

Information on investment management of pension assets of UAPF JSC, which are in trust management of Halyk Finance Subsidiary of Halyk Bank of Kazakhstan JSC

As of December 01, 2023 pension assets (hereinafter referred to as PA) of the UAPF held in trust by Halyk Finance Subsidiary of Halyk Bank of Kazakhstan JSC (hereinafter referred to as a) amounted to **KZT5,425.15 mln.**

The structure of the portfolio of financial instruments formed from pension assets held in trust by Halyk Finance is shown in Table 1.

Table 1. The structure of the investment portfolio of UAPF PA held in trust by Halyk Finance, in the context of financial instruments

Description	Current value as of 01.01.2023.	Share as of 01.01.2023.	Current value as of 01.12.2023.	Share as of 01.12.2023.	Increase / decrease since 01.01.2023
GF MF RK	0.00	0.00%	495.27	9.13%	0.00%
Notes of NBRK	0.00	0.00%	0.00	0.00%	0.00%
Foreign GS	0.00	0.00%	243.45	4.49%	0.00%
IFO	0.00	0.00%	18.84	0.35%	0.00%
Corporate bonds of issuers of the Republic of Kazakhstan	0.00	0.00%	22.59	0.42%	0.00%
Bonds of STB RK	0.00	0.00%	130.51	2.41%	0.00%
Bonds of quasi-public organizations of RK	0.00	0.00%	529.83	9.77%	0.00%
Shares and depository receipts issued by organizations of the Republic of Kazakhstan	0.00	0.00%	99.82	1.84%	0.00%
Exchange Traded Funds (ETF)	0.00	0.00%	330.17	6.09%	0.00%
Foreign shares and depository receipts	0.00	0.00%	46.10	0.85%	0.00%
Cash in accounts	1.35	16.19%	704.42	12.98%	51,901.77%
Other assets (accounts receivable, overdue debt, provisions)	0.00	0.00%	0.00	0.00%	0.00%
Reverse Repo (no more than 90 calendar days)	7.01	83.81%	2,804.15	51.69%	39,877.31%
Total PA managed by Halyk Finance	8.37	100.00%	5,425.15	100.00%	64,724.73%
Liabilities payable under completed transactions	0.00	0.00%	0.00	0.00%	0.00%
Cash in pension contributions and benefits accounts	0.00	0.00%	0.00	0.00%	0.00%
Total pension assets	8.37		5,425.15	100.00%	64,724.73%

Reverse repo operations (no more than 90 calendar days)

The current value of reverse repo transactions for the reporting month amounted to KZT2,804.15 mln. Their share in the portfolio was 51.69%.

The weighted average return on reverse repo transactions as of the reporting date was 16.60%.

Government securities of the Ministry of Finance of the Republic of Kazakhstan

During the reporting period, government securities of the Ministry of Finance of the Republic of Kazakhstan (hereinafter referred to as the government securities of the Ministry of Finance of the Republic of Kazakhstan) were not purchased as part of the portfolio.

The current value of government securities of the Ministry of Finance of the Republic of Kazakhstan for the reporting month amounted to KZT495.27 mln. Their share in the portfolio was 9.13%.

The weighted average yield of government securities of the Ministry of Finance of the Republic of Kazakhstan as of the reporting date was 12.78% per annum.

Notes of the National Bank of the Republic of Kazakhstan

In the reporting period, notes of the National Bank of the Republic of Kazakhstan (hereinafter referred to as the NBRK) were purchased in the amount of KZT280 mln at par. These NBRK notes were redeemed in the period under review and there are no NBRK reporting notes in the portfolio.

Government securities of foreign countries

During the reporting period, US Treasury bonds were purchased in the amount of USD165 thousand at par value.

The current value of government securities of foreign countries at the end of the reporting month amounted to KZT243.45 mln. Their share in the portfolio was 4.49%.

The weighted average yield to maturity of government securities of foreign countries as of the reporting date was 4.55% per annum.

Bonds of international financial organizations

During the reporting period, bonds of international financial organizations (hereinafter referred to as IFOs) were not purchased as part of the portfolio.

The current value of IFO bonds at the end of the reporting month amounted to KZT18.84 mln. Their share in the portfolio was 0.35%.

The weighted average yield to maturity of IFO bonds as of the reporting date was 11.96% per annum.

Corporate bonds of resident issuers of the Republic of Kazakhstan

During the reporting period, no corporate bonds of resident issuers of the Republic of Kazakhstan were purchased as part of the portfolio.

The current value of corporate bonds of resident issuers of the Republic of Kazakhstan at the end of the reporting month amounted to KZT22.59 mln. Their share in the portfolio was 0.42%

The weighted average yield to maturity of corporate bonds of resident issuers of the Republic of Kazakhstan as of the reporting date was 13.50% per annum.

Bonds of second-tier banks of the Republic of Kazakhstan

During the reporting period, bonds of second-tier banks of the Republic of Kazakhstan (hereinafter referred to as STB RK) were not purchased as part of the portfolio.

The current value of bonds of STBs of the Republic of Kazakhstan at the end of the reporting month amounted to KZT130.51 mln. Their share in the portfolio was 2.41%.

The weighted average yield to maturity of bonds of STBs of the Republic of Kazakhstan as of the reporting date was 14.85% per annum.

Bonds of quasi-public organizations of the Republic of Kazakhstan

During the reporting period, bonds of quasi-public organizations of the Republic of Kazakhstan were not purchased as part of the portfolio.

The current value of bonds of quasi-public organizations of the Republic of Kazakhstan at the end of the reporting month amounted to KZT529.83 mln. Their share in the portfolio was 9.77%.

The weighted average yield to maturity of bonds of quasi-public organizations of the Republic of Kazakhstan as of the reporting date was 13.79% per annum.

Shares and depositary receipts of issuers of the Republic of Kazakhstan

During the reporting period, shares of KEGOC JSC were acquired in the amount of KZT100.00 mln. The current value of shares of KEGOC JSC amounted to KZT99.82 mln. Their share in the portfolio was 1.84%.

Exchange Traded Funds (ETFs)

During the reporting period, shares of Exchange Traded Funds (hereinafter referred to as ETF) were purchased in the amount of KZT150.39 mln.

The current value of the ETF at the end of the reporting month amounted to KZT330.17 mln. Their share in the portfolio was 6.09%.

Shares and depositary receipts of foreign issuers

During the reporting period, shares and depositary receipts of foreign issuers were not purchased as part of the portfolio. During the reporting period, shares of Nokia Oyj were sold for the amount of KZT7.50 mln.

The current value of shares and depositary receipts of foreign issuers at the end of the reporting month amounted to KZT46.10 mln. Their share in the portfolio was 0.85%.

Currency structure

The investment portfolio of financial instruments by currencies in which financial instruments acquired using pension assets held in trust by Halyk Finance is denominated is presented in Table 2.

Table 2. Structure of the investment portfolio of UAPF PAs held in trust by Halyk Finance, by currency

<i>KZT mln</i>					
Currency	Current value as of 01.01.2023.	Share as of 01.01.2023.	Current value as of 01.12.2023.	Share as of 01.12.2023.	Growth/ decrease from 01.01.2023
National currency	8.37	100.00%	4,621.33	85.18%	55,119.94%
US dollars	0.00	0.00%	53.80	0.99%	0.00%
EURO	0.00	0.00%	750.02	13.82%	0.00%
Total:	8.37	100.00%	5,425.15	100.00%	64,724.73%

Investment results

As a result of investment activities, the amount of accrued investment income since the beginning of 2023 amounted to KZT153.15 mln. The return on pension assets since the beginning of 2023 has amounted to 15.29%.

The structure of accrued investment income is presented in Table 3.

Table 3. Structure of investment income received from UAPF PAs held in trust by Halyk Finance

<i>KZT mln</i>	
Description	Investment income from the beginning of 2023
Income in the form of interest on securities, including on placed deposits and reverse repo transactions	108.27
Income (loss) from market revaluation of securities	51.94
Income (loss) from revaluation of foreign currency	-6.52
Income (loss) from revaluation of other assets	0.00
Other income (loss)	-0.54
Total:	153.15

Information on the Value of a Notional Pension Unit

The dynamics of the value of the notional pension unit of pension assets of the United Accumulative Pension Fund JSC (hereinafter referred to as UAPF PA) held in trust by Halyk Finance is presented in Table 4.

Table 4. Value of a Notional Pension Unit of UAPF PA held in trust by Halyk Finance

No.	Date	Value of a Notional Pension Unit
1	01.11.2023	1,181.5406925
2	02.11.2023	1,181.5406925
3	03.11.2023	1,181.5406925
4	04.11.2023	1,181.5406925
5	05.11.2023	1,181.5406925
6	06.11.2023	1,184.7541659
7	07.11.2023	1,184.7541659
8	08.11.2023	1,184.7541659
9	09.11.2023	1,184.7541659
10	10.11.2023	1,184.7541659
11	11.11.2023	1,184.7541659
12	12.11.2023	1,184.7541659
13	13.11.2023	1,190.6882587
14	14.11.2023	1,190.6882587
15	15.11.2023	1,190.6882587
16	16.11.2023	1,190.6882587
17	17.11.2023	1,190.6882587
18	18.11.2023	1,190.6882587
19	19.11.2023	1,190.6882587
20	20.11.2023	1,194.5279495
21	21.11.2023	1,194.5279495
22	22.11.2023	1,194.5279495
23	23.11.2023	1,194.5279495
24	24.11.2023	1,194.5279495
25	25.11.2023	1,194.5279495
26	26.11.2023	1,194.5279495
27	27.11.2023	1,207.8352640
28	28.11.2023	1,207.8352640
29	29.11.2023	1,207.8352640
30	30.11.2023	1,208.3351058

Information on compliance with the parameters of the investment declaration

The structural distribution of UAPF PAs held in trust meets the requirements of the Investment Declaration for a portfolio of financial instruments formed from pension assets held in trust by Halyk Finance¹. The shares of currency positions remain within the acceptable level and do not violate the requirements of the Investment Declaration for a portfolio of financial instruments formed from pension assets held in trust by Halyk Finance. Information on compliance with investment limits as of December 01, 2023 is presented in Table 5.

¹ The investment declaration for the portfolio of financial instruments formed from pension assets held in trust by Halyk Finance was approved by the decision of the Board of Directors of Halyk Finance JSC Minutes of the results of absentee voting of the Board of Directors dated November 01, 2022 No. 34/22-3

Table 5. Investment limits for UAPF PAs held in trust by Halyk Finance

No.	Type of the Financial Instrument	Actual Value (as a percentage of total PA)	Execution (yes / no)
1.	Cash, including bank balances	9.59%	yes
2.	Reverse REPO	51.69%	yes
3.	Government securities of the Republic of Kazakhstan (including those issued in accordance with the legislation of foreign states), issued by the Ministry of Finance of the Republic of Kazakhstan and the National Bank of the Republic of Kazakhstan, as well as securities issued under the guarantee of the Government of the Republic of Kazakhstan	9.13%	yes
4.	Debt securities issued by local executive bodies of the Republic of Kazakhstan	0.00%	yes
5.	Debt securities issued by a legal entity, one hundred percent of whose shares are owned by the NB RK	6.08%	yes
6.	Debt securities issued by the Development Bank of Kazakhstan, National Welfare Fund Samruk-Kazyna, Baiterek National Management Holding, Problem Loan Fund in accordance with the legislation of the Republic of Kazakhstan and other states	1.84%	yes
7.	Deposits in second-tier banks of the Republic of Kazakhstan, subject to one of the following conditions: – banks have a long-term credit rating of at least “BB-” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch, or a rating of at least “kzA-” on the national scale of Standard & Poor’s; – banks are subsidiary resident banks, the parent non-resident bank of which has a long-term credit rating on the international scale of Standard & Poor’s agency not lower than “A-” or a rating of a similar level by Moody’s Investors Service or Fitch.	0.00%	yes
8.	Deposits in non-resident banks with a long-term rating of at least “A-” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch	0.00%	yes
9.	Debt securities issued by the following international financial organizations that have a rating of at least "BB+" on the international scale of Standard & Poor's or a rating of a similar level by Moody's Investors Service or Fitch: – The Asian Development Bank; – The Inter-American Development Bank; – the African Development Bank; – the European Bank for Reconstruction and Development; – the European Investment Bank; – the Council of Europe Development Bank; – the Islamic Corporation for the Development of the Private Sector; – the Islamic Development Bank; – The Multilateral Investment Guarantee Agency; – The Nordic Investment Bank; – The International Monetary Fund; – The International Development Association; – the International Center for Settlement of Investment Disputes; – The International Bank for Reconstruction and Development; – The International Finance Corporation; as well as securities issued by an international financial organization, the share of the Republic of Kazakhstan in the authorized capital of which is at least 25%	0.35%	yes
10.	Securities with government status, issued by the central governments of foreign countries with a sovereign rating of at least “BB+” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch	4.46%	yes
11.	Non-government securities issued by foreign organizations:	0.00%	yes

No.	Type of the Financial Instrument	Actual Value (as a percentage of total PA)	Execution (yes / no)
	1. shares of foreign issuers with a rating of at least “BB+” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch; 2. shares of foreign issuers included in the main stock indices, and depositary receipts, the underlying asset of which is these shares;	0.85%	yes
	3. debt securities with a rating of at least “BB” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch	0.00%	yes
	Non-government securities issued by organizations of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan and other states:	0.00%	yes
12.	1. shares of issuers of the quasi-public sector of the Republic of Kazakhstan, placed (placed) as part of a public offer (sale) among a wide range of investors on the stock exchange, and (or) depositary receipts, the underlying asset of which is these shares; 2. shares of legal entities included in the official list of the stock exchange, meeting the requirements of the “premium” category of the “shares” sector of the “Main” platform of the official list of the stock exchange and depositary receipts, the underlying assets of which are these shares; 3. shares of legal entities included in the main stock indices;	1.84%	yes
	4. debt securities issued by organizations of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan and other states that have a rating of at least “B+” on the international scale of Standard&Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch, or a rating not below “kzBBB” on the Standard & Poor’s national scale; 5. securities issued as part of the restructuring of the issuer’s obligations for the purpose of exchange for previously issued securities or other obligations of this issuer.	4.67%	yes
13.	Units of Exchange Traded Funds, Exchange Traded Commodities, Exchange Traded Notes, rated at least 3 stars by the rating agency Morningstar, with the exception of Units of Exchange Traded Funds, the asset structure of which follows the structure of one of the major stock indexes, or the pricing of units of which is linked to major stock indices	3.40%	yes
14.	Units of interval mutual investment funds, the management company of which is a legal entity created in accordance with the legislation of the Republic of Kazakhstan, included in the official list of the stock exchange, meeting the requirements of the “investment fund securities” sector of the “Mixed” platform of the official list of the stock exchange	0.00%	yes
15.	Shares of Exchange Traded Funds, the asset structure of which follows the structure of one of the major stock indices, or the pricing of shares of which is linked to the main stock indices	2.68%	yes
16.	Foreign currency of countries that have a sovereign rating of at least “BBB” on the international scale of Standard & Poor’s or a rating of a similar level by Moody’s Investors Service or Fitch	3.39%	yes
17.	Refined precious metals that meet international quality standards adopted by the London bullion market association and designated in the documents of this association as the “London good delivery” standard, and metal deposits, including non-resident banks of the Republic of Kazakhstan that have a rating of at least “AA” from Standard & Poor’s or a rating of a similar level from Moody’s Investors Service or Fitch, for a period of no more than twelve months	0.00%	yes
18.	The following derivative financial instruments entered into for hedging purposes, the underlying asset of which are financial instruments permitted for acquisition at the expense of pension assets in accordance with this Appendix:	0.00%	yes

No.	Type of the Financial Instrument	Actual Value (as a percentage of total PA)	Execution (yes / no)
	<p>Options - a contract that gives the buyer the right, but not the obligation, to buy or sell a specified asset at a certain price or before a certain date;</p> <p>futures - a contract related to the mutual transfer of rights and obligations in relation to a purchase and sale transaction that will be completed in the future;</p> <p>forwards - an agreement under which one party undertakes to transfer the subject of the contract within a certain time frame, and the other party to accept it at a specified cost, at a specified time and place;</p> <p>swaps - an agreement between two counterparties to exchange future payments in accordance with the conditions specified in the contract;</p> <p>derivative financial instruments, which are a combination of the above derivative financial instruments.</p>		

Information on purchases, sales and redemptions of financial instruments held in a portfolio of financial instruments formed from pension assets held in trust by Halyk Finance

Table 6. Information on the acquisition of financial instruments in the reporting month

Type of Instrument	Currency	Issuer	Transaction value, in tenge
Notes of NBRK	KZT	National Bank of RK	276,889,480.00
Shares of Exchange Traded Funds (ETF)	USD	iShares MSCI World ETF	95,323,000.10
Shares and depositary receipts of issuers of the Republic of Kazakhstan	KZT	KEGOC JSC	99,999,432.00
Foreign GS	USD	US Treasury	74,091,348.60
Shares of Exchange Traded Funds (ETF)	USD	iShares 5-10 Year Investment Grade Corporate Bond ETF	27,917,209.66
Shares of Exchange Traded Funds (ETF)	USD	iShares 7-10 Year Treasury Bond ETF	27,917,330.80
Total			602,137,801.16

Table 7. Information on the sale of financial instruments in the reporting month

Type of Instrument	Currency	Issuer	Transaction value, in tenge
Shares and depositary receipts of issuers of the Republic of Kazakhstan	EUR	Nokia Oyj	7,504,875.52
Total			7,504,875.52

Table 8. Information on principal repayments on securities in the reporting month

Type of Instrument	Currency	Issuer	Transaction value, in tenge
Notes of NBRK	KZT	National Bank of RK	500,000,000.00
Notes of NBRK	KZT	National Bank of RK	280,000,000.00
Notes of NBRK	KZT	National Bank of RK	140,000,000.00
Total			920,000,000.00

Table 9. Information on placements in deposits of foreign banks in the reporting month

Type of Instrument	Currency	Bank	Amount of transaction, KZT
In the reporting month, there were no placements in deposits of foreign banks			
Total			

Table 10. Information on principal repayments on deposits in the reporting month

Type of Instrument	Currency	Bank	Amount due in tenge
There were no repayments on deposits in the reporting month			
Total			