

**INFORMATION ON INVESTMENT MANAGEMENT OF PENSION ASSETS
OF UAPF JSC IN TRUST MANAGEMENT OF BCC INVEST JSC**

As of July 1, 2023, pension assets (hereinafter referred to as PA) of the UAPF held in trust by BCC Invest JSC (hereinafter referred to as BCC Invest) amounted to KZT 1,368.32 mln.

The structure of the investment portfolio of financial instruments formed at the expense of UAPF pension assets held in trust by BCC Invest is shown in Table 1

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

<i>KZT mln</i>					
Description	Current value as of 01.01.2023	Share as of 01.01.2023.	Current value as of 01.07.2023	Share as of 01.07.2023.	Increase / decrease within the reporting period
Bonds of quasi-public organizations of the Republic of Kazakhstan	334.36	21.98%	331.59	24.23%	-0.83%
RK Government bonds	662.38	43.54%	492.43	35.99%	-25.66%
Bonds of STB RK	27.66	1.82%	28.33	2.07%	2.41%
Corporate bonds of issuers-residents of the Republic of Kazakhstan	80.37	5.28%	82.20	6.01%	2.27%
Bonds of IFO	90.74	5.96%	92.20	6.74%	1.61%
ETF	117.70	7.74%	190.22	13.90%	61.61%
Shares and depository receipts of foreign issuers	76.68	5.04%	54.66	4.00%	-28.71%
Shares and depository receipts issued by organizations of the Republic of Kazakhstan	4.2	0.28%	0.00	0.00%	-100.00%
Cash in investment accounts	17.67	1.16%	5.46	0.40%	-69.07%
REPO	108.21	7.11%	90.01	6.58%	-16.81%
Other assets (accounts receivable, overdue debt, provisions)	1.34	0.09%	1.22	0.09%	-8.95%
Total PA managed by the IPM	1,521.31	100.00%	1,368.32	100.00%	-10.06%
Obligations to pay for completed transactions	0.00	0.00%	0.00	0.00%	
Total pension assets	1,521.31		1,368.32		-10.06%

As of July 1, 2023, the weighted average yield to maturity (YTM) of debt financial instruments and REPO transactions in the investment portfolio of UAPF PA was 12.44% per annum.

Cash and reverse repos

Until the acquisition of financial instruments in the portfolio, in accordance with the investment strategy and investment declaration, temporarily free funds are placed in a reverse REPO operation, taking into account the requirements for diversification and investment limits. As of July 1, 2023,

claims on reverse REPO transactions amounted to KZT90.01 mln with a portfolio share of 6.58%, and income from REPO transactions for the period from 01 to 30 June 2023 amounted to KZT1.45 mln. At the end of the reporting period, the balance of funds on investment accounts amounted to KZT5.46 mln. Their share in the portfolio was 0.40%.

Bonds of the Ministry of Finance of the Republic of Kazakhstan

In the reporting period, bonds of the Ministry of Finance of the Republic of Kazakhstan were purchased in the portfolio in the amount of KZT6.49 mln.

The current value of bonds of the Ministry of Finance of the Republic of Kazakhstan, nominated in tenge, at the end of the reporting month amounted to KZT492.43 mln. Their share in the portfolio was 35.99%.

As of the reporting date, the weighted average yield to maturity on bonds of the Ministry of Finance of the Republic of Kazakhstan, denominated in tenge, amounted to 14.80% per annum.

Bonds of second-tier banks of the Republic of Kazakhstan

In the reporting period, bonds of second-tier banks of the Republic of Kazakhstan were not included in the portfolio.

As of the reporting date, the weighted average yield to maturity on bonds of second-tier banks denominated in tenge amounted to 11.65% per annum.

The current value of bonds of second-tier banks, denominated in tenge, at the end of the reporting month amounted to 28.33 KZT mln. Their share in the portfolio was 2.07%.

Bonds of quasi-public organizations of the Republic of Kazakhstan

In the reporting period, bonds of quasi-public organizations of the Republic of Kazakhstan were not purchased.

As of the reporting date, the weighted average yield to maturity on bonds of quasi-public organizations of the Republic of Kazakhstan amounted to 8.57% per annum.

The current value of bonds of quasi-public organizations of the Republic of Kazakhstan, denominated in tenge, at the end of the reporting month amounted to KZT331.59 mln. Their share in the portfolio amounted to 24.23%.

Bonds of international financial organizations

In the reporting period, bonds of international financial organizations were not purchased as part of the portfolio.

As of the reporting date, the weighted average yield to maturity on bonds of international financial organizations of the Republic of Kazakhstan, denominated in tenge, amounted to 10.88% per annum.

The current value of bonds of international financial organizations of the Republic of Kazakhstan, denominated in tenge, at the end of the reporting month amounted to KZT92.20 mln. Their share in the portfolio was 6.74%.

Corporate bonds of issuers-residents of the Republic of Kazakhstan

In the reporting period, bonds of issuers-residents of the Republic of Kazakhstan were not included in the portfolio.

As of the reporting date, the yield to maturity on corporate bonds of resident issuers of the Republic of Kazakhstan amounted to 11.45% per annum.

The current value of corporate bonds of issuers-residents of the Republic of Kazakhstan at the end of the reporting month amounted to KZT82.20 mln. Their share in the portfolio was 6.01%.

Thus, the current value of debt financial instruments of Kazakh issuers (quasi-government, corporate, second-tier banks of the Republic of Kazakhstan, government securities of the Republic of Kazakhstan), as well as international financial organizations nominated in tenge, at the end of the reporting month amounted to KZT1,026.75 mln. Their share in the portfolio was 75.04%.

The planned share of debt financial instruments of Kazakh issuers (state, quasi-state, and corporate), as well as international financial organizations denominated in tenge, in the target structure of the UAPF PA portfolio in trust management of BCC Invest is up to 80%.

Shares and depositary receipts of foreign issuers and ETFs

In the reporting period, Utilities Select Sector SPDR (XLU US), Consumer Staples SPDR (XLP US) were acquired as part of the UAPF PA portfolio in trust management of BCC Invest. A position was also realized in WisdomTree Asset Management INC (DXJ US), Microsoft Corporation (MSFT US), iShares 20+ Year Treasury Bond ETF (TLT US).

The current value of the ETF at the end of the reporting month was KZT190.22 mln, the share in the portfolio was 13.90%. The current value of shares and depositary receipts of foreign issuers amounted to KZT54.66 mln. Their share in the portfolio was 4.00%.

The planned share of ETFs, shares and depositary receipts of foreign issuers in the target structure of the UAPF PA portfolio in trust management of BCC Invest is up to 49%.

Currency structure

The investment portfolio of financial instruments by currencies, in which financial instruments are denominated, acquired at the expense of pension assets of the UAPF in trust management of BCC Invest, is presented in Table 2. In the reporting period, there were no purchase and sale transactions in foreign currency on the Kazakhstan Stock Exchange.

Table 2. The structure of the investment portfolio of PA UAPF held in trust by BCC Invest, by currency

Currency	<i>KZT mln</i>				
	Current value as of 01.01.2023.	Share as of 01.01.2023.	Current value as of 01.07.2023.	Share as of 01.07.2023.	Increase / decrease within reporting period
National currency	1,218.58	80.10%	1,031.88	75.41%	-15.32%
US dollars	302.73	19.90%	336.44	24.59%	11.14%
Total	1,521.31	100.00%	1,368.32	100.00%	-10.06%

Investment results

As a result of investment activity, the amount of accrued investment income amounted to KZT104.97 mln. The yield on pension assets amounted to 6.81%. Most of the accrued investment income came from interest on reverse repo transactions and income from the market revaluation of securities. The structure of accrued investment income for the specified period is presented in Table 3.

Table 3. Structure of investment income received from UAPF PAs held in trust by BCC Invest

Description	<i>KZT mln</i>
	Investment Return as of 01.07.2023
Income in the form of interest on securities, including on placed deposits and reverse REPO operations	86.47
Income (loss) from market revaluation of securities	19.99
Income (loss) from revaluation of foreign currency	-1.98
Other income (loss)	0.49
Total:	104.97

Information about the value of a notional pension unit

The dynamics of the value of the notional pension unit of UAPF PA held in trust by BCC Invest is presented in Table 4.

Table 4. Value of one notional pension unit of UAPF PA held in trust by BCC Invest

No.	Date	Value of one notional pension unit, KZT
1	01.06.2023	1,054.6206028
2	02.06.2023	1,054.6206028
3	03.06.2023	1,054.6206028
4	04.06.2023	1,054.6206028
5	05.06.2023	1,059.6392718
6	06.06.2023	1,059.6392718
7	07.06.2023	1,059.6392718
8	08.06.2023	1,059.6392718
9	09.06.2023	1,059.6392718
10	10.06.2023	1,059.6392718
11	11.06.2023	1,059.6392718
12	12.06.2023	1,062.8937370
13	13.06.2023	1,062.8937370
14	14.06.2023	1,062.8937370
15	15.06.2023	1,062.8937370
16	16.06.2023	1,062.8937370
17	17.06.2023	1,062.8937370
18	18.06.2023	1,062.8937370
19	19.06.2023	1,067.4893484
20	20.06.2023	1,067.4893484
21	21.06.2023	1,067.4893484
22	22.06.2023	1,067.4893484
23	23.06.2023	1,067.4893484
24	24.06.2023	1,067.4893484
25	25.06.2023	1,067.4893484
26	26.06.2023	1,068.3731898
27	27.06.2023	1,068.3731898
28	28.06.2023	1,068.3731898
29	29.06.2023	1,068.3731898
30	30.06.2023	1,069.7527199

Information on compliance with the parameters of the investment declaration

The structural distribution of UAPF PA held in trust by BCC Invest complies with the requirements of the Investment Declaration. The shares of foreign exchange positions remain within the acceptable level and do not violate the requirements of the Investment Declaration. Information on compliance with investment limits for UAPF PA held in trust by BCC Invest, as of July 1, 2023, is presented in Table 5.

Table 5. Investment limits for UAPF PA held in trust by BCC Invest

No.	Type of the Financial Instrument	Actual value (as a percentage of the total PA volume)	Execution (yes / no)
1	Cash in national currency - tenge (KZT).	0.12%	yes
2	Foreign currencies of countries with a sovereign rating of at least "BBB" according to the international scale of Standard & Poor's or a rating of a similar level by Moody's Investors Service or Fitch.	0.37%	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 a guarantee and (or) surety of the Government of the Republic of Kazakhstan.	42.57%	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, 100% of whose shares are owned by the National Bank of the Republic of Kazakhstan.	10.22%	yes
6	Debt securities issued by the Development Bank of Kazakhstan Joint Stock Companies, Samruk-Kazyna National Welfare Fund, Baiterek National Managing Holding, Problem Loans Fund in accordance with the legislation of the Republic of Kazakhstan and other states.	0.70%	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 not lower than "BB-" according to the international scale of the agency Standard & Poor's or a rating of the same level of agencies Moody's Investors Service or Fitch, or a rating not lower than "kzA-" on the national scale of Standard & Poor's; banks are subsidiary banks-residents, the parent non-resident bank of which has a long-term credit rating on the international scale of the agency Standard & Poor's not lower than "A-" or a rating of a similar level of agencies Moody's Investors Service or Fitch	0.00%	yes
8	Deposits in non-resident banks with a long-term rating of at least "A-" according to 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 institutions that have a rating of at least "BB +" according to 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 Eurasian 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 Centre for Settlement of Investment Disputes; the International Bank for Reconstruction and Development; the International Finance Corporation.	6.74%	yes

10	Government securities 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 from one of the other rating agencies.	0.00%	yes
11	Non-government securities issued by foreign organizations: shares of foreign issuers with a rating of at least "BB" according to the international scale of the agency Standard & Poor's or a rating of the same level of agencies Moody's Investors Service or Fitch; shares of foreign issuers included in the main stock indices and depositary receipts, the underlying asset of which is these shares; debt securities rated 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.	4.00%	yes
12	Non-government securities issued by organizations of the Republic of Kazakhstan in accordance with the legislation of the Republic of Kazakhstan and other states: 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; shares of legal entities included in the official list of the stock exchange that meet the requirements of the "premium" category of the "shares" sector of the "Main" site of the official list of the stock exchange and depositary receipts, the underlying assets of which are these shares; shares of legal entities included in the main stock indices; debt securities with a rating of at least "B +" according to 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 "kzBBB" according to the national scale of Standard & Poor's; securities issued as part of the restructuring of the issuer's obligations in order to exchange for previously issued securities or other obligations of this issuer.	21.40%	yes
13	Shares of Exchange Traded Funds, Exchange Traded Commodities, Exchange Traded Notes rated at least 3 stars by the Morningstar rating agency; Exchange Traded Funds shares, the structure of assets of which repeats the structure of one of the main stock indices, or the pricing of shares of which is tied to the main stock indices.	13.90%	yes
14	Shares 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, complying with the requirements of the "securities of investment funds" sector of the "Mixed" platform of the official list of the stock exchange.	0.00%	yes
15	Refined precious metals that meet international quality standards adopted by the London bullion market association and designated in the documents of this association as "London good delivery", and metal deposits, including in non-resident banks of the Republic of Kazakhstan, with a rating of at least "AA" by the agency Standard & Poor's or a rating of a similar level from one of the other rating agencies, for a period not exceeding twelve months.	0.00%	yes
16	The following derivative financial instruments entered into for hedging purposes, the underlying asset of which is financial instruments permitted for purchase using pension assets in accordance with this appendix:	0.00%	yes

	options; futures; forwards; swaps; derivative financial instruments, which are a combination of the above derivative financial instruments.		
17	Maximum share of open foreign exchange position	24.59%	yes

Information on purchases, sales and redemption of financial instruments in the investment portfolio of UAPF PA in trust management of BCC Invest

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

Type of Instrument	Currency	Issuer of a Security	Transaction Amount in KZT
Shares	USD	Utilities Select Sector SPDR	20,080,102.24
Shares	USD	Consumer Staples SPDR	29,228,046.26
Bonds	KZT	Министерство финансов Республики Казахстан	6,488,476.56
Total			55,796,625.06

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

Type of Instrument	Currency	Issuer of a Security	Transaction Amount in KZT
Shares	USD	WISDOMTREE JAPAN HEDGED EQ	24,470,185.38
Shares	USD	iShares 20+ Year Treasury Bond ETF	11,646,082.44
Shares	USD	Microsoft Corporation	12,121,384.97
Total			48,237,652.79

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

Type of Instrument	Currency	Issuer of a Security	Transaction Amount in KZT
Total			

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

Type of Instrument	Currency	Bank	Transaction Amount in KZT
Total			

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

Type of Instrument	Currency	Bank	Amount due in KZT
Total			

Note. Information on the supervisory response measures applied to BCC Invest is available on the website at: www.bcc-invest.kz