



MARKET CONSULTATION PAPER NO. 9 /2022

AIX BUSINESS RULES – ESG-Labelled Bond Rules and other amendments

I. Introduction

1. This consultation paper is issued by Astana International Exchange Limited(AIX) in order to invite all interested parties to comment on the proposed amendments to the AIX Business Rules concerning issuance of social and sustainable and other ESG-labelled bonds such as blue bonds, transition bonds and sustainability-linked bonds ("**ESG-Labelled Bonds**") on AIX and certain other amendments to various chapters of AIX Business Rules.
2. All comments should be in writing and sent to listings@aix.kz.
3. In sending your comments by email, please state "AIX Market Consultation Paper No. 9/2022" as the subject and include your name, job title, contact details and organisation you represent in the email body. AIX reserves the right to publish and share with third parties any comments received as part of the market consultation, unless expressly requested otherwise at the time of making comments.
4. The deadline for providing comments is **9 September 2022 (inclusive)**.
5. Comments received during the market consultation will be considered and will or will not be incorporated in the final draft of the amendments to the AIX Business Rules at the discretion of AIX.

II. Overview

1. ESG-Labelled Bond Rules (ELB)

Whilst the international sustainable finance market continued development during 2021, the AIX observed a higher demand for responsible investment instruments in the AIFC. As the sustainable finance market has and will continue to evolve, driven by market and regulatory developments, it is therefore proposed to expand the range of available products on AIX by introducing a new chapter to the AIX Business Rules on issuance and listing of ESG-Labelled Bonds using "open architecture" structure.

The typical structural feature of the ESG-Labelled Bonds is linked to an issuer meeting pre-defined international ESG-related or sustainability-related standard as verified by a respective Expert. This structure gives flexibility to issuers to attract responsible financing for their sustainability-linked projects through a wider range of instruments under internationally recognized standards.

For the purpose of the ESG-Labelled Bond Rules, AIX will publish the ESG-Labelled Bond categories which will be available on the AIX market and corresponding

Applicable Standard which such ESG-Labelled Bond category should be aligned with:

No.	Category	Applicable Standard
1.	Green Bonds	The Applicable Standard and additional listing conditions and disclosure requirements for Green Bonds are defined in the Green Bond Rules of AIX (GRN); and in case of inconsistencies between GRN and ELB, GRN shall prevail.
2.	Social Bonds	ICMA Social Bond Principles (SBP) ¹
3.	Sustainability Bonds	ICMA Sustainability Bond Guidelines (SBG) ²
4.	Sustainability-Linked Bonds	ICMA Sustainability-Linked Bond Principles (SLBP) ³

2. Other amendments

Enhancement of the existing chapters of AIX Business Rules (clarifications and correction of inconsistencies) as specified in the Comparison Table of the proposed amendments to the AIX Business Rules (Annex 2 hereto).

Attachments:

1. The AIX Business Rules, as amended and restated (cumulative redline);
2. Comparison Table of the proposed amendments to the AIX Business Rules with justification

¹ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/social-bond-principles-sbp/>

² <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-bond-guidelines-sbg/>

³ <https://www.icmagroup.org/sustainable-finance/the-principles-guidelines-and-handbooks/sustainability-linked-bond-principles-slbp/>