

AIX GUIDANCE

AIX Green Equity Principles and Guidelines

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Astana, Kazakhstan

AIX GREEN EQUITY PRINCIPLES AND GUIDELINES

AIX ratified and acceded to the [World Federation of Exchanges' framework](#) for Green Equities, and therefore AIX meets the criteria of the WFE Principles and the WFE Green Equity Classification. The AIX Green Equity Principles and Guidelines are developed in alignment with the [WFE Green Equity Principles](#) to raise profiles of green issuers and to assist investors in obtaining additional information about issuers that are generating revenue from products and services contributing to positive environmental outcomes.

These Principles and Guidelines are not mandatory nor do they place any new formal additional listing standards on AIX Issuers. To be admitted to the AIX Official List, an Issuer must comply with the requirements set out in the AIX Markets Listing Rules, AIX Admission and Disclosure Standards and AIX Market Disclosure Rules.

If the minimum criteria outlined in these Principles and Guidelines are met, this will allow equities listed, or to be listed, on AIX to obtain the WFE Green Equity Classification (the “**Classification**”).

Classification Criteria

Existing or prospective issuers seeking to obtain the Classification in connection with their equity listings on AIX must, at a minimum, comply with the following requirements:

- The Issuer shall generate more than 50% of its total annual revenues from activities that contribute to the green economy or compliant with green activity or green project taxonomies. For Issuers that are in the pre-revenue stage, more than 50% of their investments must be allocated to activities considered green or 100% of their expected total annual revenues must be from activities that contribute to the green economy.

The percentage of revenues that contribute to the green economy should be based on the Issuer's latest publicly available financial statement. For pre-revenue stage Issuers, the expected revenues could be assessed from available board-approved business plans.

- More than 50% of the Issuer's investments (sum of CAPEX and OPEX) must be allocated to activities considered green.

The percentage of investments allocated to activities considered green by pre-revenue stage Issuers should also be based on the issuer's latest publicly available financial statement.

- The Issuer must state in the offer documents its alignment with Kazakhstan's Green Taxonomy¹ or internationally recognized taxonomies, including the Climate Bonds Taxonomy, EU Taxonomy for sustainable activities, ASEAN Taxonomy, China-EU Common Ground Taxonomy (CGT), Singapore Taxonomy, Model Eurasian Economic Union Taxonomy, Paris Agreement alignment or green investments methodologies adopted by MDBs (i.e., EBRD, IFC).

¹ Decree of the Government of the Republic of Kazakhstan dated December 31, 2021 No. 996 "On approval of the classification (taxonomy) of “green” projects to be financed through “green” bonds and “green” loans”

External Review

An assessment of the activities and the related revenues or investments (expected revenues or investments for pre-revenue stage Issuers) that are contributing to the green economy or compliant with green activity or green project taxonomies must be conducted by an external reviewer engaged by the Issuer and acceptable to AIX (the “**Approved Reviewer**”).

For the purposes of Classification, Approved Reviewers include providers that:

- have a Climate Bonds Initiative accreditation as approved verifiers and/or
- are included in the External Review Service Mapping of the International Capital Market Association (ICMA),
- included in national lists of accredited verifiers where any such national regulation for sustainability-labelled financing instruments in terms of verification is in place.

The Approved Reviewer may apply its own publicly available methodology for the assessment of compliance with Classification criteria provided that the requirements set herein are met as well.

Application Process

- The Issuer seeking the Classification submits to the AIX Issuers Regulation at listing@aix.kz the following documents in electronic form:
 - (i) the Approved Reviewer’s assessment report;
 - (ii) Review Form signed by the Approved Reviewer and a reference to the Approved Reviewer’s methodology via a link to the area of the Approved Reviewer’s website that explains the methodology;
 - (iii) Issuer’s application for Classification;
 - (iv) Payment confirmation of the application fee set out in the AIX Fees Schedule, published on the AIX website, at the time of submission of the application;
 - (v) Issuer’s latest audited financial statements (or a link to a public source of the latest audited financial statements) or the board-approved business plan (for pre-revenue stage Issuers); and
 - (vi) any other documents, explanations and information as may be required by AIX or as may be necessary to demonstrate compliance with Classification criteria.
- Provided that all the documents required hereunder are complete and received on time, AIX would generally expect to process an application for Classification within standard listing timelines, or in the case of a standalone application for already listed equities, within one week from the submission date.
- AIX will notify the Issuer in writing of its decision in relation to the application for Classification.
- Where AIX approves Classification, it will display the Issuer’s equities in the Official List as “Green” in the “Asset Type” column, which confirms compliance with the WFE Green Equity Classification.
- Once Classification is approved, the Issuer shall publish the Approved Reviewer’s assessment report via AIX Regulatory Announcement Services (the “**RAS**”) on the AIX website at www.aix.kz.

- The Classification is valid for one year from the AIX approval (“**Classification validity period**”).

Annual Renewal

To maintain the Classification, the Issuer must continuously comply with the Classification criteria as confirmed by the Approved Reviewer. Reassessments by Approved Reviewer should be conducted at least on an annual basis utilising the latest publicly available audited annual financial statements of the Issuer.

The Issuer should initiate annual renewal assessment process in advance before the Classification validity period expires.

The Approved Reviewer’s bring-down assessment report can be limited to certification that the Issuer continues satisfying the Classification criteria. A full assessment by Approved Reviewer is required every third year unless there have been structural or other material changes in the Issuer which require to produce full assessment earlier than every third anniversary.

The Approved Reviewer’s assessment report (bring-down or full, as applicable) and the Review Form signed by Approved Reviewer should be submitted by the Issuer to the AIX Issuers Regulation at listing@aix.kz before each anniversary of the AIX approval date in respect of the Issuer’s equities for the purpose of the Classification.

After AIX has determined, based on assessment of the Approved Reviewer, that the Issuer meets the Classification criteria, AIX will renew designation of the Issuer’s equities as compliant with the Classification.

Revocation of Classification

AIX may revoke Classification with immediate effect, if:

- The Issuer failed to publish the Approved Reviewer’s assessment report or any updates thereof via RAS on the AIX website at www.aix.kz;
- The Issuer failed to complete the annual reassessment of its compliance with Classification criteria before the Classification validity period expires;
- The Issuer no longer meets the Classification criteria;
- The Issuer voluntarily withdraws from the Classification.

If the Classification has been revoked, the Issuer may re-apply for the Classification once necessary remedial actions have been taken by the Issuer and the Issuer’s current compliance with the Classification criteria has been confirmed by the Approved Reviewer.

Contact Us

For more information, please contact AIX Issuers Regulation at listing@aix.kz.

INTERPRETATION

Defined terms are identified in this notice by the capitalisation of the initial letter of a word or of each word in a phrase and have meanings given in the AIX Business Rules or, if not defined there, in the AIFC Glossary. Unless the context otherwise requires, where capitalization of the initial letter is not used, an expression has its natural meaning.