



## MARKET CONSULTATION PAPER NO. 11/2024

### AIX BUSINESS RULES – Environmental Instrument, Exempt Funds, Unsponsored Listing 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 admission to trading of Environmental Instruments, introducing Unsponsored Listing segment, expanding listing opportunities for AIFC Funds, and certain other amendments to various chapters of AIX Business Rules.
2. All comments should be in writing and sent to [listings@aix.kz](mailto:listings@aix.kz).
3. In sending your comments by email, please state “AIX Market Consultation Paper No. 11/2024” 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 **17 August 2024 (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. Environmental Instruments

A new framework has been established for trading Environmental Instruments, including voluntary market for Carbon Credits and Renewable Energy Certificates (I-REC). The amendments include establishing the criteria for admission, ongoing obligations, and specific procedures for trading and settlement, enabling trading of these instruments on a dedicated AIX Environmental Instrument Market.

##### 2. Exempt Funds

Following AFSA’s permission to admit Exempt Funds to the Official List and trading, the listing regime for Funds has been expanded to include Exempt Funds, with pre-requisite that the AFSA’s written consent is needed and that such Funds must provide monthly reports to AFSA on units admitted to trading.

##### 3. Structured Products

In order to provide clear guidelines for the admission and valuation of Structured

Products, ensuring that investors can make informed decisions based on reliable and transparent information, a new section addressing the peculiarities of the admission of Structured Products has been added.

#### **4. Unsponsored Listing**

A new segment for Unsponsored Listings has been introduced, allowing the admission of securities to trading on AIX without the issuer's consent. This aims to increase market liquidity by allowing more securities to be traded on AIX, thus attracting a broader range of securities and investors.

#### **5. Free-Float Threshold**

A free-float threshold for equities listed on AIX Markets has been reduced from 25% to 10%. By lowering the barrier for entry of equity issuers, it will make it easier to list on AIX, and align with recent FCA's adjustments, thereby improving market accessibility and liquidity.

#### **6. Other amendments**

Enhancement of the existing chapters of AIX Business Rules (clarifications and alignment with the best industry practice), *inter alia*:

- Share Buyback: a dynamic price reference for share buybacks has been introduced, linking the reference to the last trade date rather than the start of the buyback program. This will align AIX with the LSE approach for listed issuers, ensuring buybacks are conducted at fair prices reflecting current market conditions.
- Connected Person's Report: clarifications have been added to the Connected Person's report requirements, stating that natural persons do not need to disclose their residential address and certain connected persons are not required to disclose the price of equity securities.
- Mining Company's Ongoing Disclosure: clarifications have been made to ensure all mining companies comply with additional disclosure requirements set out in the AIX Mining Company Rules, regardless of their market segment.
- Expert's Reports: the definition of a "Competent Person" has been revised and expanded to ensure it is universally applicable to various industries beyond mining, such as the oil and gas industry, and potentially other sectors requiring expert reports.
- Open-Method Public Trades: explanation has been added to define "open-method public trades" for KZ taxation and compliance with NBK's prudential requirements.

#### **Attachment:**

1. Comparison Table of the proposed amendments to the AIX Business Rules