IMPLEMENTATION OF A FUNDED PENSION SYSTEM AS ONE OF THE KEY REFORMS IN ARMENIA IN RECENT YEARS

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Functions of CDA in Funded Pension System

**CDA as a registry keeper of participants**

- Open and maintain pension accounts for participants
- Issue of pension fund units
- Exchange of pension fund units
- Execute redemption of pension fund units and organize payments of funds
- Provide information to participants on their pension accounts

**CDA as a custodian of pension fund assets**

- Safekeeping and accounting of the Fund's assets
- Handling transactions on behalf of the Fund, and transfer of assets based thereof
- Control over funds assets and the investment limitations of the Fund's assets
- Reconcile the net asset value calculation of fund assets
- Provide reports to Fund managers
Overall Structure of Funded Pension System of RA

Central Depository of Armenia

AMPIS

TAX Authority
Ministry of Finance (Treasury)
Central Bank of Armenia
Population Registry
Guarantee Funds
State Authorized Agencies

Account Operator

Participants
My Account
ATM
Mobile banking
Global Custody

Fund Manager
Fund Manager
Funds’ Assets Share

Cash and Bank Deposits in RA

Funds investment in GB, %

Millions, USD

Jan-17 Jan-18 Jan-19 Jan-20 Jan-21

Government bonds in RA Funds investment in GB, %

Millions, USD

Jan-17 Jan-18 Jan-19 Jan-20 Jan-21
<table>
<thead>
<tr>
<th>Date</th>
<th>NAV</th>
<th>GDP</th>
<th>NAV/GDP, %</th>
</tr>
</thead>
<tbody>
<tr>
<td>31.12.2014</td>
<td>10,132</td>
<td>4,000</td>
<td>0.25%</td>
</tr>
<tr>
<td>31.12.2015</td>
<td>10,584</td>
<td>7,000</td>
<td>0.62%</td>
</tr>
<tr>
<td>31.12.2016</td>
<td>10,633</td>
<td>10,000</td>
<td>1.25%</td>
</tr>
<tr>
<td>31.12.2017</td>
<td>11,677</td>
<td>12,000</td>
<td>1.90%</td>
</tr>
<tr>
<td>31.12.2018</td>
<td>12,626</td>
<td>14,000</td>
<td>2.62%</td>
</tr>
<tr>
<td>31.12.2019</td>
<td>13,731</td>
<td>16,000</td>
<td>3.84%</td>
</tr>
<tr>
<td>31.12.2020</td>
<td>12,972</td>
<td>18,000</td>
<td>5.98%</td>
</tr>
</tbody>
</table>
### Funds Yield as of 30/07/2021

<table>
<thead>
<tr>
<th>Fund name</th>
<th>Since inception (average annual)</th>
<th>Last 3 years (average annual)</th>
</tr>
</thead>
<tbody>
<tr>
<td>AMUNDI-ACBA Fixed Income</td>
<td>8.2837%</td>
<td>7.5873%</td>
</tr>
<tr>
<td>AMUNDI-ACBA Conservative</td>
<td>9.0392%</td>
<td>8.2429%</td>
</tr>
<tr>
<td>AMUNDI-ACBA Balanced</td>
<td>9.3767%</td>
<td>8.0470%</td>
</tr>
<tr>
<td>C-Quadrat Ampega Fixed Income</td>
<td>9.5940%</td>
<td>8.0681%</td>
</tr>
<tr>
<td>C-Quadrat Ampega Conservative</td>
<td>9.0028%</td>
<td>8.8378%</td>
</tr>
<tr>
<td>C-Quadrat Ampega Balanced</td>
<td>9.1648%</td>
<td>9.0825%</td>
</tr>
</tbody>
</table>

### Income Growth Dynamics

![Income Growth Dynamics Chart]

- Contributions
- Income
THANK YOU!

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