBRK") No. 362 dated 26 August 2013, the state portfolio of shares of the Fund was passed under the fiduciary management to the NBRK (hereinafter - "the Trustee").

The NBRK performs fiduciary management in respect of pension assets in accordance with the Investment Declaration approved by the Resolution of the NBRK Board No. 10 dated 24 February 2020 and amendments approved by the Resolution of the NBRK Board No.145 dated 21 December 2020.

Investment Declaration approved by the Resolution of the NBRK Board No. 86 dated 17 March 2016 and amendments approved by the Resolution of the NBRK Board No. 165 dated 28 August 2017, No. 326 dated 28 December 2018 and No. 135 dated 13 August 2019 was cancelled by the Resolution of the NBRK Board No. 10 dated 24 February 2020.

The investment declaration regulates the list of investment objects, goals, strategies for the investment activity of the Plan, the conditions for hedging and diversification of pension assets of the Plan, investment beliefs of the pension asset manager when making investment decisions, list of investment objects, conditions and restrictions of investment activities in relation to pension assets, conditions for hedging and diversification of pension assets.

In addition, the NBRK may entrust pension assets to another party to take actions necessary to manage the pension assets of the Plan entrusted in accordance with the investment management agreement.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

### Notes to the Financial Statements (continued) for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)

---

In accordance with the Law of the Republic of Kazakhstan "On amendments and additions to certain legislative acts of the Republic of Kazakhstan on the restoration of economic growth" dated 2 January 2021 No. 399-VI and the Agreement on services for trust management of pension assets, the Agreement with JSC Halyk Global Markets " No. 17/6/18-02-21/n dated 18 February 2021, Jusan Invest JSC No. 17/7/18-02-21/n dated 18 February 2021, BCC Invest JSC No. 17/ 19-02-21/11/n dated 19 February 2021, Centras Securities JSC No. 20/05-03-21/n 17/05-03-21/n dated 5 March 2021 management of the investment portfolio manager (hereinafter referred to as the "Investment Portfolio Manager")

All employers' of Republic of Kazakhstan are liable to make mandatory contributions on behalf of their employees equal to 10% of employee's income, but not less than 10% of the minimum salary, established for the relevant financial year by the Law of Republic of Kazakhstan "On the Republican budget". Starting from 1 January 2019, a new type of tax regime was introduced for civilians carrying out entrepreneurial activities without registering as an individual comprehensive payment (ICP), 30% of which were accrued to individual pension accounts in the form of mandatory pension contributions. Additional voluntary contributions can be made by individuals and legal entities. Mandatory professional pension contributions are made by the employers at their own expense for the benefit of employees engaged in jobs with hazardous working conditions, in the amount of 5% of monthly income of the employee.

Mandatory professional pension contributions are made by the employer at their own expense in favor of employees employed for work with harmful working conditions, in the amount of 5% of the employee's monthly income.

The pension provision system in Kazakhstan is a multi-level system, which consists of the solidarity and base component, the accumulative mandatory and voluntary savings components. The solidarity component is calculated, if there is a work experience not less than 6 months as at 1 January 1998, and guaranteed by the Government of the Republic of Kazakhstan and is calculated and provided by the State Corporation "Government for Citizens" (hereinafter - the "GC"). The mandatory accumulative pension component is based on savings adjusted for inflation, which are also guaranteed by the Government. Thus, if at the moment of occurrence of the right to receive pension from the Plan, the amount of accumulated pension is less than all the pension contributions made adjusted for the inflation rate, the Government guarantees to pay the difference.

Each participant has an individual pension account, which is credited with his/her contribution and allocation of the Plan's investment income and is charged with an allocation of commission expense. The amount of allocated investment income and charged commission expense are determined in accordance with the pension legislation of Republic of Kazakhstan. When the conditions defined by the Law on pensions are met, participants are entitled to receive pension benefits up to the amount of pension savings, accumulated on their individual pension accounts.

When a participant reaches pension age, payments of pension accumulations from the Plan are performed in accordance with schedule, within the limits of annual payment amount, defined by the pension legislation for the corresponding year.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

### Notes to the Financial Statements (continued) for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)

---

On termination of service due to death or emigration outside the Republic of Kazakhstan, a participant (heir, in case of death) is entitled to receive a lump-sum amount accumulated on the individual pension account as it was defined by the legislation of Republic of Kazakhstan.

When a participant reaches age, as defined in the Law on pensions and sufficiency of pension accumulations on his/her pension account, he/she has an option either to transfer the accumulated pension benefits to any insurance company as a contribution towards a pension annuity agreement.

In accordance with the Law of the Republic of Kazakhstan dated 2 January 2021 No. 399-VI "On Amendments and Additions to Certain Legislative Acts of the Republic of Kazakhstan on Restoring Economic Growth" and the adequacy of pension savings, from 1 February 2021, the Plan has been making lump-sum payments of pension savings in order to improving living conditions and (or) paying for medical treatment. The participants of the Plan can chose to withdraw certain amounts nor exceeding minimum limits set by legislation. There are certain rules and procedures that must be followed in order to make such withdrawals. This change result in significant outflow of funds from the Plan in 2021 year. The authorized operators are HCSB Otbasy Bank JSC, Halyk Bank of Kazakhstan JSC, Bank CenterCredit JSC, Altyn Bank JSC and Bank Freedom Finance Kazakhstan JSC.

## 2. Significant accounting policies

### Basis of preparation

These financial statements have been prepared assuming that the Plan is a going concern and will continue operation for the foreseeable future.

In accordance with IAS 1 "Presentation of Financial Statements", the Plan may use titles for the statements other than those used in the Standard. The Plan has chosen the titles, which according to their judgment, they fully reflect its activities.

### Statement of compliance

The accompanying financial statements are prepared in accordance with Financial Reporting Standard "Accounting and disclosure of operations with pension assets" approved by Regulation No. 195 of the Management Board of the National Bank of the Republic of Kazakhstan on 26 July 2013 (hereinafter - "the FRS"). The FRS sets out certain specific accounting and financial reporting requirements in respect of the Plan, and stipulates that International Financial Reporting Standards (hereinafter - "IFRS") apply for those areas not specifically addressed by the FRS. Specifically, the FRS establishes and stipulates guidelines on accounting of pension plan assets, initial recognition and subsequent accounting of financial assets, reclassification and derecognition of financial assets, impairment of financial assets at amortised cost and other financial assets, and defines the fair value of financial assets at fair value through profit or loss.

These financial statements are presented in thousands of Kazakhstani tenge (hereinafter - "KZT thousand"), unless otherwise indicated.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

### Notes to the Financial Statements (continued) for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)

These financial statements have been prepared on the cost basis of account arrangement or purchase price of financial instruments, except for certain financial instruments that are measured at amortised cost or fair value at the end of each reporting period, as explained below.

#### Functional currency

Items included in the financial statements are measured using the currency of the primary of the economic environment in which the Plan operates (hereinafter - "the functional currency").

The presentational currency of the financial statements of the Plan is the KZT thousand. All values are rounded to the nearest thousand Tenge, except when otherwise indicated.

Stipulations of accounting policy, described further, were implemented by the Plan subsequently in all reporting periods, presented in these financial statements.

#### Foreign currencies

In preparing financial statements, transactions in currencies other than the Plan's functional currency ("foreign currencies") are recognised at the rates of exchange prevailing at the date of transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at reporting date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the reporting period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value is determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rate at the date of the transaction. Foreign currency differences arising on retranslation are recognised in profit or loss.

The exchange rates used by the Plan in the preparation of the financial statements as at year-end are as follows:

	31 December 2021	31 December 2020
1 United States Dollar (USD)	431,80	420,91
1 Russian Rouble (RUB)	5,76	5,62
1 Pound Sterling (GBP)	583,32	574,88
1 Japanese Yen (JPY)	3,75	4,09
1 Euro (EUR)	489,10	516,79

#### Cash and cash equivalents

Cash and cash equivalents comprise current accounts at the NBRK and other banks of 2<sup>nd</sup> level.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

---

### Financial instruments

#### *Classification*

In accordance with the FRS the financial assets of the Plan are classified into one of the following categories:

- 1) measured at amortised cost;
- 2) measured at fair value.

The classification is performed in accordance with the Rules "On accounting and valuation of pension assets" developed by the NBRK in Decree No. 24 dated 26 February 2014 (hereinafter - "the Valuation Rules"). Deposits and receivables, and securities that have fixed redemption value and that have been acquired to match obligations of the Plan, are classified to the category "at amortised cost".

According to the FRS the reclassification of financial instruments between these categories is allowed at any time.

According to the FRS it is allowed to sell financial assets at amortised cost directly from this category.

#### *Recognition*

Financial assets and liabilities are recognised in the statement of net assets available for benefits when the Plan becomes a party to the contractual provisions of the instrument. Financial assets are recognised at the trade date.

#### *Measurement*

A financial asset or liability is initially measured at its fair value. In the case of a financial asset or liability measured not at fair value, change of which reflected in profit or loss, such financial assets or liability is initially measured at fair value plus transaction costs that are directly attributable to the acquisition of the financial asset or liability.

Subsequent to initial recognition, financial assets, including derivatives that are assets, are measured at their fair values, without any deduction for transaction costs that may be incurred on sale or other disposal, except for:

- deposits, receivables and financial instruments, which are measured at amortised cost using the effective interest method.

All financial liabilities, other than those designated at fair value through profit or loss and financial liabilities that arise when a transfer of a financial asset carried at fair value does not qualify for derecognition, are measured at amortised cost.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

---

### *Amortised cost*

The amortised cost of a financial asset or liability is the amount at which the financial asset or liability is measured at initial recognition, minus principal repayments, plus or minus the cumulative amortisation using the effective interest method of any difference between the initial amount recognised and the maturity amount, minus any reduction for impairment. Premiums and discounts, including initial transaction costs, are included in the carrying amount of the related instrument and amortised based on the effective interest rate of the instrument.

### *Fair value measurement principles*

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date in the principal, or in its absence, the most advantageous market to which the Plan has access at that date. The fair value of a liability reflects its non-performance risk.

At subsequent measurement, fair values of the financial assets classified into the fair value through profit or loss category are determined in accordance with the Valuation Rules. Valuation Rules are also applied to determine fair value of financial assets classified into the "amortised cost" category.

Assessment of ordinary and preference shares of the first class of liquidity of organisations-residents of the Republic of Kazakhstan is performed weekly as at the end of the first working day of the week at the closing price of the previous trading day in the trading system of Exchange methodology.

Assessment of debt securities traded on the territory of the Republic of Kazakhstan and international (foreign) markets, classified "at fair value" is performed weekly at the bid price (bid price) as at the end of the first working day of the week at the closing price of the previous trading day according to the data of Bloomberg and Reuters informational-analytical systems.

Assessment of ordinary and preferred shares, depository receipts of organizations - non-residents of the Republic of Kazakhstan is performed weekly as at the end of the first working day of the week at the bid price (bid price) at the end of the previous trading day to the data of Bloomberg and Reuters informational-analytical systems.

Assessment of government securities of the Republic of Kazakhstan, classified as "estimated at fair value" and traded exclusively on the territory of the Republic of Kazakhstan or on the territory of the Republic of Kazakhstan and on international markets is performed weekly at the bid price (bid price) as at the end of the first working day of the week at the closing price of the previous trading day in accordance with the Exchange methodology.

Assessment of government securities of the Republic of Kazakhstan traded exclusively on international (foreign) markets, classified as "estimated at fair value", is performed weekly as at the end of the first working day of the week at the bid price (bid price) at the end of the previous trading day, in accordance with Bloomberg information and analytical systems (sources in order of priority: MLIX, BVAL, BGN) or Reuters.



## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

**Notes to the Financial Statements (continued)**  
**for the Year Ended 31 December 2021**  
**(in thousands of Kazakhstani Tenge)**

---

Assessment of debt securities traded on the territory of the Republic of Kazakhstan and international (foreign) markets, classified as "estimated at fair value", is performed weekly as at the end of the first working day of the week at the closing price of the previous trading day according to information and analytical systems Bloomberg or Reuters.

Refined precious metals are measured weekly as at the end of the first working day of the week at the closing price of the morning trading day held by the London Bullion Market Association on the last business day of the previous week.

Assessment of derivative financial instruments is carried out weekly as at the end of the first working day of the week at fair value in accordance with prescribed by the internal documents of the Fund, developed taking into account the requirements of International Financial Reporting Standards.

Units are valued on a weekly basis as at the end of the first working day of the week at the latest estimated value posted by the management company of the unit investment fund in the media.

Financial instruments classified as "measured at amortized cost" are valued at amortized cost.

The following financial instruments are measured at the latest fair value of these financial instruments, determined based on the results of the valuation performed by the appraiser:

- 1) shares (depository receipts) of organizations - residents of the Republic of Kazakhstan, not recognized as liquid as of the date of assessment by the appraiser;
- 2) debt securities circulating (traded) exclusively in the territory of the Republic of Kazakhstan and classified as "assessed at fair value";
- 3) debt securities for which, as of the date of appraisal by the appraiser, there is no information on market prices in the information and analytical systems of Bloomberg or Reuters;
- 4) structural notes;
- 5) other financial instruments.

An independent assessment was prepared in accordance with the concluded agreement No. 17/785/03-06-2021/p dated June 03, 2021 with Baker Tilly Qazaqstan Advisory LLP related to valuation of the financial instruments acquired at the expense of the pension assets of the Plan and held in trust by the NBRK and (or) an investment portfolio manager concluded between a unified accumulative pension fund and an appraiser.

#### ***Gains and losses on subsequent measurement***

A gain or loss on a financial instrument classified as at fair value through profit or loss is recognised in statement of profit and loss.

For financial assets and liabilities carried at amortised cost, a gain or loss is recognised in the statement of profit and loss when the financial asset or liability is derecognised or impaired, and through the amortisation process.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

---

### *Derecognition*

The Plan derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or when it transfers the financial asset in a transaction in which substantially all the risks and rewards of ownership of the financial asset are transferred or in which the Plan neither transfers nor retains substantially all the risks and rewards of ownership and it does not retain control of the financial asset. Any interest in transferred financial assets that qualify for derecognition that is created or retained by the Plan is recognised as a separate asset or liability in the statement of net assets available for benefits. The Plan derecognises a financial liability when its contractual obligations are discharged or cancelled or expire.

The Plan writes off assets when 180 days pass after the carrying amount becomes nil either as a result of impairment or fair value adjustment.

### **Net gain on operation with the financial assets**

Net gain on operations with the financial assets included in statement of profit and loss is represented by net gain on operations with financial assets at fair value through profit or loss and net gain on operations with financial assets at amortised cost.

### *Amounts receivable under reverse repurchase agreements*

Securities purchased under agreements to resell ("the reverse repo") are recorded as amounts receivable under reverse repo transactions. The difference between the purchase and resale prices represents interest income and is recognised in profit or loss over the term of the reverse repo agreement.

### *Liabilities under reverse repurchase agreements*

Securities purchased under agreements to resell ("the reverse repo") through the term for a certain category in this price agreement. The difference between the sale price and the purchase price is an interest expense and is calculated over the validity period of the "repo" that appears.

### *Assets under investment management of foreign organisations*

Accounting of pension assets, transferred by the NBRK to another party ("the asset manager"), in accordance with the investment management agreements dated 6 March 2018, 30 January 2019, 7 November 2019, 27 July 2020, 25 February 2021, 24 June 2021 and 25 November 2021 year are carried out on the basis of the total amount transferred to asset manager without specification of financial instruments. Accounting is performed based of foreign custodian reports.

The change in value of pension assets is recognised in the statement of profit and loss as gain/loss on assets under investment management of foreign organisations.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

---

Revaluation of assets under investment management of foreign organisations is carried out at least 1 (one) time per month. Net gain on assets under investment management of foreign organisations measured at fair value is calculated and accrued as at the beginning first day of the month preceding the month for which the calculation and accrual is made.

### *Derivative financial instruments*

Derivative financial instruments include swap, forward, futures, spot transactions and options in interest rate, foreign exchange, precious metals and stock markets, and any combinations of these instruments.

The Pension Plan assets are invested in derivative financial instruments in accordance with the Investment Declaration, according to which the investment limit is set at no more than 10% of the Pension Plan assets.

Derivatives are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value. All derivatives are carried as assets when their fair value is positive and as liabilities when their fair value is negative.

Changes in the fair value of derivatives are recognised immediately in profit or loss.

Derivatives may be embedded in another contractual arrangement ("the host contract"). An embedded derivative is separated from the host contract and it is accounted for as a derivative if, and only if the economic characteristics and risks of the embedded derivative are not closely related to the economic characteristics and risks of the host contract, a separate instrument with the same terms as the embedded derivative would meet the definition of a derivative; and the combined instrument is not measured at fair value with changes in fair value recognised in profit or loss. Derivatives embedded in financial assets or financial liabilities at fair value through profit or loss are not separated.

### *Offsetting*

Financial assets and liabilities are offset and the net amount reported in the statement of net assets available for benefits when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

### *Impairment*

Objective evidence that financial assets are impaired include default or delinquency by an issuer, bankruptcy or liquidation of the issuer.

## Pension Plan Assets

### Notes to the Financial Statements (continued) for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)

---

In the event of a default and (or) in cases of an issuer declaring a default, and (or) bankruptcy, and (or) liquidation of the issuer, the Plan performs:

- reclassification of financial assets held in trust by the NBRK from the category “assessed at amortized cost” to the category “assessed at fair value”;
- for financial assets valued by an appraiser, after the date of determination of the last fair value of these financial instruments based on the results of the valuation conducted by the appraiser, a decrease in the value of these financial instruments in the amount of 50% of their current value until the moment their fair value is determined based on the results of the valuation, carried out by the appraiser;
- for bank deposits and receivables, the creation of reserves (provisions) in the amount of 50% of their current value.

After 180 days from the date of default, in case of failure to fully fulfill obligations on bank deposits and receivables, the creation of reserves (provisions) in the amount of 100% of their current value.

The amount of reserves (provisions) against possible losses from depreciation of financial instruments or the amount of decrease in the value of financial instruments is calculated from the current value of financial instruments increased by the amount of reserves (provisions) formed to cover possible losses from depreciation of financial instruments or by the amount of the previous decrease in the value of these financial instruments on the settlement date.

All impairment losses are recognised in the statement of profit and loss.

#### **Taxation**

The Plan is not subject to income taxes.

#### **Income and expense recognition**

Interest income is recognised in the statement of profit and loss using the effective interest method. Interest income in respect of the securities that are in default for more than 180 days is not recognised.

Accrued discounts and premiums on financial instruments at fair value through profit or loss are recognised in gains less losses from financial instruments at fair value through profit or loss, respectively.

Dividend income is recognised in the statement of profit and loss on the date that the dividend is declared.

#### **Commission expense**

Commission expense is recognised using the accrual method when the corresponding service is provided in accordance with the Rules for charging commissions by the unified accumulative pension fund approved by the Resolution of the National Bank of the Republic of Kazakhstan No. 185 dated 26 July 2013. The basis for calculating the expense is explained in details in Note 8.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
*(in thousands of Kazakhstani Tenge)*

---

### Pension contributions, transfers and benefits paid

Pension contributions are accounted for when contributions are received by the Plan's custodian. Benefits paid and pension transfers are recognised when the Plan has an obligation to pay or transfer pensions, which arise at the request of one of the Plan's participants in accordance with the pension legislation.

### 3. Critical accounting judgements and key sources of estimation uncertainty

The application of Plan's accounting policy the Plan's management is required to make judgments, estimates and assumptions that affect the reported amounts of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods.

#### Fair value measurement and valuation process

Part of financial assets and financial liabilities of the Plan are measured at fair value. In estimating the fair value of a financial asset or a liability, the Plan uses available market-observable data. Where such Level 1 and 2 inputs are not available, the Plan engages independent appraisers. Information about valuation techniques and inputs used to determine the fair value of assets and liabilities is disclosed in Note 19.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

### 4. Interest income

	Year ended 31 December 2021	Year ended 31 December 2020
<b>Interest income comprises:</b>		
<b>Financial assets recorded at amortised cost:</b>		
- unimpaired financial assets	676,674,959	682,124,134
<b>Financial assets at fair value</b>	<b>167,751,044</b>	<b>124,103,069</b>
<b>Total interest income</b>	<b>844,426,003</b>	<b>806,227,203</b>
<b>Financial assets recorded at amortised cost comprises:</b>		
Financial assets at amortised cost	627,278,391	632,103,523
Bank deposits	44,619,173	45,530,168
Amounts receivable under reverse repurchase agreements	4,777,395	4,490,443
<b>Total interest income on financial assets recorded at amortised cost</b>	<b>676,674,959</b>	<b>682,124,134</b>
<b>Financial assets at fair value:</b>		
Financial assets at fair value through profit or loss	167,751,044	124,103,069
<b>Total interest income on financial assets at fair value</b>	<b>167,751,044</b>	<b>124,103,069</b>
<b>Total interest income</b>	<b>844,426,003</b>	<b>806,227,203</b>

### 5. Dividend income

	Year ended 31 December 2021	Year ended 31 December 2020
<b>Equity Securities:</b>		
Ordinary shares of JSC Halyk Bank	12,924,986	12,264,375
GDR of JSC National Atomic Company Kazatomprom	7,818,400	4,605,203
Ordinary shares of JSC KEGOC	3,012,018	1,924,053
GDR of JSC Halyk Bank	1,408,090	1,322,219
Ordinary shares of JSC KazTransOil	1,390,207	1,241,546
GDR of JSC Kcell	929,282	421,378
Ordinary shares of JSC ForteBank	553,557	220,641
Ordinary shares of JSC Kcell	301,634	154,438
Preference shares of JSC Fincraft Resources	262,977	525,954
Ordinary shares of RIOTINTO PLC	200,144	183,906
Preference shares of JSC Nurbank	120,398	120,398
GDR of PJSC MMC Norilsk Nickel	1,587	104,093
Preference shares of JSC Atameken-Agro	-	800,647
GDR of JSC Sberbank Russia	-	636,781
Ordinary shares of JSC Kazakhtelecom	-	285,637
GDR of PJSC Gasprom	-	276,481
Others – domestic equity	31,000	240,880
Others - foreign equity	58,487	120,694
<b>Total dividend income</b>	<b>29,012,767</b>	<b>25,449,324</b>

## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

#### 6. Net gain on financial assets

	Year ended 31 December 2021	Year ended 31 December 2020
Net gain on operations with financial assets at fair value through profit or loss	142,214,056	80,304,084
Net gain on operations with financial assets at amortised cost	171,934,836	6,859,526
<b>Total net gain on financial assets</b>	<b>314,148,892</b>	<b>87,163,610</b>
	Year ended 31 December 2021	Year ended 31 December 2020
<b>Net gain/(loss) on operations with financial assets at fair value through profit or loss comprises:</b>		
Change in fair value, net	142,214,056	85,794,027
Dealing, net	-	(5,489,943)
<b>Total net gain on operations with financial assets at fair value through profit or loss</b>	<b>142,214,056</b>	<b>80,304,084</b>
	Year ended 31 December 2021	Year ended 31 December 2020
<b>Change in fair value, net:</b>		
JSC National Atomic Company Kazatomprom	124,909,132	29,816,958
JSC Halyk Bank	55,248,936	(4,169,611)
JSC Fincraft Resources	5,521,881	5,395,035
JSC "KEGOC"	3,299,297	1,358,885
Government bonds of the Republic of Indonesia	2,220,592	-
JSC "KazTransOil"	1,590,427	(1,012,243)
National Bank of the Republic of Kazakhstan	107,519	(2,642,430)
PJSC Sberbank Russia	730,773	(217,589)
Government bonds of the Ministry of Finance of the Republic of Kazakhstan	(23,892,231)	52,575,522
JSC Kcell	(17,677,963)	5,901,051
Government bonds of the Republic of Columbia	(6,604,895)	-
JSC "Holding KAZEXPORTASTYK"	(2,602,508)	(1,809,954)
Other	(636,904)	598,403
<b>Total change in fair value, net</b>	<b>142,214,056</b>	<b>85,794,027</b>
	Year ended 31 December 2021	Year ended 31 December 2020
<b>Net gain on operations with financial assets at amortised cost comprises:</b>		
Dealing, net	171,934,836	6,859,526
<b>Total net gain on operations with financial assets at amortised cost</b>	<b>171,934,836</b>	<b>6,859,526</b>

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

### 7. Net gain on foreign exchange operations

	Year ended 31 December 2021	Year ended 31 December 2020
Translation difference, net	68,328,299	291,024,707
Dealing, net	(8,814)	(80,589)
<b>Total net gain on foreign exchange operations</b>	<b>68,319,485</b>	<b>290,944,118</b>

### 8. Commission expense

	Year ended 31 December 2021	Year ended 31 December 2020
Commission expense on investment income	25,947,539	27,797,468
Commission expense on pension assets	15,233,028	14,858,772
<b>Total commission expense</b>	<b>41,180,567</b>	<b>42,656,240</b>

In accordance with the Law of the Republic of Kazakhstan "On amendments and additions to certain legislative acts of the Republic of Kazakhstan on the restoration of economic growth" No. 399-VI dated 2 January 2021 year the Fund is entitled to receive a commission from the pension assets of the Plan in the amount of 0.01%, NBRK within the limits not exceeding 2.0% of the amount of investment income, and the Investment Portfolio Manager within the limits not exceeding 7.5% of the investment income.

In 2021, the Plan accrued commission expenses of 0.01% per month on pension plan assets (2020: 0.011% per month). Beginning from March 2021 the calculation is performed on a monthly basis and for the calculation uses the current value of the pension Plan assets as at the beginning first day of the month for which the calculation and accrual of commission expenses is made. In the calculation, the Plan uses the value of pension plan assets are estimated in accordance with the Valuation rules.

Commission expense rates of commission expense from the amount of investment income on assets of the Plan transferred to the trust management of the NBRK for 2021 were established in accordance with Resolution No. 1 of the Board of the NBRK dated 18 January 2021. In accordance with this Resolution, starting from 1 January 2021, the Plan pays a commission to the NBRK on the amount of investment income in the amount of 2.0% (2020: 2.0%).

Commission expense rates of commission expense from the amount of investment income of the Investment Portfolio Manager for 2021 were established, from the date of conclusion of the agreement on trust management of pension assets, on the basis of the Minutes approved by the decision of the Board of Directors of Jusan Invest JSC No. 18/02/21-01 dated 18 February 2021, Halyk Global Markets JSC No. 4 dated 18 February 2021, BCC Invest JSC No. 02/19 dated 19 February 2021 and Centras Securities JSC No. w / n dated 23 February 2021 in accordance with Article 53 of the Pension Law.



## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

**Notes to the Financial Statements (continued)**  
**for the Year Ended 31 December 2021**  
*(in thousands of Kazakhstani Tenge)*

---

The Plan paid commission from the amount of investment income on Pension Plan assets in 2020 to the Fund. In 2021 this commission was paid directly to the Investment management companies.

In 2021, the Plan accrued commission expenses of Halyk Global Markets JSC in the amount of 3.5% on assets of the Plan, Jýsan Invest JSC in the amount of 5.00%, JSC "BCC Invest" in the amount of 7.00%, JSC "Centras Securities" 7.5%. There are no significant assets under the managing of these companies as at 31 December 2021 year.

Calculation and accrual of commission expense from investment income is performed on a daily basis and daily investment income from pension assets of the Plan.

### 9. Cash and cash equivalents

	31 December 2021	31 December 2020
Current accounts with the National Bank of the Republic of Kazakhstan	460,625,354	34,531,993
Amounts receivable under reverse repurchase agreements	217,584,549	26,248,279
Current accounts with the PJSC Sberbank Russia	418,955	-
Current accounts with the JSC "First Heartland Jusan Bank"	2,199	-
<b>Total cash and cash equivalents</b>	<b>678,631,057</b>	<b>60,780,272</b>

As at 31 December 2021 and 2020, cash and cash equivalents are neither impaired nor past due. For the purpose of the Statement of cash flows total cash and cash equivalents were included.

## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

Amounts receivable under reverse repurchase agreements is represented by:

	31 December 2021 Carrying value	31 December 2021 Fair value	31 December 2020 Carrying Value	31 December 2020 Fair value
Government bonds of the Ministry of Finance of the Republic of Kazakhstan	152,270,961	151,682,071	-	-
Bonds of JSC Kazakhstan Sustainability Fund	32,701,994	31,064,171	16,981,792	16,981,792
Bonds of JSC KazAgroFinance	20,290,984	19,783,451	9,266,487	9,266,843
Bonds of Eurasian Development Bank	10,971,910	10,663,524	-	-
Bonds of JSC "Kazakhstan housing company"	784,000	756,029	-	-
Bonds of JSC "Samruk Kazyna"	354,339	351,486	-	-
Ordinary shares of JSC "National Atomic Company "Kazatomprom"	110,141	105,999	-	-
Ordinary shares of JSC "Kcell"	100,220	100,499	-	-
<b>Total amounts receivable under reverse repurchase agreements</b>	<b>217,584,549</b>	<b>214,507,230</b>	<b>26,248,279</b>	<b>26,248,635</b>

### 10. Bank deposits

	31 December 2021	31 December 2020
National Bank of the Republic of Kazakhstan	127,000,000	332,187,500
JSC Halyk Bank	66,847,575	66,847,576
JSC SB Sberbank of Russia	51,324,137	51,324,137
JSC Eurasian Bank	48,352,000	48,352,000
JSC ForteBank	41,174,028	41,174,028
JSC «First Heartland Jusan Bank» (JSC "ATF Bank")	20,535,671	20,535,671
JSC Kaspi Bank	20,301,918	20,301,918
JSC Bank RBK	3,176,693	3,176,693
Development Bank of Singapore Ltd.	-	126,290,140
BANK OF NOVA SCOTIA	-	67,777,117
ING BANK N.V.	-	46,729,420
SOCIETE GENERALE PARIS	-	42,100,786
<b>Total bank deposits</b>	<b>378,712,022</b>	<b>866,796,986</b>

As at 31 December 2021, the accrued interest income amounted KZT 6,612,022 thousand (31 December 2020: KZT 6,845,466 thousand) and was included in the bank deposits.

### 11. Financial assets at fair value through profit or loss

	31 December 2021	31 December 2020
<b>Financial assets designated at fair value through profit or loss:</b>		
Debt securities	4,388,569,670	2,720,889,691
Equity securities	305,926,583	324,811,114
<b>Total financial assets at fair value through profit or loss</b>	<b>4,694,496,253</b>	<b>3,045,700,805</b>

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

	31 December 2021	31 December 2020
<b>Debt securities:</b>		
<b>Government bonds</b>		
US treasury bills	1,935,616,859	944,803,720
Bonds of Ministry of Finance of the Republic of Kazakhstan	1,848,983,261	1,629,070,383
Bonds of the Government of the United Mexican States	140,007,943	-
Bonds of the Government of the Republic of Colombia	94,994,557	-
Bonds of the Government of the Republic of Indonesia	83,375,905	-
Bonds of the Government of Saudi Arabia	75,582,049	-
Bonds of Government of the Qatar	68,335,346	-
Bonds of the Government of Kuwait	23,844,588	-
Bonds of the Government of the Kingdom of Morocco	14,505,262	-
Bonds of Government of the Philippine	13,778,570	-
Bonds of the Government of the Republic of Peru	13,496,506	-
Bonds of the Government of the United Arab Emirates	10,828,936	-
Bonds of the Government of the Republic of Panama	2,059,303	-
Notes of NBRK	1,146,262	81,648,210
<b>Total government bonds</b>	<b>4,326,555,347</b>	<b>2,655,522,313</b>
<b>Corporate bonds:</b>		
LSC "Bank RBK"	26,073,428	-
JSC ForteBank	16,968,585	14,636,386
JSC Doszhan Temir Zholy	12,610,855	13,760,132
Commerzbank AG	2,719,898	2,487,358
Societe Generale	1,661,334	2,405,921
JSC Abdi	807,375	383,276
JSC "KazAgroFinance"	250,004	-
JSC "Kazakhstan Sustainability Fund "	243,911	-
LLP MFO "Toyota Financial Services Kazakhstan"	209,446	-
JSC subsidiary bank "Home Credit and Finance Bank"	159,485	-
Eurasian Development Bank	145,238	-
JSC «Otbasy bank" house construction saving bank	80,712	-
Asian Development Bank	72,783	-
JSC "National managing holding "Baiterek"	11,055	-
Merrill Lynch	-	18,880,860
JSC Fincraft Resources	-	5,276,082
Bank of America, N.A.	-	3,656,741
JSC "Holding KAZEXPORTASTYK"	-	2,445,431
JSC Bank CenterCredit	214	1,388,241
JSC Halyk Bank	-	46,950
<b>Total corporate bonds</b>	<b>62,014,323</b>	<b>65,367,378</b>
<b>Total debt securities</b>	<b>4,388,569,670</b>	<b>2,720,889,691</b>

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

**Notes to the Financial Statements (continued)**  
**for the Year Ended 31 December 2021**  
*(in thousands of Kazakhstani Tenge)*

	31 December 2021	31 December 2020
<b>Equity securities:</b>		
GDR of JSC National Atomic Company Kazatomprom	222,994,366	98,033,271
Ordinary shares of JSC KEGOC	35,060,021	31,760,724
Ordinary shares of JSC Kcell	22,927,979	9,395,507
Ordinary shares of JSC KazTransOil	11,481,977	9,877,586
Ordinary shares of JSC Halyk Bank	3,647,602	87,488,388
Ordinary shares of JSC Bank CenterCredit	1,957,289	1,090,751
Preferred shares of JSC Atameken Agro	1,364,499	1,211,047
Ordinary shares of JSC Bayan Sulu	1,343,221	1,899,810
Ordinary shares of JSC ForteBank	1,188,777	2,446,403
Preferred shares of JSC Nurbank	1,086,035	682,055
Preferred shares of JSC Fincraft Resources	657,245	1,159,729
GDR of JSC Halyk Bank	382,950	9,586,764
GDR of PJSC SB Sberbank of Russia	18,786	10,857,645
GDR of JSC Kcell	-	29,006,581
Ordinary shares of JSC Kazakhtelecom	-	9,641,898
GDR of JSC Gasprom	-	4,537,034
Ordinary shares of PLC Rio Tinto	-	3,697,856
Ordinary shares of KAZ Minerals PLC	-	2,945,276
Ordinary shares of Mcomoran Copper	-	1,878,185
GDR of PJSC MMC Norilsk Nickel	-	1,581,382
GDR of NEWMONT MINING CORP	-	1,578,311
GDR of JSC VTB Bank	-	1,021,217
GDR of ORANGE	-	836,998
Ordinary shares of BARRICK GOLD CORP	-	653,291
Ordinary shares of JSC KazTransCom	-	625,928
Ordinary shares of CATERPILLAR INC	-	377,893
GDR of POSCO	-	258,018
Preferred shares of JSC Kazakhtelecom	-	221,941
GDR of CHINA MOBILE LTD-SPON	-	201,790
Ordinary shares of JSC «First Heartland Jusan Bank» (JSC «ATF Bank»)	-	115,735
GDR of VALE DE RIO DOCE SA	-	74,952
Other foreign issuers	1,721,353	-
Other issuers of the Republic of Kazakhstan	94,483	67,148
<b>Total equity securities</b>	<b>305,926,583</b>	<b>324,811,114</b>
<b>Total financial assets at fair value through profit or loss</b>	<b>4,694,496,253</b>	<b>3,045,700,805</b>

As at 31 December 2021, accrued interest income of KZT 125,486,955 thousand (31 December 2020: KZT 99,573,591 thousand) was included in financial assets at fair value through profit or loss.

As at 31 December 2021, account payable in the amount of KZT 431,641,215 thousand due to acquisition of bonds of government of USA, was repaid at 5 and 6 January 2022 year. At the date of issuance of these financial statement, the total amount of the account payable has been fully repaid.

As at 31 December 2021, the declared dividend but not paid of KZT 877 thousand (31 December 2020: nil) was recognised in the financial statement of profit or loss.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

### Revaluation

During 2021, in accordance with the Law of the Republic of Kazakhstan dated 30 November 2000 "On appraising activity in the Republic of Kazakhstan", the non-liquid pension assets of the Plan was revalued by independent appraiser as at 1 July and 1 October 2021 (2020: as at 1 June and 1 November 2020).

## 12. Financial assets at amortised cost

	31 December 2021	31 December 2020
<b>Financial assets at amortised cost:</b>		
Government bonds	3,281,298,527	4,354,624,356
Corporate bonds	3,095,960,067	3,772,682,119
<b>Total financial assets at amortised cost</b>	<b>6,377,258,594</b>	<b>8,127,306,475</b>
	31 December 2021	31 December 2020
<b>Government bonds:</b>		
Ministry of Finance of the Republic of Kazakhstan	3,256,913,291	4,019,329,046
Bonds of government of Brazil	9,279,689	15,597,456
Bonds of government of Republic of Poland	7,234,492	20,896,563
Bonds of government of Republic of Philippines	3,737,642	27,505,921
Bonds of government of the United Mexican States	2,697,117	45,830,190
Bonds of government of Republic of Indonesia	1,436,296	70,258,397
Bonds of government of the Russian Federation	-	109,322,036
Bonds of government of Republic of Peru	-	23,784,518
Bonds of government of Republic of Chili	-	22,100,229
<b>Total government bonds</b>	<b>3,281,298,527</b>	<b>4,354,624,356</b>

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

	31 December 2021	31 December 2020
<b>Corporate bonds:</b>		
JSC National Managing Holding Baiterek	722,685,946	158,656,229
JSC Halyk Bank	435,326,034	509,736,185
European Bank for Reconstruction and Development	339,903,009	442,552,344
JSC National Company Kazakhstan Temir Zholy	248,787,790	257,669,917
JSC Development Bank of Kazakhstan	237,931,332	299,036,541
JSC Kaspi Bank	186,858,866	194,121,785
JSC «First Heartland Jusan Bank» (JSC «ATF Bank»)	151,667,866	151,032,632
JSC Kazakhstan Sustainability Fund	147,145,245	147,145,245
JSC AstanaGas KMG	96,041,397	96,041,397
JSC KEGOC	69,059,198	68,884,177
JSC National Welfare Fund Samruk-Kazyna	63,111,713	63,111,713
JSC Bank CenterCredit	61,575,223	60,721,928
JSC ForteBank	52,109,240	52,109,135
JSC Bank RBK	50,427,206	68,269,256
Eurasian Development Bank	46,635,009	63,225,907
JSC Kazakhtelecom	38,356,532	38,356,532
JSC Agrarian Credit Corporation	36,181,638	48,897,763
JSC JSC First Heartland Jysan Bank	21,508,482	39,204,284
Asian Bank of Development	20,771,629	20,814,445
JSC Nurbank	18,941,965	18,270,109
JSC Eurasian Bank	18,037,732	14,301,480
JSC Kazakhstan Mortgage Company	10,750,663	10,762,846
Merrill Lynch	5,861,871	5,477,391
JSC Home Credit Bank	4,831,185	12,672,808
JSC SevKazEnergo	4,771,563	5,301,736
PJSC UNICREDITBA AG	3,928,145	3,464,880
JSC SB Alfa Bank	2,295,535	7,645,573
Citigroup Inc	458,053	431,467
JSC National Managing Holding KazAgro	-	633,103,088
Sinopec Group Overseas Development	-	36,754,762
PJSC Gazprom	-	35,260,746
Subsidiary of State Grid Corporation of China	-	33,985,892
PERUSAHAAN LISTRIK NEGAR	-	25,724,627
PJSC Sberbank of Russia	-	21,335,018
EXPORT-IMPORT BANK INDIA	-	11,427,581
EXPORT-IMPORT BANK CHINA	-	10,868,624
AVI FUNDING CO LTD	-	10,507,527
EMPRESA NACIONAL DEL PET	-	10,436,163
THREE GORGES FIN I KY	-	10,112,006
INDIAN RAILWAY FINANCE	-	9,607,611
PERTAMINA PERSERO PT	-	8,510,253
SB JSC Sberbank of Russia	-	8,105,087
BANCO NACIONAL COM EXT	-	8,046,982
PELABUHAN INDONESIA III	-	7,518,772
PJSC Rosneft	-	7,075,739
JSC AsiaCredit Bank	-	6,229,670
CODELCO INC	-	5,324,691
International Financial Corporation (IFC)	-	4,836,198
Three Gorges Finance I (Cayman Islands) Ltd.	-	3,329,395
JSC Kcell	-	2,630,972
Barclays Bank PLC	-	2,189,249
Southern Copper	-	615,160
Rongshi International Finance Ltd.	-	612,052
Astrazeneca PLC	-	409,742
IBM CORP	-	208,807
<b>Total corporate bonds</b>	<b>3,095,960,067</b>	<b>3,772,682,119</b>
<b>Total financial assets at amortised cost</b>	<b>6,377,258,594</b>	<b>8,127,306,475</b>

As at 31 December 2021, the accrued interest income amounted KZT 221,601,463 thousand (31 December 2020: KZT 243,140,962 thousand) is included in financial assets carried at amortised cost.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

### 13. Assets under investment management of foreign organisations

During 2021, the NBRK, in accordance with the Rules for the selection of foreign organisations managing pension assets of the JSC Unified Accumulative Pension Fund, including requirements for them, instructed by them to perform actions necessary to manage pension assets of the UAPF, approved by the Resolution of the Board of the NBRK No. 78 dated 15 June 2020, 25 February 2021, 24 June 2021 and 25 November 2021 year the NBRK concluded an Investment Management Agreement with foreign organisations (2020: 20 January and 7 November 2019):

	31 December 2021	31 December 2020
<b>Assets under investment management of foreign organisations:</b>		
PGIM Limited	336,799,682	221,925,068
Principal Global Investors (Europe) Limited	332,938,613	220,264,555
HSBC Global Asset Management (UK) Limited	230,313,293	164,217,550
Robeco Institutional Asset Management B.V.	119,151,197	92,541,006
Aviva Investors Global Services Limited	117,675,048	117,577,181
BlackRock Investment Management (UK) Limited	108,709,775	-
Blackrock Financial Management, Inc.	94,140,248	-
UBS Asset Management (UK) Ltd	42,774,096	-
<b>Total assets under investment management of foreign organisations</b>	<b>1,382,501,952</b>	<b>816,525,360</b>

For the year ended 31 December 2021, the net gain on assets under investment management of foreign organisations is KZT 140,973,592 thousand (31 December 2020: KZT 50,249,168 thousand).

### 14. Pension contributions received

	31 December 2021	31 December 2020
Mandatory pension contributions	1,283,968,919	1,037,253,818
Return of the unused amount of the previously made payment for the improvement of housing conditions and (or) medical expenses	339,178,103	-
Mandatory professional pension contributions	55,571,749	46,877,465
Penalties for undue payments of pension contributions	1,572,698	1,378,796
Voluntary pension contributions	798,815	538,667
Other contributions	342,930	471,570
<b>Total pension contributions received</b>	<b>1,681,433,214</b>	<b>1,086,520,316</b>

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

### 15. Benefits paid

	31 December 2021	31 December 2020
On the improvement of housing conditions and (or) medical expenses	2,586,527,372	-
On retirement	99,814,826	66,770,458
To heirs	51,882,910	32,933,098
To contributors leaving the Republic of Kazakhstan	37,163,345	33,139,337
For burial services	5,388,127	4,403,197
To disabled people	2,241,524	1,679,729
On seniority	12,045	16,135
By court order	10,347	18,929
<b>Total benefits paid</b>	<b>2,783,040,496</b>	<b>138,960,883</b>
Transfers to insurance companies	60,503,304	46,325,642
Withholding tax deducted from benefits on payment	39,342,580	8,142,048
<b>Total benefits paid</b>	<b>2,882,886,380</b>	<b>193,428,573</b>

### 16. Risk management

Management of risk is fundamental to the business and is an essential element of the Plan's operations. The major risks faced by the Plan are those related to market risk, which includes price, interest and currency risks and credit risk and liquidity risk.

#### Risk management policies and procedures

The Plan's risk management policies aim to identify, analyse and manage the risks faced by the Plan, to set appropriate risk limits and controls, and to continuously monitor risk levels and adherence to limits. The Plan's risk management system complies with the requirements of the Investment Declaration of external management of financial assets. In accordance with clause 4.1.8 of the Agreement on State Procurement of Trust Management Services for Pension Assets of JSC Unified Accumulative Pension Fund dated 26 August 2013, the Trustee shall ensure the availability of a risk management system when performing investment activities.

In accordance with the clause 4.1.8 of the Agreement on Services for Trust Management of Pension Assets of Unified Accumulative Pension Fund JSC dated 26 August 2013 the investment portfolio manager is obliged to ensure the availability of a risk management system that meets the requirements established by the "Rules for the Formation of a Risk Management and Internal Control System for Organizations Engaged in Brokerage and Dealer Activities in the Securities Market, Activities on investment portfolio management", approved by the Resolution of the Board of the National Bank of the Republic of Kazakhstan No. 214 dated 27 August 2013. The risk management system adopts an integrated approach, which sets controls aimed at timely identification, assessment and prevention of events that might cause interruption to the Plan's normal operations. The Plan's risk management procedures are set and operated by the Fund. The Fund carries out post-monitoring of the portfolio of pension assets, in management reporting, in which methods for assessing investment risks using various instruments are detailed and widely used. Consideration of reporting on the condition and exposure of the portfolio of pension assets to financial risks is carried out on a monthly basis.



# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

---

The Board of Directors of the Fund approves the Plan's internal policies and procedures and has overall responsibility for oversight of the risk management framework. The Board approves internal regulatory documents on minimizing non-financial risks, which use tools for self-assessment of operational risks, methods for monitoring key risk indicators, which are leading indicators and reflect potential sources of operational risks, management methods of the internal system, which are the separation of powers, determination of the responsibility of the subjects of internal control with subsequent control of operations at each stage of the process and following the hierarchy/sequence of mandatory approval procedures by responsible persons/managers and in the continuous monitoring of the internal control system in the Fund. The Fund appoints responsible officers within each function, whose duties are to develop and regularly update the business process matrix and assess potential and identified risks inherent in these business processes.

Based on the results of using the above tools, within the framework of the operational risk management system, a risk mitigation plan is developed and approved, aimed both at eliminating the causes of risk realization and minimizing the consequences in case of risk events and potential risks.

### Market risk

Market risk is the risk that movements in market prices, including foreign exchange rates, interest rates, and equity prices will affect the Plan's change in net assets available for benefits or the value of its portfolios. Market risks comprise currency risk, interest rate risk and other price risk. Market risk arises from open positions in interest rate, currency and equity financial instruments, which are exposed to general and specific market movements and changes in the level of volatility of market prices.

The management of interest rate risk by monitoring the interest rate gap is supplemented by monitoring the sensitivity of the net interest income of the Plan's change in net assets available for benefits to various standard and non-standard interest rate scenarios.

### Interest rate risk

Interest rate risk is the risk that movements in interest rates will affect the Plan's change in pension assets or the value of its portfolios of financial instruments.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

---

### Interest rate sensitivity analysis

An analysis of sensitivity of the Plan's projected change in the net assets available for benefits of the Plan to changes in the market interest rate based on a simplified scenario of a 100 basis point (bp) symmetrical fall or rise in all yield curves and positions of financial assets at fair value through profit or loss existing as at 31 December 2021 and 2020 is as follows:

Impact on net profit for the year:

	31 December 2021	31 December 2020
100 bp parallel rise	(1,651,287)	(1,344,617)
100 bp parallel fall	1,734,481	1,475,947

### Currency risk

The Plan has assets and liabilities denominated in several foreign currencies.

Currency risk arises in cases where existing or projected assets denominated in a foreign currency are greater or less than existing or projected liabilities expressed in the same currency. The Plan does not hedge its exposure to currency risk.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

The following table shows the foreign currency exposure structure of financial assets and liabilities as at 31 December 2021:

	KZT	USD	RUB	GBP	Other currencies	Total
<b>Financial assets</b>						
Cash and cash equivalents	244,299,515	433,664,271	24,042	510,908	132,321	678,631,057
Bank deposits	378,712,022	-	-	-	-	378,712,022
Financial assets at fair value through profit or loss	1,987,867,234	2,702,247,788	-	-	4,381,231	4,694,496,253
Financial assets at amortised cost	6,190,491,937	182,838,512	-	-	3,928,145	6,377,258,594
Assets under investment management of foreign organisations	-	1,382,501,952	-	-	-	1,382,501,952
Dividend receivables	-	877	-	-	-	877
<b>Total financial assets</b>	<b>8,801,370,708</b>	<b>4,701,253,400</b>	<b>24,042</b>	<b>510,908</b>	<b>8,441,697</b>	<b>13,511,600,755</b>
<b>Financial liabilities</b>						
Account payable	-	431,641,215	-	-	-	431,641,215
Commission payable	1,683,889	-	-	-	-	1,683,889
Claims of pension beneficiaries	1,731,085	-	-	-	-	1,731,085
Other liabilities	164	-	-	-	16,254	16,418
<b>Total financial liabilities</b>	<b>3,415,138</b>	<b>431,641,215</b>	<b>-</b>	<b>-</b>	<b>16,254</b>	<b>435,072,607</b>
<b>Net position</b>	<b>8,797,955,570</b>	<b>4,269,612,185</b>	<b>24,042</b>	<b>510,908</b>	<b>8,425,443</b>	<b>13,076,528,148</b>

## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of *Kazakhstani Tenge*)

The following table shows the foreign currency exposure structure of financial assets and liabilities as at 31 December 2020:

	KZT	USD	RUB	GBP	Other currencies	Total
<b>Financial assets</b>						
Cash and cash equivalents	50,380,602	918,088	9,123,369	312,036	46,177	60,780,272
Bank deposits	583,899,522	282,897,464	-	-	-	866,796,986
Financial assets at fair value through profit or loss	1,907,798,644	1,126,365,734	4,893,278	6,643,132	17	3,045,700,805
Financial assets at amortised cost	6,623,701,535	1,500,140,060	3,464,880	-	-	8,127,306,475
Assets under investment management of foreign organisations	-	816,525,360	-	-	-	816,525,360
<b>Total financial assets</b>	<b>9,165,780,303</b>	<b>3,726,846,706</b>	<b>17,481,527</b>	<b>6,955,168</b>	<b>46,194</b>	<b>12,917,109,898</b>
<b>Financial liabilities</b>						
Commission payable	1,948,749	-	-	-	-	1,948,749
Claims of pension beneficiaries	781,742	-	-	-	-	781,742
Other financial liabilities	1,387	-	15	-	-	1,402
<b>Total financial liabilities</b>	<b>2,731,878</b>	<b>-</b>	<b>15</b>	<b>-</b>	<b>-</b>	<b>2,731,893</b>
<b>Net position</b>	<b>9,163,048,425</b>	<b>3,726,846,706</b>	<b>17,481,512</b>	<b>6,955,168</b>	<b>46,194</b>	<b>12,914,378,005</b>

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

### Notes to the Financial Statements (continued) for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)

The following table details the Plan's sensitivity to 10% an increase and decrease in the USD and other currencies against the KZT as at 31 December 2021 and 2020. The sensitivity rate is used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the possible change in foreign currency exchange rates.

Impact on net profit for the year:

	Year ended 31 December 2021
10% appreciation of USD against KZT	426,961,219
10% depreciation of USD against KZT	(426,961,219)
10% appreciation of other currencies against KZT	896,039
10% depreciation of other currencies against KZT	(896,039)

	Year ended 31 December 2020
10% appreciation of USD against KZT	372,684,671
10% depreciation of USD against KZT	(372,684,671)
10% appreciation of other currencies against KZT	2,448,287
10% depreciation of other currencies against KZT	(2,448,287)

### Equity price risk

Equity price risk is the risk that the value of an equity financial instrument will fluctuate as a result of changes in market prices, whether those changes are caused by factors specific to the individual instrument or factors affecting all instruments traded in the market.

An analysis of the sensitivity of the statement of profit and loss of the Plan for the year to changes in equity securities prices based on positions existing as at 31 December 2021 and 2020 and a simplified scenario of a 5% change in equity securities at fair value through profit or loss prices is as follows:

	Year ended 31 December 2021	Year ended 31 December 2020
5% increase in equity securities prices	15,296,329	16,240,556
5% decrease in equity securities prices	(15,296,329)	(16,240,556)

### Credit risk

Credit risk is the risk of financial loss occurring as a result of default by a counterparty (issuer) on their obligation to the Plan. The Fund has developed policies and procedures for the management of credit exposures, including limits on individual financial instruments. The Fund continuously monitors limits for each issuer and regularly assesses the creditworthiness of each issuer. The review is based on the issuer's most recent financial statements and other information submitted by the issuer or otherwise obtained by the Fund.

# Joint Stock Company Unified Accumulative Pension Fund

## Pension Plan Assets

### Notes to the Financial Statements (continued) for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)

The maximum exposure to credit risk is generally reflected in the carrying amounts of financial assets on the statement of net assets available for benefits. The impact of possible netting of assets and liabilities to reduce potential credit exposure is not significant.

The maximum exposure to credit risk from financial assets at the reporting date is as follows:

	31 December 2021	31 December 2020
<b>FINANCIAL ASSETS</b>		
Cash and cash equivalents	461,046,508	34,531,993
Amounts receivable under reverse repurchase agreements (less collateral)	3,077,319	-
Bank deposits	378,712,022	866,796,986
Financial instruments at fair value through profit or loss	4,694,496,253	3,045,700,805
Financial instruments at amortised cost	6,377,258,594	8,127,306,475
Assets under investment management of foreign organisation	1,382,501,952	816,525,360
Dividend receivables	877	-

As at 31 December 2021, the Plan has two counterparties (31 December 2020: one counterparty) - the Ministry of Finance of the Republic of Kazakhstan and the Government of the United States of America the credit risk exposure to whom exceeds 10% of net assets available for benefits. The credit risk exposure for this counterparty as at 31 December 2021 is KZT 7,041,513,411 thousand (31 December 2020: KZT 5,648,399,429 thousand).

## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

#### Notes to the Financial Statements (continued) for the Year Ended 31 December 2021 (in thousands of Kazakhstani Tenge)

Financial assets are graded according to the current credit rating assigned by Standard and Poor's or other agencies converted into Standard & Poor's scale. The highest possible rating is AAA.

The Plan discloses rating of the security for its debt securities, sovereign rating for government securities, and the issuer's rating for equity securities and deposits. In case of two or more ratings available, the highest is disclosed, either international or national scale rating.

Below is a summary of credit ratings of financial assets held by the Plan as at 31 December 2021 and 2020:

	AAA	AA	AA-	BBB+	BBB	BBB-	<BBB-	Not rated	Total
<b>31 December 2021</b>									
Cash and cash equivalents	-	-	-	10,971,909	135,399,954	461,046,508	20,290,984	50,921,702	678,631,057
Bank deposits	-	-	-	-	178,324,137	66,847,576	61,475,945	72,064,364	378,712,022
Financial assets at fair value through profit or loss	1,935,707,070	34,714,788	159,291,333	156,861,094	2,288,643,515	30,815,873	43,834,770	44,627,810	4,694,496,253
Financial assets at amortised cost	360,674,638	-	13,554,416	53,069,767	4,365,816,585	758,651,994	431,933,100	393,558,094	6,377,258,594
Assets under investment management of foreign organisations	56,865,203	65,113,951	452,138,113	221,403,294	223,780,792	71,110,929	38,524,141	253,565,529	1,382,501,952
Dividend receivables	-	-	-	-	-	-	-	877	877
	AAA	AA	AA-	A	BBB	BBB-	<BBB-	Not rated	Total
<b>31 December 2020</b>									
Cash and cash equivalents	-	-	-	-	9,266,487	34,531,993	16,981,792	-	60,780,272
Bank deposits	-	67,777,117	215,120,347	-	383,511,637	66,847,575	133,540,310	-	866,796,986
Financial assets at fair value through profit or loss	944,803,720	-	29,221,061	3,582,374	1,730,001,209	150,556,655	157,829,076	29,706,710	3,045,700,805
Financial assets at amortised cost	468,202,987	-	195,239,830	139,366,428	5,311,373,347	759,237,478	1,248,584,670	5,301,735	8,127,306,475
Assets under investment management of foreign organisations	11,011,618	39,281,666	305,905,451	140,009,681	145,937,530	52,722,103	20,007,116	101,650,195	816,525,360

## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

#### Liquidity risk

Liquidity risk is the risk that the Plan will encounter difficulty in raising funds to meet its commitments. Liquidity risk exists when the maturities of assets and liabilities do not match. The Fund manages the liquidity risk of the Plan based on Investment Declaration's requirements. The Fund monitors liquidity risk through periodic reporting using gap analysis tools to monitor the availability of funds required to meet obligations as they occur.

Due to the specific operating activities of the Plan and structure of net assets available for benefits, the liquidity risk is negligible.

The following table shows financial assets and financial liabilities by remaining expected maturity dates as at 31 December 2021:

	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	No maturity	Total
<b>Financial Assets</b>							
Cash and cash equivalents	678,631,057	-	-	-	-	-	678,631,057
Bank deposits	127,000,000	-	-	251,712,022	-	-	378,712,022
Financial instruments at fair value through profit or loss	11,078,595	91,362,020	1,041,755,982	899,332,215	2,345,040,857	305,926,584	4,694,496,253
Financial instruments at amortised cost	127,841,408	115,277,508	332,898,325	2,420,551,047	3,380,690,306	-	6,377,258,594
Assets under investment management of foreign organisations	14,496,627	7,156,764	11,789,521	168,187,908	585,782,523	595,088,609	1,382,501,952
Dividend receivables	877	-	-	-	-	-	877
<b>Total financial assets</b>	<b>959,048,564</b>	<b>213,796,292</b>	<b>1,386,443,828</b>	<b>3,739,783,192</b>	<b>6,311,513,686</b>	<b>901,015,193</b>	<b>13,511,600,755</b>
<b>Financial liabilities</b>							
Account payable	431,641,215	-	-	-	-	-	431,641,215
Commission payable	1,683,889	-	-	-	-	-	1,683,889
Claims of pension beneficiaries	1,731,085	-	-	-	-	-	1,731,085
Other financial liabilities	16,418	-	-	-	-	-	16,418
<b>Total financial liabilities</b>	<b>435,072,607</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>435,072,607</b>
<b>Net position</b>	<b>523,975,957</b>	<b>213,796,292</b>	<b>1,386,443,828</b>	<b>3,739,783,192</b>	<b>6,311,513,686</b>	<b>901,015,193</b>	<b>13,076,528,148</b>



## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

The following table shows financial assets and financial liabilities by remaining expected maturity dates as at 31 December 2020:

	Less than 1 month	1 to 3 months	3 to 12 months	1 to 5 years	More than 5 years	No maturity	Total
<b>Financial assets</b>							
Cash and cash equivalents	60,780,272	-	-	-	-	-	60,780,272
Bank deposits	484,158,146	130,926,818	-	251,712,022	-	-	866,796,986
Financial instruments at fair value through profit or loss	158,752,562	911,725,532	154,301,030	198,112,342	1,297,998,225	324,811,114	3,045,700,805
Financial instruments at amortised cost	122,201,643	76,409,801	492,765,066	2,735,224,722	4,700,705,243	-	8,127,306,475
Assets under investment management of foreign organisations	22,044,394	1,373,875	4,293,306	128,758,571	403,296,658	256,758,556	816,525,360
<b>Total financial assets</b>	<b>847,937,017</b>	<b>1,120,436,026</b>	<b>651,359,402</b>	<b>3,313,807,657</b>	<b>6,402,000,126</b>	<b>581,569,670</b>	<b>12,917,109,898</b>
<b>Financial liabilities</b>							
Commission payable	1,948,749	-	-	-	-	-	1,948,749
Claims of pension beneficiaries	781,742	-	-	-	-	-	781,742
Other financial liabilities	1,402	-	-	-	-	-	1,402
<b>Total financial liabilities</b>	<b>2,731,893</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>2,731,893</b>
<b>Net position</b>	<b>845,205,124</b>	<b>1,120,436,026</b>	<b>651,359,402</b>	<b>3,313,807,657</b>	<b>6,402,000,126</b>	<b>581,569,670</b>	<b>12,914,378,005</b>

The amounts in the tables shows the carrying amounts of financial assets and financial liabilities at the reporting date and do not include future accrued interest due to insignificant amounts

**Pension Plan Assets**

**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)**

---

**17. Commitments and contingencies**

**Insurance**

In the market of insurance services in the Republic of Kazakhstan, there is a significant improvement in the quality of services provided when concluding insurance contracts and regulating insurance claims, expanding the list of voluntary insurance products for the population, developing direct sales of insurance services, but many forms of insurance common in other parts of the world are not yet available in Kazakhstan. The Fund does not have full insurance coverage for the losses of the Plan caused by business stoppages or arising obligations to third parties in respect of damage to property or the environment caused by accidents or Plan activities. Until the Fund has adequate insurance coverage for the activities of the Plan, there is a risk that the loss or damage of certain assets may have a material adverse effect on the activities and financial position of the Plan.

**Operating environment**

Emerging markets such as Republic of Kazakhstan are subject to different risks than more developed markets, including economic, political and social, and legal and legislative risks. Laws and regulations affecting businesses in Republic of Kazakhstan continue to change rapidly, tax and regulatory frameworks are subject to varying interpretations. The future economic direction of Republic of Kazakhstan is heavily influenced by the fiscal and monetary policies adopted by the government, together with developments in the legal, regulatory, and political environment.

Starting from early 2020 a new coronavirus disease (COVID-19) began rapidly spreading all over the world resulting in the announcement of a pandemic status by the World Health Organization in March 2020. Responses put in place by many countries to contain the spread of COVID-19 are resulting in significant operational disruption for many companies and have significant impact on global financial markets.

Against the backdrop of growing uncertainty, there was a lack of confidence in the stability of the financial sector on the part of depositors, as well as domestic and foreign investors, which increased the risks of capital and liquidity outflow from emerging markets. In this regard, financial institutions had to have sufficient reserves to withstand the simultaneous pressure of several stress factors.

The introduced state of emergency regime and quarantine had a significant impact on the main indicators of the Accumulative Pension System in 2021. In the regional divisions of the Fund, during the period of strengthening of quarantine measures, non-contact and/or remote operation was carried out, during the period of relaxation of quarantine measures - full-time operation. The Fund, starting from March 2020, suspended its outreach activities through direct interaction with the population; from August 2020, it began outreach activities with the population online.

Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

The state of emergency and quarantine restrictions influenced the activities of organizations, which, in turn, influenced the transfer of pension contributions. The amount of pension contributions depends on three factors: the number of payers, the regularity of payment of contributions during the year, the amount of income from which contributions are paid. As such, in 2021, there is a decrease in the number of active contributors.

Management of the Fund is monitoring developments in the current environment and taking measures it considered necessary in order to support the sustainability and development of the Plan's business in the foreseeable future. However, the impact of further economic developments on future operations and financial position of the Fund might be significant.

18. Related party transactions

Control relationships

The Plan is managed by the NBRK on the basis of an agreement on trust services for the Plan concluded between the Fund and the NBRK. As at 31 December 2021 and 2020, the Fund was owned by the Government of the Republic of Kazakhstan, represented by CSPP.

Transactions with related parties

The outstanding balances as at 31 December 2021 and related statement of profit and loss amounts of transactions for the year ended 31 December 2021 with related parties of the Plan were as follows:

	NBRK	The Fund	Ministry of Finance of the Republic of Kazakhstan	Other related parties	Total	Total per financial statements caption
<b>Statement of net assets available for benefits</b>						
<b>ASSETS</b>						
Cash and cash equivalents	460,625,354	-	152,270,961	54,341,678	667,237,993	678,631,057
Bank deposits	127,000,000	-	-	-	127,000,000	378,712,022
Financial assets at fair value through profit or loss	1,146,262	-	1,848,983,261	293,066,111	2,143,195,634	4,694,496,253
Financial assets at amortised cost	-	-	3,256,913,291	1,659,300,791	4,916,214,082	6,377,258,594
<b>LIABILITIES</b>						
Commission payable	-	1,683,889	-	-	1,683,889	1,683,889
<b>Statement of profit and loss</b>						
Interest income	21,972,566	-	421,267,432	121,149,311	564,389,309	844,426,003
Dividend income	-	-	-	13,452,141	13,452,141	29,012,767
Commission expense	(25,927,907)	(15,233,028)	-	-	(41,160,935)	(41,180,567)

## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

**Notes to the Financial Statements (continued)**  
**for the Year Ended 31 December 2021**  
*(in thousands of Kazakhstani Tenge)*

The outstanding balances as at 31 December 2020 and related statement of profit and loss amounts of transactions for the year ended 31 December 2020 with related parties of the Plan were as follows:

	NBRK	The Fund	Ministry of Finance of the Republic of Kazakhstan	Other related parties	Total	Total per financial statements caption
<b>Statement of net assets available for benefits</b>						
<b>ASSETS</b>						
Cash and cash equivalents	34,531,993	-	-	-	34,531,993	34,531,993
Bank deposits	332,187,500	-	-	-	332,187,500	866,796,986
Financial assets at fair value through profit or loss	81,648,210	-	1,629,070,383	149,289,046	1,860,007,639	3,045,700,805
Financial assets at amortised cost	-	-	4,019,329,046	1,821,665,448	5,840,994,494	8,127,306,475
<b>LIABILITIES</b>						
Commission payable	-	1,948,749	-	-	1,948,749	1,948,749
<b>Statement of profit and loss</b>						
Interest income	49,122,087	-	379,240,775	184,157,535	612,520,397	806,227,203
Dividend income	-	-	-	8,070,629	8,070,629	25,449,324
Commission expense	-	(42,656,240)	-	-	(42,656,240)	(42,656,240)

Other related parties predominantly consist of entities owned or controlled by the Government of the Republic of Kazakhstan.

### 19. Fair values of financial instruments

FRS defines fair value as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

**Fair value of the Plan's financial assets and financial liabilities measured at fair value on a recurring basis.**

Some of the Fund's financial assets are measured at fair value at the end of each reporting period. The following table gives information about how the fair values of these financial assets are determined.

## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

#### Hierarchy of fair value estimates

Investments measured and reported at fair value are also classified and disclosed in one of the following categories:

- Level 1 – Quoted prices are available in active markets for identical investments;
- Level 2 – Pricing inputs are other than quoted prices in active markets, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies. Investments which are generally included in this category are less liquid and restricted equity securities;
- Level 3 – data that is not available. This category includes tools evaluated using information that is not based on observable inputs, while such unobservable data has a significant impact on the valuation of the instrument. This category includes instruments valued on the basis of quotations for similar instruments for which significant unobservable adjustments or judgments are required to reflect the difference between the instruments. In accordance with the Valuation Rules, the carrying value of such financial instruments is determined based on the last fair value of these financial instruments determined by the valuations performed by the appraisers that were conducted as at 1 October 2021 and 1 November 2020, and as a result, the results of the valuation, are reflected as at 31 December 2021 and 2020, respectively. These estimates were made by independent appraisers, attracted by the NBRK and by the Plan, and the results were fully accepted by the NBRK and the Plan and are reflected in the carrying amount of the assets at fair value through profit or loss.

The table below provides an analysis of financial assets and liabilities as at 31 December 2021 and 31 December 2020 in terms of the levels of the hierarchy of fair value.

Financial assets	Fair value as at		Fair value hierarchy	Valuation technique and key input
	31 December 2021	31 December 2020		
Non-derivative financial assets at fair value through profit or loss	3,540,499,052	2,974,323,394	Level 1	Quoted prices in the active market
Non-derivative financial assets at fair value through profit or loss	1,086,994,244	-	Level 2	Quoted prices in the inactive market
Non-derivative financial assets at fair value through profit or loss	67,002,957	71,377,411	Level 3	Discounted Cash flows

As at 31 December 2021 and 2020, an independent appraiser has determined financial assets at fair value through profit or loss. The independent appraiser was hired by NBRK under a trust management agreement for the assets of the pension Plan.

According to FRS, the assets under investment management of foreign organisations are reflected in the total amount; consequently, the Plan does not have the details in the context of each financial instrument.

During the years ended 31 December 2021 and 2020, there was no reclassification of financial instruments between Level 1 and 2.

## Joint Stock Company Unified Accumulative Pension Fund

### Pension Plan Assets

Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)

Fair value of financial assets and financial liabilities that are not measured at fair value on a recurring basis (but fair value disclosures are required).

Except as detailed in the following table, the Plan considers that the carrying amounts of financial assets and financial liabilities recognised in the financial statements approximate their fair values.

	31 December 2021		31 December 2020	
	Carrying value	Fair value	Carrying value	Fair value
Bank deposits	378,712,022	344,790,899	866,796,986	796,025,206
Financial assets at amortised cost	6,377,258,594	6,035,522,000	8,127,306,475	7,965,107,064

### Reconciliation of Level 3 fair value measurements

	Financial assets at fair value through profit or loss – unlisted shares	
	2021	2020
Opening balance	71,377,411	71,458,050
Total net losses recognised in profit or loss	(3,774,454)	(80,639)
Closing balance	67,602,957	71,377,411

The change in fair value included in net profit for the year relates to unlisted common and preferred stock, GDR, coupon bonds and notes.

## 20. Events after the reporting period

### Change in the commission rate

In accordance with the Law of the Republic of Kazakhstan dated 20 December 2021 No. 114 “On setting the amount of the commission fee of the National Bank of the Republic of Kazakhstan for 2022” starting from 1 January 2022, the Plan pays to NBRK a commission on the amount of investment income in the amount of 1.8% (2020 - 2.0%).

### Events of January 2022 in Kazakhstan

At the start of January 2022, Kazakhstan witnessed mass protests, which turned into unrest. On 5 January, the President introduced a state of emergency across the country, which was in place until 19 January. During the mass protests internet access was restricted across Kazakhstan, bank operations and transactions were suspended, stock and commodity exchanges were closed, and flights were cancelled, resulting in businesses being unable to function effectively.

The situation in Kazakhstan stabilized and was under the control of the authorities by 15 January. The government is focusing on addressing the political and socio-economic situation.

**Pension Plan Assets**

**Notes to the Financial Statements (continued)  
for the Year Ended 31 December 2021  
(in thousands of Kazakhstani Tenge)**

---

**Change in the base rate in Kazakhstan**

In February 2022, tenge depreciated significantly against major foreign currencies amid the external geopolitical situation. In order to reduce the negative impact of external factors on the Kazakhstani economy, the National Bank of the Republic of Kazakhstan ("NBRK") raised the base rate from 10.25% to 13.5% per annum with a corridor of +/- 1.0 p.p., and interventions on the currency market were performed to support tenge exchange rate against foreign currencies. However, there is uncertainty exists related to the future development of the geopolitical risks and their impact on the economy of the Republic of Kazakhstan.

Management of the Plan is monitoring developments in the economic and political situation and taking measures it considers necessary in order to support the sustainability and development of the Plan's business for the foreseeable future. However, the consequences of these events and related future changes may have a significant impact on the Plan's operations.