

INFORMATION ON INVESTMENT MANAGEMENT OF PENSION ASSETS OF UAPF JSC

As of February 1, 2025, UAPF pension assets¹ (hereinafter referred to as PA) held in trust by the National Bank of the Republic of Kazakhstan (hereinafter referred to as the NBRK) amounted to KZT22,282.04 bln².

The structure of the investment portfolio of financial instruments, formed at the expense of UAPF pension assets, is presented in Table 1.

Table 1. Structure of the investment portfolio of UAPF PAs held in trust by the NBRK, by financial instruments

KZT bln

Description	Current Value as of 01.01.2025	Share as of 01.01.2025	Current Value as of 01.02.2025	Share as of 01.02.2025	Increase/Decrease from the beginning of the year
GS MF RK	9,317.68	41.57%	9,223.92	41.40%	-1.01%
Foreign GS	16.12	0.07%	16.29	0.07%	1.05%
IFO	283.73	1.27%	284.40	1.28%	0.24%
Corporate bonds of RK issuers	12.20	0.05%	12.07	0.05%	-1.00%
Bonds of quasi-public organizations of RK	1,982.17	8.84%	1,962.38	8.81%	-1.00%
Bonds of STB of RK	960.30	4.28%	956.70	4.29%	-0.37%
PPN	8.64	0.04%	8.57	0.04%	-0.87%
Shares and depository receipts of RK issuers	378.64	1.69%	382.18	1.72%	0.94%
NBRK Deposits	696.91	3.11%	797.68	3.58%	14.46%
Cash in investment accounts	2.63	0.01%	1.79	0.01%	-31.92%
REPO	16.01	0.07%	49.53	0.22%	209.43%
Other assets (accounts receivable, overdue debt, provisions)	0.02	0.00%	0.00	0.00%	-100.00%
Index asset management, including:	8,739.96	38.99%	8,586.53	38.54%	-1.76%
Assets of developed countries	2,571.58	11.47%	2,550.20	11.45%	-0.83%
Assets of developing countries	1,367.36	6.10%	1,355.55	6.08%	-0.86%
assets under external management under the emerging market bond mandate:	4,801.02	21.42%	4,680.77	21.01%	-2.50%
Aviva Investors Global Services Limited	268.05	1.20%	258.42	1.16%	-3.59%
TCW Asset Management Company LLC	131.38	0.59%	177.87	0.80%	35.38%
PIMCO Asia Pte Ltd	231.00	1.03%	223.27	1.00%	-3.34%
mandate of global shares:					
Invesco Asset Management Deutschland GmbH	355.97	1.59%	342.47	1.54%	-3.79%
HSBC Global Asset Management (UK) Limited	574.47	2.56%	548.46	2.46%	-4.53%
UBS Asset Management (UK) Ltd	454.12	2.03%	435.25	1.95%	-4.16%
Blackrock Financial Management	402.40	1.80%	386.51	1.73%	-3.95%
BlackRock Investment Management	233.72	1.04%	224.68	1.01%	-3.87%
Robeco Institutional Asset Management B.V.	361.95	1.61%	347.57	1.56%	-3.97%
mandate of investment grade corporate bonds:					
Principal Global Investors (Europe) Limited	613.03	2.73%	595.15	2.67%	-2.92%
PGIM Limited	622.99	2.78%	604.27	2.71%	-3.01%
PIMCO Asia Pte Ltd	551.94	2.46%	536.86	2.41%	-2.73%

¹ formed from compulsory pension contributions, compulsory occupational pension contributions and voluntary pension contributions

² excluding money in the accounts of pension contributions and benefits.

Total PA under fiduciary management of NBRK	22,415.00	100.00%	22,282.04	100.00%	-0.59%
Cash in contribution and benefit payment accounts	75.49		16.13	0.07%	
Total Pension Assets	22,490.49		22,298.17		

As of 01.02.2025, the weighted average yield to maturity (YTM) of debt financial instruments in the investment portfolio of the UAPF PA amounted to 9.89% per annum, including 11.93% per annum for those denominated in tenge, and 5.06% per annum in foreign currency.

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

The main share in the UAPF PA portfolio is occupied by government securities of the Ministry of Finance of the Republic of Kazakhstan, the current value of which during the reporting month decreased by KZT93.76 bln and amounted to KZT9,223.92 bln. Their share in the portfolio was 41.40%.

In the period under review, GS of the Ministry of Finance of the Republic of Kazakhstan were purchased in the amount of KZT178.23 bln at par value with an average weighted yield of 13.79% per annum and the GS of the Ministry of Finance of the Republic of Kazakhstan in the amount of KZT8.00 bln was redeemed. There were no purchases of GS of the Ministry of Finance of the Republic of Kazakhstan in the reporting month.

As of the reporting date, the average weighted yield to maturity on the GS of the Ministry of Finance of the Republic of Kazakhstan was 11.85% per annum.

Foreign government securities in the liquidity sub-portfolio

The current value of foreign government securities in the liquidity sub-portfolio increased by KZT0.17 bln during the reporting month and amounted to KZT16.29 bln. Their share in the portfolio was 0.07%.

There were no purchases, sales or redemptions of foreign government securities in the reporting month.

Bonds of international financial organizations

The current value of bonds of international financial organizations increased by KZT0.67 bln during the reporting month and amounted to KZT284.40 bln. Their share in the portfolio was 1.28%.

There were no purchases, sales or redemptions of securities of international financial organizations in the reporting month.

The average weighted yield to maturity on bonds of international financial organizations denominated in tenge with a fixed interest rate was 12.23% per annum, with an indexed interest rate - inflation and premium.

Deposits in the National Bank of the Republic of Kazakhstan

The current value of deposits in the National Bank of the Republic of Kazakhstan as of the reporting date was KZT797.68 bln. Their share in the portfolio was 3.58%.

In the reporting month, as part of current liquidity management in order to maintain the profitability of pension assets, investments were made in deposits of the National Bank of the Republic of Kazakhstan. The average transaction volume was 225.94 bln with an average weighted yield of 14.85% per annum.

Corporate bonds of issuers of the Republic of Kazakhstan

The current value of corporate bonds of issuers of the Republic of Kazakhstan was KZT12.07 bln. Their share in the portfolio was 0.05%.

In the reporting month, there were no redemptions, purchases and sales of corporate bonds of issuers of the Republic of Kazakhstan.

Bonds of quasi-public organizations of the Republic of Kazakhstan

The current value of bonds of quasi-public organizations of the Republic of Kazakhstan for the reporting month decreased by KZT19.78 bln and amounted to KZT1,962.38 bln. Their share in the portfolio was 8.81%.

In the reporting period, there were no purchases and sales of securities of quasi-public organizations of the Republic of Kazakhstan. In the reporting month, bonds of NMH Baiterek JSC were redeemed in the amount of KZT29.94 bln.

As of the reporting date, the average weighted yield to maturity on bonds of quasi-government organizations of the Republic of Kazakhstan denominated in tenge amounted to 11.18% per annum, in US dollars - 5.49% per annum.

Bonds of second-tier banks of the Republic of Kazakhstan

The current value of bonds of second-tier banks of the Republic of Kazakhstan for the reporting month decreased by KZT3.60 bln and amounted to KZT956.70 bln. Their share in the portfolio was 4.29%.

There were no purchases or sales of securities of the STB of the Republic of Kazakhstan in the period under review. In the reporting month, bonds of Kaspi Bank JSC were redeemed in the amount of KZT49.00 bln.

As of the reporting date, the average weighted yield to maturity on bonds of the STB of the Republic of Kazakhstan was 12.07% per annum.

PPN (structured notes) of foreign issuers

The current value of PPN (structured notes) of foreign issuers in the reporting month was KZT8.57 bln. Their share in the portfolio was 0.04%.

There were no sales, redemptions or purchases of PPN (structured notes) of foreign issuers.

Shares and depositary receipts of issuers of the Republic of Kazakhstan

The current value of shares and depositary receipts of issuers of the Republic of Kazakhstan for the reporting month increased by KZT3.54 bln and amounted to KZT382.18 bln. Their share in the portfolio amounted to 1.72%.

In the period under review, there were no purchases and sales of shares and depositary receipts of issuers of the Republic of Kazakhstan.

Index management of assets of the currency portfolio

Index asset management involves forming an investment portfolio in relation to a benchmark portfolio, which is a set of securities that reflect the investor's strategic interests. The yield of the benchmark portfolio serves as a measure for assessing the effectiveness of investment portfolio management. Indices developed and monitored by leading global financial companies or the NBRK are used as a benchmark portfolio.

According to the strategic distribution of the currency portfolio, index asset management is applied to the sub-portfolio of developed countries' bonds, the sub-portfolio of developing countries' bonds, the sub-portfolio of corporate bonds, and the sub-portfolio of shares.

Index asset management is carried out both by the NBRK independently and with the involvement of foreign management companies. The NBRK carries out index management of the sub-portfolio of developed countries and part of the sub-portfolio of developing countries' bonds.

The allocation of the currency portfolio of the UAPF PA, which are in the trust management of the NBRK as of February 1, 2025, is presented in Table 2.

Table 2. Strategic distribution of the currency portfolio of the UAPF PA as of February 01, 2025.

Subportfolio	Target value (tolerance)	Value, in millions of US dollars	Value, in KZT bln	Share of currency portfolio, %	Share of UAPF PA, %
Developed Market Bonds	30% (±10%)	4 921.84	2 550.20	28.78%	11.45%
Developing Market Bonds	25% (±10%)	3 889.12	2 015.11	22.74%	9.04%
Corporate Bonds	20% (±10%)	3 351.00	1 736.28	19.59%	7.79%

Stocks	25% (-17%/+10%)	4 409.87	2 284.93	25.79%	10.25%
Gold	0% (+10%)	0	0	0.00%	0.00%
Liquidity	0% (+40%)	530.22	274.73	3.10%	1.23%
Total Currency Portfolio		17 102.05	8 861.26	100.00%	39.77%

Sub-portfolio of developed countries bonds

The current value of the developed countries bond sub-portfolio decreased by KZT21.38 bln during the reporting month and amounted to KZT2,550.20 bln. The share of the sub-portfolio of bonds of developed countries in the PA UAPF portfolio was 11.45%.

The reference portfolio for the developed countries bond sub-portfolio is the Custom Index (G502), consisting of US government securities with a maturity of up to 10 years, denominated in US dollars. As of February 1, 2025, this index includes 206 bond issues.

Emerging Market Bond Sub-portfolio

The current value of the emerging market bond sub-portfolio increased by KZT17.32 bln during the reporting month and amounted to KZT2,015.11 bln. The share of the sub-portfolio of bonds of developing countries in the PA UAPF portfolio was 9.04%.

The benchmark portfolio for the sub-portfolio of bonds of developing countries is the Custom Index (Q979), consisting of bonds denominated in US dollars, issued by developing countries with a rating of at least "BB". As of February 1, 2025, this index includes 423 bond issues denominated in US dollars, issued by 29 developing countries.

Sub-portfolio of corporate bonds

The current value of the sub-portfolio of corporate bonds for the reporting month decreased by KZT51.67 bln and amounted to KZT1,736.28 bln. The share of the sub-portfolio of corporate bonds in the UAPF PA portfolio was 7.79%.

The benchmark portfolio for the corporate bonds sub-portfolio is the Custom Index (Q980), consisting of corporate securities denominated in US dollars, the issuers of which are residents of developed and developing countries with high capitalization and a rating of at least "BBB". As of February 1, 2025, this index includes 7,498 bond issues issued by 1,325 issuers.

Equity sub-portfolio

The current value of the equity sub-portfolio for the reporting month decreased by KZT97.70 bln and amounted to KZT2,284.93 bln. The share of the sub-portfolio of shares in the UAPF PA portfolio was 10.25%.

The benchmark portfolio for the equity sub-portfolio is the Custom MSCI World Index, consisting of shares of companies from developed countries. As of February 1, 2025, this index includes 1,353 shares of large- and mid-capitalization companies from 23 developed countries. The main share of the index, 75.9%, is occupied by shares of US companies. The index also includes shares of countries such as Japan, Great Britain, France, Canada and others.

Currency structure

The investment portfolio of financial instruments by currencies in which the financial instruments acquired using the pension assets of the UAPF are denominated is presented in Table 2.

In the reporting period, there were no transactions.

Table 2. Structure of the investment portfolio of PA UAPF, which are in trust management of the NBRK, by currency

Currency	Current Value as of 01.01.2025	Share as of 01.01.2025	Current Value as of 01.02.2025	Share as of 01.02.2025	KZT bln
					Increase/Decrease from the beginning of the year
National Currency	13,400.82	59.79%	13,420.79	60.23%	0.15%
US dollar	9,013.29	40.21%	8,860.37	39.76%	-1.70%

Other currencies	0.88	0.00%	0.89	0.00%	1.09%
Total:	22,415.00	100.00%	22,282.04	100.00%	-0.59%

Investment Results

As a result of investment activities, as well as due to the volatility of foreign exchange rates and changes in the market value of financial instruments, the accrued investment income for 2025 was (-) KZT284.86 bln. The main reasons for the negative investment income are the exchange rate revaluation due to the strengthening of the tenge against the US dollar from 525.11 to 518.14 tenge, as well as the decline in the market value of government securities of the Ministry of Finance of the Republic of Kazakhstan amid an average increase in their yields by 40 basis points. Additionally, there was a decrease in the market value of assets purchased on foreign markets. In December of last year, the yield on benchmark 10-year US Treasury bonds increased by 40 basis points, spreads on bonds of emerging markets narrowed by 3 basis points, while spreads on corporate bonds widened by 2 basis points. On the stock market, the MSCI World index decreased by 2.68%, which also put pressure on the investment portfolio's return.

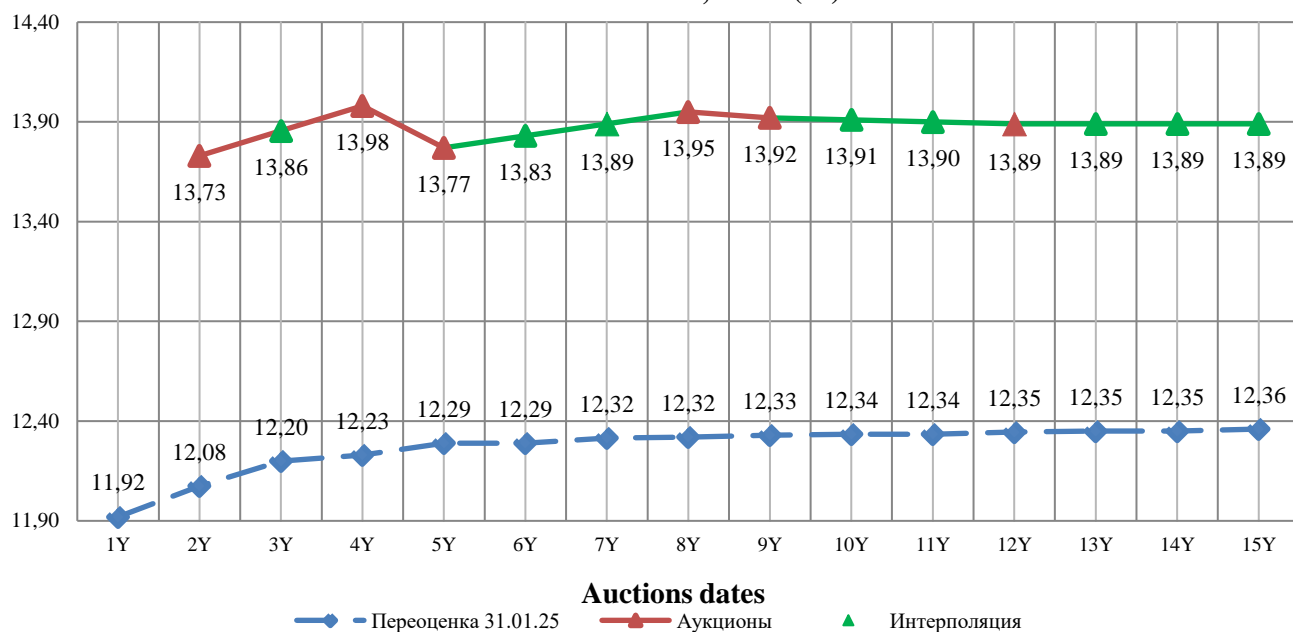
As of February 1, 2025, the return on UAPF pension assets over the past 12 months, distributed to contributors' (beneficiaries') accounts, was 15.66% with inflation at 8.90%. The return on UAPF pension assets distributed to depositors' (recipients') accounts for January 2025 was (-)1.25%.

In January 2025, the market demonstrated volatility amid US President Trump's threats to introduce tariffs and a strong labor market. Thus, in January, a decision was made to maintain the base rate at 4.25% - 4.50%, while the market expects 2 reductions in the base rate by the end of 2025. Inflation dynamics in the US showed growth in January – 3.0% per annum against 2.9% per annum in December, while monthly inflation increased from 0.4% to 0.5%. The number of jobs in the non-agricultural sector in January decreased to 143 thousand jobs, while the unemployment rate decreased from 4.2% in December to 4.0% in January.

As a result, the yield on benchmark 10-year US Treasury bonds decreased by 3 bp in January. Spreads on bonds of developing countries narrowed by 12 bp, while spreads on corporate bonds narrowed by 2 bp. At the same time, the MSCI World stock index rose by 3.47%.

At auctions for the placement of government securities of the Republic of Kazakhstan in January, an increase in yields was observed across the entire segment of the curve against the backdrop of the decision of the National Bank of the Republic of Kazakhstan to maintain the base rate at 15.25%. At the same time, inflation accelerated to 8.9% per annum (8.6% in December) or 1.1% for January (0.9% in December). Average demand at auctions of RK government securities exceeded supply by 1.7 times, where the main demand was concentrated on the placement of short-term RK government securities.

GS RK, YTM (%)



The structure of accrued investment income for the specified period is presented in Table 3.

Table 3. Structure of investment income received from UAPF PA, which is in trust management of the National Bank of Kazakhstan

KZT bln

Description	Investment income in 2025
Income in the form of remuneration on securities, including on placed deposits and reverse REPO transactions and from market revaluation of securities	139.91
Income (loss) from market revaluation of securities	-252.14
Income (loss) from foreign currency revaluation	-52.92
Income (loss) on assets under external management	-120.24
Other income (losses)	0.53
Total	-284.86

Information on compliance with the parameters of the investment declaration

The structural distribution of UAPF PA in trust meets the requirements of the UAPF Investment Declaration³. Shares of foreign exchange positions remain within the acceptable level and do not violate the requirements of the UAPF Investment Declaration. Information on compliance with investment limits for UAPF PA as of February 1, 2025 is presented in Table 4.

Table 4. UAPF PA Investment limits

No.	Financial Instrument Type	Actual Value (Expressed as Percentage from the PA)	Compliance (Yes/No)
	Cash KZT	0.00%	yes
	Cash in foreign currency	1.08%	yes
1	Kazakhstani issuers:	59.25%	yes
1.1	Government securities of the Republic of Kazakhstan issued by the Ministry of Finance of the Republic of Kazakhstan. the National Bank of the Republic of Kazakhstan	41.40%	yes
1.1.1	Government securities of the Republic of Kazakhstan issued by local executive bodies of the Republic of Kazakhstan	0.00%	yes

³ The investment declaration of the UAPF was approved by the Resolution of the Board of the National Bank of the Republic of Kazakhstan dated February 24, 2020 No. 10

1.2	Deposits of the National Bank of the Republic of Kazakhstan	3.58%	yes
1.3	Securities of the quasi-public sector entities	10.07%	yes
1.4	Financial instruments of second-tier banks of the Republic of Kazakhstan with a rating of a security and / or issuer not lower than “B” according to the international scale of Standard & Poor's agency or a rating of a similar level from one of the other rating agencies. including:	3.90%	yes
1)	Debt securities	3.81%	yes
2)	Equity securities	0.09%	yes
3)	Deposits	0.00%	yes
1.5	Non-government debt securities. with the exception of debt securities of entities of the quasi-public sector and second-tier banks of the Republic of Kazakhstan. having a rating of a security and / or issuer not lower than “B-” according to the international scale of Standard & Poor's or a rating of a similar level of one from other rating agencies	0.00%	yes
1.5.1	Non-government debt securities issued under the guarantee and / or guarantee of the Government of the Republic of Kazakhstan	0.00%	yes
1.6	Non-government equity securities. with the exception of equity securities of quasi-public sector entities and second-tier banks of the Republic of Kazakhstan. included in the first category of the official list of the Kazakhstan Stock Exchange	0.30%	yes
1.7	Islamic finance instruments included in the official list of the Kazakhstan Stock Exchange and / or AIFC Exchange	0.00%	yes
1.8	Securities secured by real estate (MBS) and assets (ABS) with a rating of a security and / or issuer not lower than “BB-” according to the international scale of Standard & Poor's or a rating of a similar level from one of the other rating agencies	0.00%	yes
2	Foreign financial instruments, including instruments traded on foreign financial markets:	38.16%	yes
2.1	Government, agency and securities of international financial organizations with a rating of the security and/or issuer not lower than “BB-” on the international scale of Standard & Poor's or a rating of a similar level by one of the other rating agencies	20.13%	yes
2.2.	Municipal securities as part of investing in government and agency securities	0.00%	yes
2.3	Corporate debt securities with a rating of the security and/or issuer not lower than “BB-” on the international scale of Standard & Poor's or a rating of a similar level by one of the other rating agencies	7.80%	yes
2.4	Securities secured by real estate (MBS) and assets (ABS) with a security and/or issuer rating of at least “BBB-” on the international scale of Standard & Poor's or a rating of a similar level by one of the other rating agencies	0.00%	yes
2.5	Convertible securities as part of an investment in corporate securities with a rating of the security and/or issuer not lower than “BB-” on the international scale of the Standard & Poor's agency or a rating of a similar level by one of the other rating agencies	0.00%	yes
2.6	Shares, depositary receipts for shares	10.20%	yes
2.7	Deposits (contributions) with counterparties having a rating of at least “A-” on the international scale of Standard & Poor's or a rating of a similar level by one of the other rating agencies	0.00%	yes
2.8	Structured products issued by organizations that have a rating of at least “BBB-” on the international scale of Standard & Poor's or a rating of a similar level by one of the other rating agencies	0.04%	yes
2.9	Islamic finance instruments with a rating of at least “BB-” on the international scale of Standard & Poor's or a rating of a similar level by one of the other rating agencies	0.52%	yes

No.	Financial Instrument Type	Actual Value (% of PA)	Performance (Yes / No)
1	Derivative financial instruments, including:	0.00%	yes
1.1	Derivative financial instruments used to hedge investment risk	0.00%	yes
1.2	Derivative financial instruments used for investment purposes	0.00%	yes
1.3	Gold in bars and AU metallic accounts	0.00%	yes

**Information on purchases, sales and redemption of financial instruments in
the UAPF PA investment portfolio**

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

Instrument	Currency	Issuer	Nominal value in KZT
RK GS	KZT	RK Government	178,227,522,000
Total			178,227,522,000

Table 7. Information on repayments of principal debt on securities in the reporting month

Instrument	Currency	Issuer	Amount to be repaid in tenge
RK GS	KZT	RK Government	8,000,000,000
Bonds of quasi-public organizations of the Republic of Kazakhstan	KZT	NMH Baiterek JSC	29,943,000,000
STB bonds	KZT	Kaspi Bank JSC	48,996,136,000
Total			86,939,136,000