

INFORMATION ON INVESTMENT MANAGEMENT OF PENSION ASSETS OF UAPF JSC

As of March 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 KZT22,278.12 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 01.03.2025	Share as of 01.03.2025	Increase/Decrease from the beginning of the year
GS MF RK	9,317.68	41.57%	9,278.12	41.65%	-0.42%
Foreign GS	16.12	0.07%	25.29	0.11%	56.91%
IPO	283.73	1.27%	299.98	1.35%	5.73%
Corporate bonds of RK issuers	12.20	0.05%	11.48	0.05%	-5.90%
Bonds of quasi-public organizations of RK	1,982.17	8.84%	1,944.22	8.73%	-1.91%
Bonds of STB of RK	960.30	4.28%	776.15	3.48%	-19.18%
PPN	8.64	0.04%	8.30	0.04%	-3.94%
Shares and depository receipts of RK issuers	378.64	1.69%	367.28	1.65%	-3.00%
NBRK Deposits	696.91	3.11%	1,041.35	4.67%	49.42%
Cash in investment accounts	2.63	0.01%	2.17	0.01%	-17.21%
REPO	16.01	0.07%	109.60	0.49%	584.72%
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%	8,414.17	37.77%	-3.73%
Assets of developed countries	2,571.58	11.47%	2,483.20	11.15%	-3.44%
Assets of developing countries	1,367.36	6.10%	1,326.62	5.95%	-2.98%
assets under external management	4,801.02	21.42%	4,604.35	20.67%	-4.10%
under the emerging market bond mandate:					
Aviva Investors Global Services Limited	268.05	1.20%	251.76	1.13%	-6.08%
TCW Asset Management Company LLC	131.38	0.59%	173.18	0.78%	31.82%
PIMCO Asia Pte Ltd	231.00	1.03%	216.94	0.97%	-6.09%
mandate of global shares:					
Invesco Asset Management Deutschland GmbH	355.97	1.59%	342.78	1.54%	-3.71%
HSBC Global Asset Management (UK) Limited	574.47	2.56%	544.75	2.45%	-5.17%
UBS Asset Management (UK) Ltd	454.12	2.03%	434.65	1.95%	-4.29%
Blackrock Financial Management	402.40	1.80%	386.17	1.73%	-4.03%
BlackRock Investment Management	233.72	1.04%	223.93	1.01%	-4.19%
Robeco Institutional Asset Management B.V.	361.95	1.61%	347.59	1.56%	-3.97%
mandate of investment grade corporate bonds:					
Principal Global Investors (Europe) Limited	613.03	2.73%	577.01	2.59%	-5.87%
PGIM Limited	622.99	2.78%	585.66	2.63%	-5.99%
PIMCO Asia Pte Ltd	551.94	2.46%	519.92	2.33%	-5.80%
Total PA under fiduciary management of NBRK	22,415.00	100.00%	22,278.12	100.00%	-0.61%

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.

Cash in contribution and benefit payment accounts	75.49		37.16	
Total Pension Assets	22,490.49		22,315.28	

As of March 01, 2025, the weighted average yield to maturity (YTM) of debt financial instruments in the investment portfolio of the UAPF PA amounted to 10.61% per annum, including 12.15% per annum for those denominated in tenge, and 4.94% per annum in foreign currency.

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

The main share in the portfolio of the UAPF PA is occupied by government securities of the Ministry of Finance of the Republic of Kazakhstan, the current value of which as of the reporting date was KZT9,278.12 bln. Their share in the portfolio was 41.65%.

In the period under review, government securities of the Ministry of Finance of the Republic of Kazakhstan were purchased in the amount of KZT370.60 bln at par value with an average weighted yield of 14.11% per annum, and government securities of the Ministry of Finance of the Republic of Kazakhstan were redeemed in the amount of KZT176.5 bln. There were no sales of government securities 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 government securities of the Ministry of Finance of the Republic of Kazakhstan was 12.07% per annum.

Foreign government securities in the liquidity sub-portfolio

The current value of foreign government securities in the liquidity sub-portfolio increased by KZT9.00 bln during the reporting month and amounted to KZT25.29 bln. Their share in the portfolio was 0.11%.

In the period under review, US government securities were purchased in the total amount of KZT10.05 bln with a weighted average yield of 4.30% per annum.

There were no 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 KZT15.58 bln during the reporting month and amounted to KZT299.98 bln. Their share in the portfolio was 1.35%.

In the period under review, bonds of the European Bank for Reconstruction and Development were purchased in the total amount of KZT15.50 bln with a yield equal to the TONIA index.

In the reporting month, there were no sales or redemptions of securities of international financial institutions.

The average weighted yield to maturity on bonds of international financial institutions denominated in tenge with a fixed interest rate was 12.22% 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 on the reporting date was KZT1,041.35 bln. Their share in the portfolio was 4.67%.

In the reporting month, as part of current liquidity management in order to maintain the yield on pension assets, investments were made in deposits of the National Bank of the Republic of Kazakhstan. The average volume of transactions amounted to KZT252.96 bln with an average weighted yield of 14.97% per annum.

Corporate bonds of issuers of the Republic of Kazakhstan

The current value of corporate bonds of issuers of the Republic of Kazakhstan amounted to KZT11.48 bln. Their share in the portfolio amounted to 0.05%.

In the period under review, in accordance with the terms of the issue prospectus, part of the bonds of SevKazEnergo JSC in the amount of KZT502.48 mln was sold. There were no purchases and redemptions 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 KZT18.16 bln and amounted to KZT1,944.22 bln. Their share in the portfolio amounted to 8.73%.

In the period under review, there were no purchases and sales of securities of quasi-public organizations of the Republic of Kazakhstan. In the reporting month, bonds of Development Bank of Kazakhstan JSC were redeemed in the amount of KZT9.67 bln.

As of the reporting date, the average weighted yield to maturity on bonds of quasi-public organizations of the Republic of Kazakhstan denominated in tenge amounted to 11.13% 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 KZT180.55 bln and amounted to KZT776.15 bln. Their share in the portfolio was 3.48%.

In the period under review, bonds of Halyk Bank of Kazakhstan JSC were purchased in the amount of KZT6.4 bln at par value with an average weighted yield of 13.61% per annum. There were no sales of securities of second-tier banks of the Republic of Kazakhstan. In the reporting month, bonds of Halyk Bank of Kazakhstan JSC were redeemed in the amount of KZT131.65 bln. As of the reporting date, the average weighted yield to maturity on bonds of STB RK amounted to 12.08% per annum.

PPN (structured notes) of foreign issuers

The current value of PPN (structured notes) of foreign issuers in the reporting month amounted to KZT8.30 bln. Their share in the portfolio amounted to 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 decreased by KZT14.90 bln and amounted to KZT367.28 bln. Their share in the portfolio amounted to 1.65%.

There were no purchases and sales of shares and depositary receipts of issuers of the Republic of Kazakhstan in the period under review.

Index management of assets of the currency portfolio

Index management of assets involves the formation of an investment portfolio in relation to a benchmark portfolio, which is a set of securities reflecting the strategic interests of the investor. 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 management of assets is applied to the sub-portfolio of bonds of developed countries, the sub-portfolio of bonds of developing countries, the sub-portfolio of corporate bonds and the sub-portfolio of shares.

Index management of assets 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 bonds of developing countries.

Allocation of the currency portfolio of the PA ENPF, which are in trust management of the NBRK as of March 1, 2025, is presented in Table 2.

Table 2. Strategic distribution of the currency portfolio of the UAPF PA as of March 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% ($\pm 10\%$)	4,974.16	2,483.20	28.59%	11.15%
Developing Market Bonds	25% ($\pm 10\%$)	3,943.14	1,968.50	22.67%	8.84%
Corporate Bonds	20% ($\pm 10\%$)	3,370.44	1,682.59	19.37%	7.55%
Stocks	25% (-17%/+10%)	4,566.89	2,279.88	26.25%	10.23%
Gold	0% (+40%)	541.96	270.56	3.12%	1.21%
Liquidity		17,396.59	8,684.73	100.00%	38.98%

Sub-portfolio of developed countries bonds

The current value of the developed countries bond sub-portfolio decreased by KZT67.00 bln during the reporting month and amounted to KZT2,483.20 bln. The share of the sub-portfolio of bonds of developed countries in the PA UAPF portfolio was 11.15%.

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 March 1, 2025, this index includes 203 bond issues.

Emerging Market Bond Sub-portfolio

The current value of the sub-portfolio of bonds of developing countries decreased by KZT46.62 bln during the reporting month and amounted to KZT1,968.50 bln. The share of the sub-portfolio of bonds of developing countries in the portfolio of the UAPF PA was 8.84%.

The reference 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 March 1, 2025, this index includes 430 issues of bonds denominated in US dollars, issued by 29 developing countries.

Sub-portfolio of corporate bonds

The current value of the sub-portfolio of corporate bonds decreased by KZT53.69 bln during the reporting month and amounted to KZT1,682.59 bln. The share of the corporate bonds sub-portfolio in the UAPF PA portfolio was 7.55%.

The reference 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 March 1, 2025, this index includes 7,544 bond issues issued by 1,328 issuers.

Stock sub-portfolio

The current value of the stock sub-portfolio for the reporting month decreased by 5.05 bln and amounted to KZT2,279.88 bln. The share of the stock sub-portfolio in the UAPF PA portfolio was 10.23%.

The reference portfolio for the stock sub-portfolio is the Custom MSCI World Index, consisting of shares of companies from developed countries. As of March 1, 2025, this index includes 1,352 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 UAPF PA, 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 01.03.2025	Share as of 01.03.2025	Increase/Decrease from the beginning of the year
National Currency	13,400.82	59.79%	13,593.39	61.02%	1.44%
US dollar	9,013.29	40.21%	8,683.69	38.98%	-3.66%
Other currencies	0.88	0.00%	1.03	0.00%	17.55%
Total:	22,415.00	100.00%	22,278.12	100.00%	-0.61%

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 amount of accrued investment income since the beginning of 2025 amounted to (-) KZT370.56 bln. The return on pension assets of the UAPF, distributed to the accounts of contributors (beneficiaries) since the beginning of 2025, amounted to (-) 1.64%.

The main reasons for the negative investment income since the beginning of the current year are:

1) exchange rate revaluation due to the strengthening of the tenge against the US dollar from 525.11 to 518.14 tenge in January and from 518.14 to 499.22 tenge in February;

2) a decrease in the market value of government securities of the Republic of Kazakhstan due to an increase in their yields against the backdrop of rising inflation and inflation expectations, as well as an increased supply of these securities from the MFRK.

At the same time, in February, there was an increase in the market value of assets acquired in foreign markets, which had a positive impact on the portfolio's profitability.

It is important to note that the return on pension assets for individual short-term periods of time is not an indicator of the effectiveness of their management, since income in the form of remuneration for financial instruments and other transactions accrued over a short period of time does not always cover fluctuations in the value of securities and exchange rates for a given period. Therefore, it is advisable to make an objective analysis of the amount of investment income for a period of at least one year.

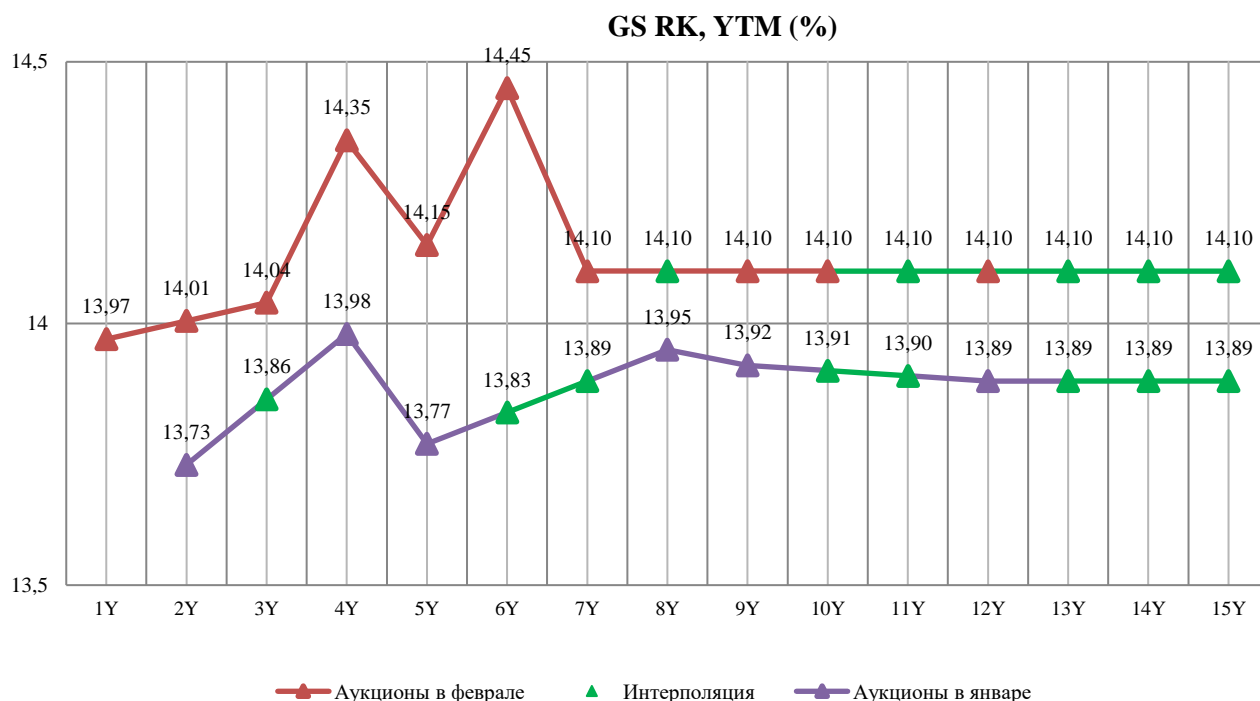
Thus, despite short-term fluctuations in profitability, over the past 12 months from March 2024 to February 2025, the amount of accrued investment income amounted to about KZT2.7 trln, the profitability for this period was 13.74% with inflation at 9.4%.

In February 2025, the market saw increased volatility amid slowing inflation and a cooling labor market, as well as increased risks of an economic slowdown due to the US President's threats to impose tariffs. At the same time, market expectations regarding the reduction of the base rate from 2 to 3 times by the end of 2025 have grown. The dynamics of inflation in the US showed a decrease in February - 2.8% per annum against 3.0% per annum in January, while monthly inflation slowed from 0.5% to 0.2%. The growth in the number of new jobs created in the non-agricultural sector in February decreased to 151 thousand jobs, while the unemployment rate increased from 4.0% in January to 4.1% in February.

As a result, the yield on benchmark 10-year US Treasury bonds fell by 33 bp in February. Spreads on emerging market bonds widened by 13 bp, and spreads on corporate bonds - by 8 bp. The MSCI World stock index showed a slight decrease of 0.8%.

At auctions for the placement of government securities of the Republic of Kazakhstan in February, an increase in yields was observed along the entire curve. Inflation accelerated to 9.4% per

annum (8.9% in January) or 1.5% in February (1.1% in January). Supply exceeded demand at auctions of GS of the Republic of Kazakhstan. The main demand was concentrated on short-term placements of GS of the Republic of Kazakhstan. At the same time, the MFRK increased borrowing volumes from KZT323 bln in January to KZT595 bln in February.



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	281.71
Income (loss) from market revaluation of securities	-260.40
Income (loss) from foreign currency revaluation	-197.98
Income (loss) on assets under external management	-196.66
Other income (losses)	2.77
Total	-370.56

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 March 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)
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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

	Cash KZT	0.00%	yes
	Cash in foreign currency	0.97%	yes
1	Kazakhstani issuers:	59.49%	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	41.65%	yes
1.1.1	Government securities of the Republic of Kazakhstan issued by local executive bodies of the Republic of Kazakhstan	0.00%	yes
1.2	Deposits of the National Bank of the Republic of Kazakhstan	4.67%	yes
1.3	Securities of the quasi-public sector entities	9.93%	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:	2.94%	yes
1)	Debt securities	2.85%	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:	37.78%	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	19.79%	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	7.78%	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	10.18%	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	0.43%	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

Table 6. Information on compliance with the requirements of the UAPF Investment Declaration on currency portfolio management

Sub-portfolio	Actual value (as a percentage of the currency portfolio)	Share of sub- portfolio under external management	Mandate	Share of the stock sub- portfolio	Performance (Yes / No)
Developed Market Bonds	28.59%	-			yes
Developing Market Bonds	22.67%	32.61%			yes
Corporate bonds	19.37%	100.00%			yes
Shares	26.25%	100.00%	Passive control, including:	52.78%	yes
			<i>ESG</i>	9.47%	yes
			<i>quality</i>	9.91%	yes
			<i>min.vol</i>	4.52%	yes
			<i>classic</i>	28.89%	yes
			Active control	47.22%	yes
Liquidity	3.12%	-			yes
Total currency portfolio	100.00%				yes

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

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

Instrument	Currency	Issuer	Nominal value in KZT
GS RK	KZT	Government of RK	370,596,700,000
Foreign GS	KZT	US Treasury	10,049,400,000
STB bonds	KZT	Halyk Bank of Kazakhstan JSC	6,400,000,000
IPO bonds	KZT	European Bank for Reconstruction and Development	15,500,000,000
Total			402,546,100,000

Table 8. Information on the sale of financial instruments in the reporting month

Instrument	Currency	Issuer	Transaction value in KZT
Corporate bonds of issuers of RK	KZT	SevKazEnergo JSC	502,482,639
Total			502,482,639

Table 9. Information on repayments of principal debt on securities in the reporting month

Instrument	Currency	Issuer	Amount to be repaid in tenge
GS RK	KZT	Government of RK	176,500,000,000
Bonds of quasi-public organizations of RK	KZT	Development Bank of Kazakhstan JSC	9,673,077,236
STB bonds	KZT	Halyk Bank of Kazakhstan JSC	131,651,750,000
Total			317,824,827,236