



ANNUAL REPORT

ON THE ACTIVITIES
OF ASTANA
INTERNATIONAL
FINANCIAL CENTRE

AIFC Astana
International
Financial
Centre

2019



Nur-Sultan is **№51**

in the Global Financial Centres Index 2019



\$**320** bn FDI

attracted by Kazakhstan since independence



Over **110000** m²

available offices of class "A" for AIFC participants at the EXPO site



Kazakhstan is **№1**

in terms of shareholders' rights in the Global Competitiveness Index of the World Economic Forum 2018



IPO Kazatomprom

on the Astana International Exchange

- 3.93 million shares
- 1.61 million GDR

6 AIFC core pillars

- capital markets
- asset management
- private banking
- financial technology
- Islamic finance
- green finance

AIFC has a **special legal regime**

for finance, based on the principles and norms of **law of England and Wales**



AIFC advisory councils made up of international experts



\$**170,5**bn

GDP of Kazakhstan in 2018



Kazakhstan is **№1**

in the world in protecting minority investors according to the World Bank's 2019 "Doing Business" ranking



Over **6 000**

AIFC personnel reserve of talented specialists



Kazakhstan is **№24**

in the prestigious Global Islamic Finance report 2018



Astana International Exchange trading members

0% corporate income tax individual income tax until 2066

for AIFC participants and their foreign employees



Polymetal

the first foreign issuer to list on the AIX

Over **60 000**

investor accounts are opened by AIX Central Depository

Over **1 000**

specialists retrained by the AIFC Bureau in the following international certification programmes

- IFQ CISI® • ADIF BIBF® • SPHRi®
- CFA® • PCIF INCEIF® • FRM®
- PHRi® • CIPA AAOIFI® • ACCA®



9th

largest country in the world

"ONE STOP SHOP"

visa-migration tax 500+ public services

Kazakhstan is **№28**



in the World Bank's "Doing Business" 2019

The United Kingdom's HM Revenue and Customs granted the AIX with

"recognized stock exchange"

status



Citizens of **45** countries

are granted visa-free entry to Kazakhstan for up to 30 days



Kazakhstan is **№1**

in the region of Central Asia in terms of GDP per capita in 2018 **\$9,3ths**



1 632 hectares

AIFC territory within Nur-Sultan city



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FOREWORD



Nursultan
Nazarbayev

FIRST PRESIDENT OF THE
REPUBLIC OF KAZAKHSTAN (ELBASY)

"Astana International Financial Centre is a new page in the history of independent Kazakhstan. Its launch is a very significant step towards sustainable development of the economy.

I first suggested the idea of the AIFC in 2015, as a response to a new global challenge. Large-scale institutional and structural reforms are being implemented in Kazakhstan. They aim to make the country more competitive, and elevate it to a place among the top 30 developed countries in the world.

In the last few years we have become convinced of the need for efficient and sustainable institutions in the long-term perspective. We thoroughly studied the global experience of creating and operating various financial centres, including Dubai, Singapore and Hong Kong. The Kazakh model for the AIFC incorporates the best practices of those structures.

The Centre gives opportunities to work with residents and non-residents of the Republic of Kazakhstan. Participants will have access not only to the Kazakh capital market, but also to regional and global capital.

In order to attract international participants, the AIFC created unprecedented conditions in the post-Soviet region. Its legal status is determined by Constitutional Statute, and its official language is English.

AIFC participants are granted privileges for up to 50 years, and simplified currency, visa and labour rules. The AIFC is the only financial centre in the region where work is founded on English common law.

The independent Court and International Arbitration Centre guarantee fairness and protection of parties' rights. I have appointed nine high-profile judges from England and Wales. They are led by Lord Woolf – former Lord Chief Justice of England.

Astana Financial Services Authority (AFSA) was created under the auspices of the AIFC. It is headed by the former commissioner of the U.S. Securities and Exchange Commission, Lady Barbara Judge CBE.

The work of the AIFC will follow the principles of corporate governance, and protect the interests of all investors. This creates the necessary atmosphere of trust and cooperation.

For the convenience of participants and for the development

of the stock market, Astana International Exchange, a high-tech infrastructure, has been created. We are planning IPOs of large-scale national companies in the mining, oil and gas, transport, information, communication and other sectors. The first such companies are Kazakhtelecom, Kazatomprom, Air Astana, KazMunaiGaz, Kazakhstan Temir Zholy and Kazpost.

Islamic and green finance will be among the most important pillars of the AIFC.

Another important area of the AIFC is the creation of a productive environment for developing innovative financial technologies. A Regulatory Sandbox regime will allow new FinTech products to be tested in a simplified regulatory mode. The development of capital markets and private banking are also priorities for the AIFC. The centre will be the main "project factory" for the entire country. Transactions to finance projects within key economic sectors will be structured here. The work of the AIFC brings better living conditions for its participants, better infrastructure, safety, and a convenient location.

Today, the capital of Kazakhstan has become an influential Eurasian city, and a recognised centre for international interaction on current issues. Business is dynamically developing – over 100,000 business entities are functioning here. The concept of the "Smart City", creating a comfortable environment supported by technologies, is being introduced. It focuses on the modernisation and development of transport infrastructure, security systems, social protection, education and health.

The Expat Centre provides comfortable living conditions for AIFC participants and their families. It ensures centralised access to migration and tax services, along with the community service centre and administrative police. The representative offices of the world's leading financial institutions are here.

All this allows us to ensure that the AIFC operates effectively. I would like to take this opportunity to invite international and Kazakh businesses to participate in the AIFC. In the future it will become one of the leading financial centres in Asia."

Kassym-Jomart
Tokayev
PRESIDENT OF
THE REPUBLIC OF KAZAKHSTAN



"Looking forward, the Astana International Financial Centre is capable of playing the same role in the development of the region as financial centres in Dubai, Hong Kong, Singapore, Switzerland or London do. The AIFC has already attracted the largest international banks and investment companies. Its most important activities are asset management, fund management, and implementation of new financial and green technologies. In a period of turbulence on the global capital and currency markets, the AIFC will become an "investment beacon" for EAEU countries, Central Asia, the Caucasus and Mongolia.

The Centre is attractive to international investors due to its special legal regime, with its own jurisdiction on the principles of English common law. The independent AIFC Court and International Arbitration Centre are guided by international best practice in resolving civil and commercial disputes.

It is also important to engage the AIFC in projects focussing on reviving the Silk Road. A fruitful cooperation has been built with Chinese partners, state authorities and banks. All conditions have been created for attracting infrastructure investments, which will allow Kazakhstan's huge transit potential to be realised."

// All conditions have been created for attracting infrastructure investments, which will allow Kazakhstan's huge transit potential to be realised. //

Askar
Mamin

PRIME MINISTER
OF THE REPUBLIC OF KAZAKHSTAN



"The government is making considerable efforts to develop the investment appeal of Kazakhstan. We are pursuing a consistent policy aimed at improving the legal framework, increasing the number and improving the quality of investment projects in the regions, raising awareness of Kazakhstan's opportunities among investors.

Several policy documents fixing the conceptual vision of attracting foreign investment have been adopted. These include "100 Concrete Steps" of the Nation Plan and the National Investment Strategy. These documents reflect the needs of the new economy of Kazakhstan, focused on the development of the non-commodity sector.

A number of important steps aimed at modernizing the national system for attracting investments and eliminating existing barriers have been taken over the past year. New approaches to investment policy have been developed, based on the principles of proactivity and comprehensive support of potential and existing investors. A Coordination Council, streamlining the work of all state and quasi-state bodies involved in working with investors, has been established. The Prime Minister has been assigned the duties of the investment ombudsman, where a wide variety of issues is brought to the strategic level in the most expeditious manner. A Media Hub is in the

process of being established. Once open it will promote the investment brand of Kazakhstan abroad.

All the initiatives are aimed at shortening the path of a potential investor, from the initial stage of simply becoming acquainted with the potential investment prospects in Kazakhstan, to the implementation of the actual project. The Astana International Financial Centre is one of the most important elements of supporting investors along this path. It is also an agent of investment security, protecting the interests of participating parties.

In 2019 the AIFC has become a self-sufficient, sustainable and stable institution that has built productive and effective relationships with government bodies and the private sector within Kazakhstan, as well as with leading global partners. We welcome the Centre's successes, and we are ready to support its further development and look forward to progress in fulfilling its strategic objectives.

From the very early days of establishment, the AIFC has gained approval, being named as a regional financial hub by state officials and government representatives. Meanwhile, drawing from and using to the fullest potential the Centre's experience in the macro-region of "EAEU – Central Asia – Caucasus – Mongolia" is crucial. The substantive interest from the countries of the region in the services and opportunities offered by the Centre is evident; thus at AIFC the required support is to be presented with great efficiency at every level. I am truly hopeful and convinced that our neighbours' use of the platform and the vast capabilities provided by the Centre will have substantial benefits."



Kairat Kelimbetov

**GOVERNOR OF THE ASTANA
INTERNATIONAL FINANCIAL CENTRE**

“On the background of marked economic growth the Astana International Financial Centre continues to grow steadily under the strategic course of Elbasy, the First President of the Republic of Kazakhstan, Nursultan Nazarbayev.

The key features of this course in foreign policy are multi-vector in nature: building dialogues and searching for compromises, focus on regional and global integration, and, on domestic issues, a focus on long-term sustainable development through consistent democratic reforms.

The AIFC was created within the framework of the Nation Plan “100 Concrete Steps” of 2015, the purpose of which is the formation of strong state institutions. Its mission until 2050 and beyond is, first of all, to support the continuity of the course through the creation of an effective system of checks and balances, as well as the decentralisation of strategic decision-making. These ideas were later confirmed and developed by Elbasy, the First President of the Republic of Kazakhstan



Nursultan Nazarbayev during the constitutional reform of 2017, which redistributed the powers of the President to the Government and Parliament of Kazakhstan.

The AIFC’s establishment is the answer to many issues which are currently faced not only by Kazakhstan but also by the regional economy.

The most important of them is diversifying the economy. Moving gradually away from a dependence on commodities.

*Kazakhstan is building a new economy
based on the production of competitive
goods to meet domestic
and international demand.*

For example, the State Programme of Industrial and Innovative Development has been operating for 10 years.

In this regard, the National Investment Strategy of 2017 demonstrated the course of Kazakhstan to attract investments focused on efficiency. Within these activities,

and taking into account the great competition for “smart” investments among developing markets, the AIFC is an investment security agent that provides investors with an independent jurisdiction with its own legislation based on English common law, as well as a dispute resolution system.

At the same time, the AIFC is intended not only to attract investments within this diversification, but also to develop the financial services sector as an independent and very promising sector of the economy. We take the Dubai International Financial Centre as our reference; its contribution to the UAE economy is great, in large part due to the high-quality financial services provided to foreign capital.

One of the key areas of the AIFC’s development is capital markets. The Kazakh market has huge untapped potential. The establishment of a high-tech Astana International Exchange offering clear rules and protection of the interests of all parties, as well as the implementation of a programme for privatisation of state assets, will attract local retail investors to enter the market.

Another important issue affecting the EAEU and Central Asia is the region’s transit potential. Kazakhstan and its

regional neighbours are a natural bridge between Europe and South-East Asia, which are extremely interested in trading with each other. A breakthrough in this regard is the Chinese government’s Belt and Road Initiative, which involves the creation of transit corridors between these regions. Kazakhstan is using these opportunities provided to attract infrastructure investments and create all necessary conditions for this. In this respect, the interest of Chinese partners who come up with specific investment proposals using the AIFC platform is indicative. At the same time, the AIFC is ready to act as a conductor of investments to other countries in the region, given the global ambitions of the Belt and Road Initiative.

The introduction of Islamic and green financing mechanisms, which have gained considerable popularity around the world, is also an important issue for regional economic development. These areas are relatively new for Kazakhstan, but they will help to ensure the qualitative development of the economy. Given their prospects, the AIFC is ready to share its experience with neighbours in the region.

We pay special attention to the development of financial technologies. The well-known formula states that the introduction of non-cash payments adds 1 percentage

point to GDP growth annually. We support financial start-ups not only through acceleration and assistance in finding potential investors but also at the legislative level. In the jurisdiction of the AIFC a Regulatory Sandbox regime has been set up, which allows FinTech projects to run without the threat of violating current legislation. In addition, for the first time in the region, AIFC experts have developed the concept of Cryptocurrency Circulation.

We are ready to share all the above developments with partners from the EAEU and Central Asia. I am convinced that the prosperity of Kazakhstan, among other things, contributes to the prosperity of its neighbours as well.

2018 became a landmark year for the Astana International Financial Centre. It not only brought the AIFC to the world stage and changed the international community's perception of it, but the centre itself and its structure also changed, becoming much stronger and more mobile.

The opening ceremony of the AIFC and the launch of the Astana International Exchange took place on July 5, 2018 with the participation of Elbasy, the First President of the Republic of Kazakhstan, Nursultan Nazarbayev. During the Astana Finance Days conference, we discussed important issues of development of the domestic and regional economy with our partners and international experts.

In October 2018, the first World Investor Week was held under the auspices of the International Organisation of Securities Commissions (IOSCO). Opportunities at the IAFC for potential investors, as well as for businessmen and start-ups, were presented throughout Kazakhstan.

In the same month, our work on the development of Islamic Finance received international recognition. The AIFC and its representatives received three nominations for the prestigious Global Islamic Finance Award.

In November 2018, Elbasy, the First President of the Republic of Kazakhstan Nursultan Nazarbayev opened the first day's trading on the Astana International Exchange. A little more than a year has passed since the launch of the exchange. The first issuer was the national company Kazatomprom – the leader of the

global uranium industry. In January 2019 the United Kingdom's HM Revenue and Customs granted the AIX with "recognised stock exchange" status. Interest for the AIX has already gone beyond Kazakhstan: in April 2019 the largest Russian mining company Polymetal became the first foreign issuer.

In December 2018 we completed the physical layout of the AIFC in the modern infrastructure of the EXPO Exhibition. Its "heritage", modified into the best office space in the country, will work for the benefit of the national economy and every citizen of Kazakhstan. We are also working on opening offices of large foreign companies at the AIFC, including the European Bank for Reconstruction and Development, Deloitte, Sberbank and Yandex.

In January 2019 we launched the region's unique online dispute resolution system, eJustice, created in collaboration with our partners CrimsonLogic from Singapore. To win a case in Kazakh without leaving the office in Frankfurt or Tokyo is now an amazing and spectacular reality.

In the updated Global Financial Centres Index, our capital city ranked 51st out of 102 and was first in the Eastern Europe and Central Asia region. This is a great success, but we are not going to stop there."



OVERVIEW

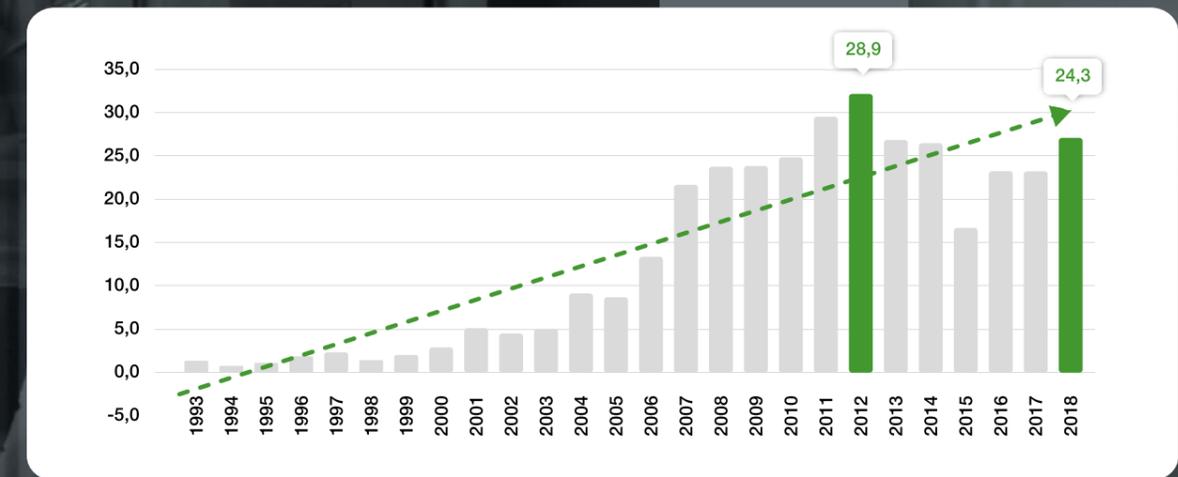
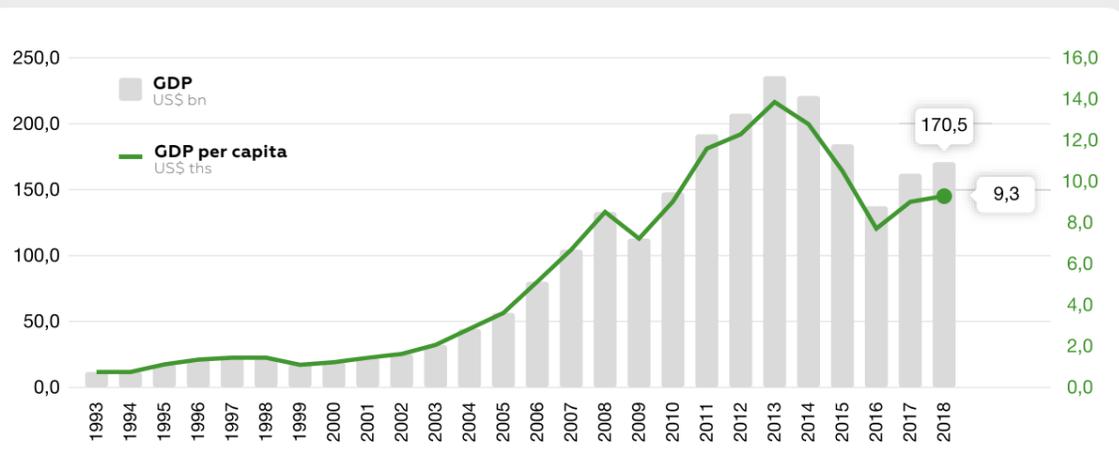
KAZAKHSTAN – THE REGION'S FINANCIAL HUB

Kazakhstan is a stable and prosperous state with the largest economy in Central Asia. The country has achieved significant GDP growth since its independence. Over the past 20 years, the average annual growth rate for GDP is about 6%, which is due to an increase in exports, and growth of domestic consumer demand on account of real income growth.

Reaching USD 170.5 billion in 2018, the country also remains the region's leader in terms of per capita GDP - USD 9.3 thousand.

GDP indicators for last 25 years

Source: Committee on Statistics of the Ministry of National Economy of the Republic of Kazakhstan



Foreign Direct Investment for last 25 years - USD 320bn total

Source: Committee on Statistics of the Ministry of National Economy

Due to the financial resources accumulated from oil export revenues during the period of active economic growth, the economy has remained resilient in the face of external shocks in 2008-2009 and 2015-2016. In the next five years the economy is expected to grow moderately, by 4.5%, against a backdrop of moderate growth in the global economy, a gradual increase in

demand, and the maintenance of moderate commodity prices. At the end of the year the inflation rate dropped to 5.3%, which is within the established target range. A gradual reduction of the inflation rate to 3-4%, as well as the reduction in the unemployment rate to 4.8%, is expected in the future. The state budget deficit in 2021 is planned to be reduced to 1.3% of GDP.

Projected GDP indicators

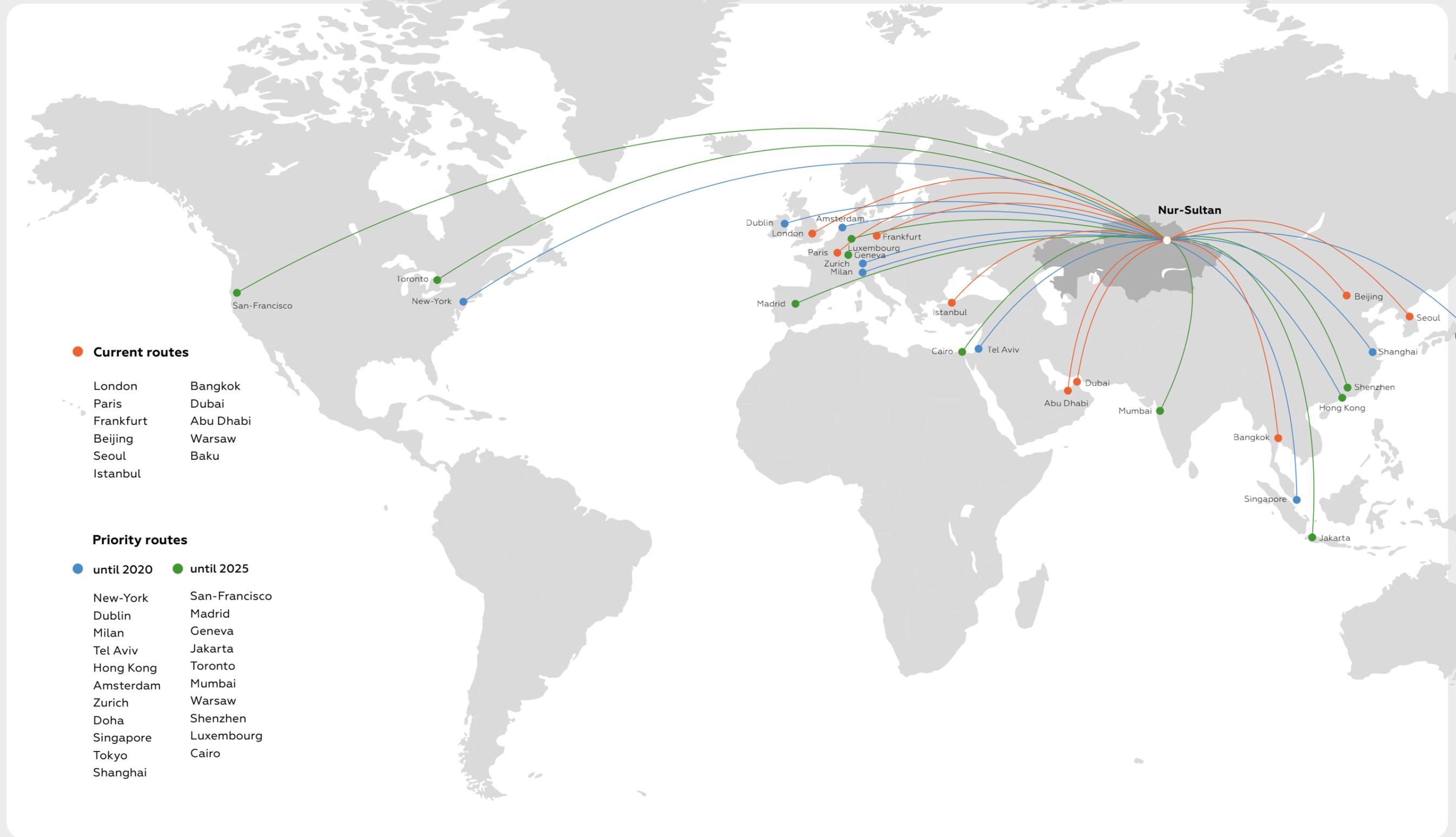
Source: Ministry of National Economy of the Republic of Kazakhstan



The country's international reserves amounted to USD 88.9 billion in 2018, including assets of the National Fund of the Republic of Kazakhstan in the amount of USD 58 billion, and gold and foreign exchange assets of the National Bank of Kazakhstan in the amount of USD 30.9 billion.

This year Kazakhstan ranks first in the Central Asian region in terms of its FDI stock per capita and FDI stock to GDP ratio. Despite the volatile global investment climate, which reduced foreign investment into emerging markets and transition economies, the country maintained its attractiveness for foreign investors. At the year-end 2018, the volume of gross FDI amounted to USD 24.3 billion; in all the years since its independence, Kazakhstan has attracted about USD 320 billion of foreign investment. This figure has been achieved thanks to the favourable business climate in the country: currently Kazakhstan provides investment preferences, such as exemption from customs duties, VAT on imports,

Potential of Nur-Sultan to become the leading international hub





state in-kind grants, tax preferences and investment subsidies, which results in a steady influx of a large volume of foreign direct investment in the country.

human capital, technological renewal and digitalisation, increasing competitiveness, strengthening the rule of law and regional development.

Kazakhstan ranks the 28th out of 190 countries in the World Bank's "Doing Business" 2019 report, improving its position by eight places since last year.

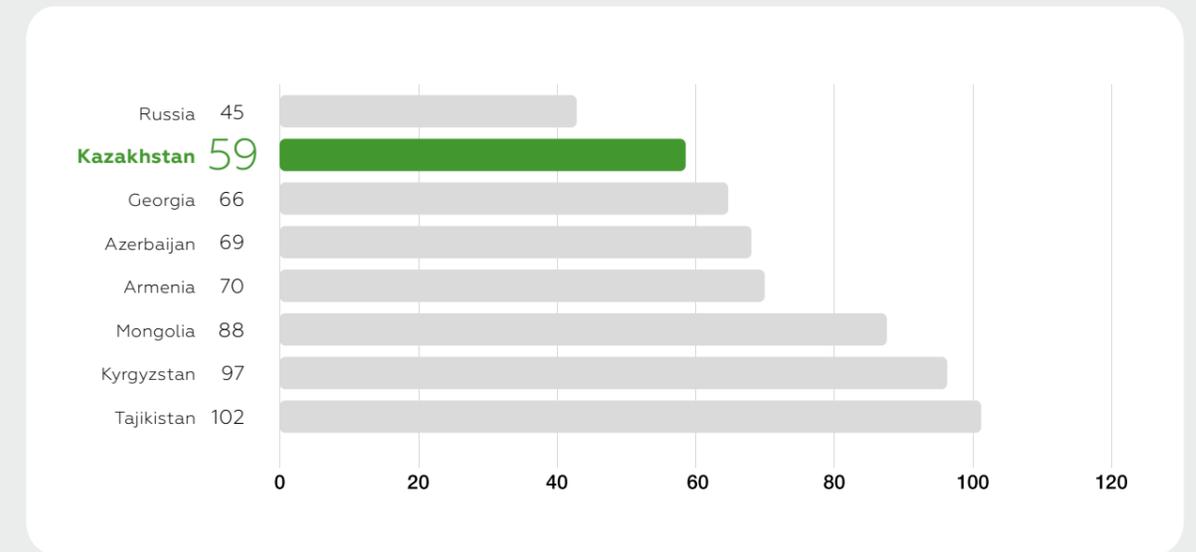
In the Global Competitiveness Index of the World Economic Forum 2018, Kazakhstan ranked 59th out of 140, taking second place among countries in the Eurasian region.

Kazakhstan holds a leading position among the countries of Central Asia and Russia. It comes first in the world in protecting minority investors, and performs extremely well in such areas as starting a business and enforcing contracts. Kazakhstan ranks 56th for favourable treatment for tax payments.

Kazakhstan has improved its performance in five categories out of 12, and is now in first place globally in terms of shareholders' rights and the regulatory framework for insolvency issues.

In its turn, the Government of the Republic of Kazakhstan continues to implement structural reforms. Within the framework of the Strategic Development Plan until 2025, the main areas for reform are the development of

Being a vital part of the New Silk Road, Kazakhstan can take full advantage of the Belt and Road Initiative, which is focused on strengthening trade and political relations between Europe and Asia. Recognised as the largest project in history, the initiative could change global trade. The AIFC serves as an important link in



Kazakhstan in the Global Competitiveness Index (WEF GCI 2018) among the countries of the Eurasian region

Source: World Economic Forum Report

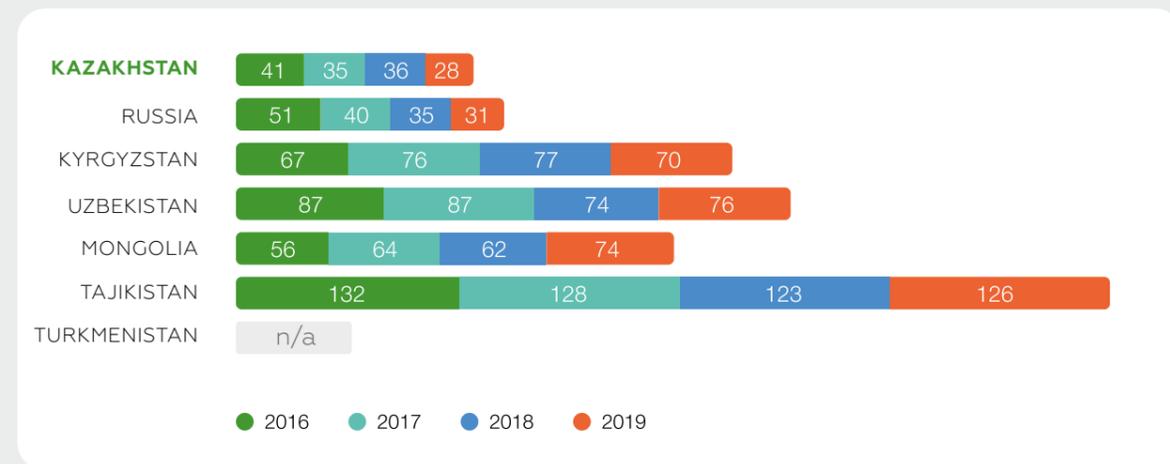
Kazakhstan in the World Bank's Ease of Doing Business Ranking 2019 by indicators

Source: World Bank



The countries of Central Asia and Russia in the World Bank's Ease of Doing Business Ranking' 2016-2019

Source: World Bank



the Belt and Road infrastructure. Kazakhstan has an excellent opportunity to receive income from integration into the international trading system and diversification of transport routes. In addition to direct advantages, Kazakhstan will significantly expand its possibilities in domestic transport, which will have a positive impact on the development of related services and production sectors.

In order to achieve balanced and sustainable economic growth, Kazakhstan is taking major steps to diversify its economy and increase the role of the private sector.

Therefore the development of the green economy has advanced with the launch of the emissions trading system (ETS) and an online platform, which allows greenhouse gas emitters to trade quotas and verify data on emissions.

The new wave of privatisation carried out within the framework of the Comprehensive Plan for the Privatisation of companies of the Sovereign Wealth Fund "Samruk-Kazyna" opens excellent opportunities for foreign investors. The privatisation programme aims to optimise the Fund's asset structure, improve corporate

governance, ensure transparency, transfer technology and knowledge, develop small and medium-sized enterprises, etc. The Astana International Exchange (AIX) was the platform for the most anticipated public offering in 2018: Kazatomprom, the world's largest uranium company. The AIX will also become a platform for the most anticipated public offerings of companies in the telecommunications, air transport, rail transport, oil, energy and mining industries.

In the modern world, independent states are becoming increasingly interdependent. In this regard, the creation of a prosperous, economically developed region is a priority for Kazakhstan and all neighbouring countries. The stability of the government, favourable business climate, and legal guarantee of investments should at all levels become key factors in the development of the country as a the region's financial hub.

THE AIFC'S HISTORY: MILESTONES

2015 — 2016 — 2017 — 2018 — 2019

2015



MAY

- Steps 24 and 70-73 of the Nation Plan "100 Concrete Steps", on the establishment of the Astana International Financial Centre as a financial hub of the region, are adopted
- Decree of the President of the Republic of Kazakhstan "On the Astana International Financial Centre" dated May 19, 2015 is signed



DECEMBER

- Constitutional Statute of the Republic of Kazakhstan "On the Astana International Financial Centre" dated December 7, 2015 is adopted
- The AIFC Authority is established
- Decree of the President of the Republic of Kazakhstan "On defining the boundaries of the territory of the Astana International Financial Centre" dated December 28, 2015 is signed
- Decree of the President of the Republic of Kazakhstan "On approval of the Statute on the AIFC Management Council and its composition" dated December 31, 2015 is signed



MAY

- The AIFC Management Council determines the AIFC Development Strategy and the Structure of the AIFC bodies, as well as the Charter of the Astana Financial Services Authority
- Panel session "International experience of economic growth: mechanisms and instruments for the development of the Astana International Financial Centre" is held during the Astana Economic Forum 2016
- The 29th plenary session of the Foreign Investors' Council, chaired by Elbasy, the First President of the Republic of Kazakhstan Nursultan Nazarbayev, is dedicated to the establishment and development of the AIFC

2016

2017



AUGUST

- The AIFC Bureau for Continuing Professional Development is established



JANUARY

- The Astana Financial Services Authority (AFSA) is established as the independent regulatory body for financial services and related activities in the AIFC



FEBRUARY

- The AIFC Legal Advisory Council is established



MARCH

- The AIFC hosts the 2017 Islamic Finance News Forum (IFN) CIS
- AIFC Governor Kairat Kelimbetov is appointed as the Governor of the Islamic Development Bank (IsDB) Group for Kazakhstan
- The paragraph 3-1 of article 2 of the Constitution of the Republic of Kazakhstan is supplemented with the rule on establishment of a special legal regime for the finance industry in the city of Nur-Sultan



JUNE

- The AIFC Academic Council is established



JULY

- The Finance Accreditation Agency (FAA) of Malaysia in partnership with the AIFC organised the Certified Training Professional (CTP) programme for Islamic finance trainers in Nur-Sultan



SEPTEMBER

- The AIFC holds the awards ceremony of the Global Islamic Finance Awards (GIFA 2017)



OCTOBER

- The AIFC Expat Centre is established



NOVEMBER

- The Astana International Exchange (AIX) is established
- The AIFC adopts the Green Finance Concept and Strategy
- The AIFC Advisory Council on FinTech is established

2018

DECEMBER

- The AIFC Court and International Arbitration Centre are established
- The Shanghai Stock Exchange becomes an AIX strategic partner
- Nasdaq becomes the AIX technological partner
- The AIFC Advisory Council on Islamic Finance is established
- The Astana Financial Services Authority becomes a full member of the Islamic Financial Services Board (IFSB) and the Accounting and Auditing Organisation for Islamic Financial Institutions (AAOIFI)
- According to the Decree of the President of the Republic of Kazakhstan dated December 28, 2017 "On amendment of the Decree of the President of the Republic of Kazakhstan dated December 31, 2015 No. 161 "On defining the boundaries of the territory of the Astana International Financial Centre," the boundaries of the AIFC territory is expanded to 1,632ha
- Adoption of the AIFC General Legal Framework and the AIFC Financial Services Framework

JANUARY

- The official launch of the AIFC
- The AIFC organises a certification programme on Islamic finance in collaboration with the Bahrain Institute of Banking and Finance (BIBF) and the Chartered Institute for Securities & Investment (CISI)

FEBRUARY

- The AIFC becomes a member of the General Council for Islamic Banks and Financial Institutions (CIBAFI)
- The AIX adopts Business Rules containing provisions for green and Islamic financial instruments

MARCH

- The capital of Kazakhstan first appears in the Global Financial Centres Index (GFCI 23) with the ranking of 88th out of 96 global financial centres

APRIL

- The Astana Financial Services Authority is accepted as an associate member of the International Organisation of Securities Commissions (IOSCO)

JUNE

- The AIFC Green Finance Centre is established
- The AIFC Advisory Council on Green Finance is established

JULY

- The official launch of the AIFC is held with the participation of Elbasy, the First President of the Republic of Kazakhstan Nursultan Nazarbayev
- The AIFC holds the Astana Finance Days (AFD), an international conference, during which forums on global finance, capital markets, Islamic economy, green growth, legal issues and Silk Road countries are organised, and the Islamic Development Bank Transformers Roadshow is held.
- AIFC signs an agreement with the Islamic Development Bank (IsDB) to receive a grant to develop a Master Plan for Islamic finance development
- According to the Global Islamic Finance Report 2018 Kazakhstan ranks 24th out of 48 in the Islamic Finance Country Index 2018
- The AIFC becomes a founding member of the World Alliance of International Financial Centers (WAIFC)
- Demo Day is conducted within the FinTech Stars acceleration programme, launched by Seedstars, the international partner for start-ups and international investors and sponsors
- The AIFC holds the first Financial Olympiad for school students

AUGUST

- The AIFC Consultative Group on Strategic and Economic Development is established

SEPTEMBER

- The capital of Kazakhstan moves up to 61st place out of 100 in the Global Financial Centres Index (GFCI 24)
- The AIFC receives three awards at the Global Islamic Finance Awards (GIFA 2018)

- Opening of World Investor Week in the AIFC

OCTOBER

- Goldman Sachs becomes an AIX partner

2019

NOVEMBER

- The official launch of trading on the AIX – IPO of the national company Kazatomprom is held with the participation of Elbasy, the First President of the Republic of Kazakhstan Nursultan Nazarbayev
- The first placement of Eurobonds of the Ministry of Finance of the Republic of Kazakhstan on the AIX
- The AIX becomes a member of the Federation of European and Asian Stock Exchanges (FEAS)
- The Astana Financial Services Authority is accepted as member to the International Association of Insurance Supervisors (IAIS)
- The Astana Financial Services Authority joins the Group of Banking Supervisors from Central and Eastern Europe (BSCEE), the regional group of Basel Committee on Banking Supervision (BCBS)
- Silk Road Fund becomes the AIX partner
- The AIFC Audit Committee is established

DECEMBER

- The AIX Belt and Road Market is established
- The AIFC signs a partnership agreement with Climate Bonds Initiative

JANUARY

- The Astana Financial Services Authority in partnership with global regulators launches the Global Financial Innovation Network (GFIN)

FEBRUARY

- The United Kingdom's HM Revenue and Customs (HMRC) grants the AIX with "recognised stock exchange" status
- The Astana Financial Services Authority joins the Corporate Registers Forum (CRF)
- The AIFC Court and International Arbitration Centre launch a new e-filing system, eJustice

MARCH

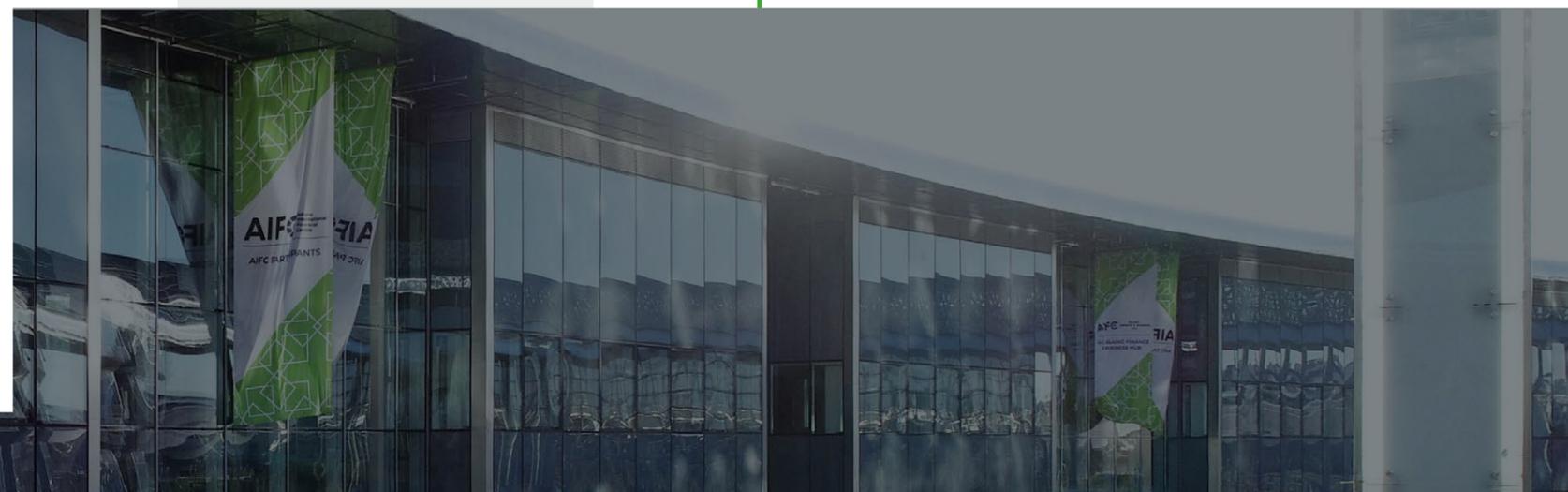
- The Direct investment fund "Kazakhstan Investment Development Fund" and asset management company for investment management are established
- The capital of Kazakhstan climbs to 51st out of 102 in the Global Index of Financial Centres (GFCI 25), ranking first in the region of Eastern Europe and Central Asia
- The AIX engages the KELER Group to provide the full range of post-trading services to AIX members for clearing and settlement of shares
- The AIX joins the Green investment principles of the Belt and Road Initiative
- The Astana Financial Services Authority and the National Bank of Kazakhstan enter into an Agreement on assistance and mutual cooperation
- The Regional Technical Assistance of the Asian Development Bank "Islamic Finance for Inclusive Growth" is approved
- A feasibility study on Islamic finance in Kazakhstan, conducted with the support of the Government of Malaysia, is presented in the AIFC

APRIL

- The AIFC Advisory Panel on Legal Regulatory Matters is established
- The large Russian mining company Polymetal becomes the first foreign issuer to list on the AIX

JUNE

- The AIFC Central Shari'ah Advisory Board is established



LEGAL AND REGULATORY FRAMEWORK

LEGAL FRAMEWORK

The Constitutional Statute of the Republic of Kazakhstan "On the Astana International Financial Centre" dated December 7, 2015 (the Constitutional Statute) defines the Astana International Financial Centre as a territory within the capital city, defined by the President of the Republic of Kazakhstan, where a special legal regime for the finance industry applies.

The AIFC acting law is based on the Constitution of the Republic of Kazakhstan

and consists of the Constitutional Statute, the AIFC Acts based on the principles, norms and precedents of the law of England and Wales, the standards of

leading global financial centres, and the law of the Republic of Kazakhstan, which applies to matters not regulated by the Constitutional Statute and AIFC Acts. In order to ensure the implementation of the best world practices, and the integration of the law of England and Wales into the current law of the AIFC, the AIFC Legal Advisory Council was established. The Council ensured compliance of AIFC Acts of general application with the standards of international financial centres.

The AIFC Acts cover most relationships between the AIFC participants and other parties, such as corporate, contract and employment. The coverage of relationships by AIFC acts is constantly expanding. Any entity can choose the governing law of the AIFC from anywhere in the world, if they specify this law in their contracts.

www.laws.aifc.kz

AIFC GENERAL LEGAL FRAMEWORK

1. Resolution of the AIFC Management Council 2016 (regarding the structure of the AIFC bodies and the charter of AFSA)
2. AIFC Contract Regulations 2017
3. AIFC Employment Regulations 2017
4. AIFC Companies Regulations 2017
5. AIFC Regulations on AIFC Acts 2017
6. AIFC Court Regulations 2017
7. AIFC Arbitration Regulations 2017
8. AIFC General Partnership Regulations 2017
9. AIFC The Implied Terms in Contracts and Unfair Terms Regulations 2017
10. AIFC Security Regulations 2017
11. AIFC Netting Regulations 2017
12. AIFC Payment System Settlement Finality Regulations 2017
13. AIFC Data Protection Regulations 2017
14. AIFC Non-profit Incorporated Organisations Regulations 2017
15. AIFC Limited Partnership Regulations 2017
16. AIFC Limited Liability Partnership Regulations 2017
17. AIFC Insolvency Regulations 2017
18. AIFC Personal Property Regulations 2017
19. AIFC Regulations on Obligations 2017
20. AIFC Regulations on Damages and Remedies 2017
21. AIFC General Partnership Rules 2017
22. AIFC Dematerialised Investment Rules 2017
23. AIFC Special Purpose Company Rules 2017
24. AIFC Non-profit Incorporated Organisations Rules 2017
25. AIFC Insolvency Rules 2017
26. AIFC Companies Rules 2017
27. AIFC Limited Partnership Rules 2017
28. AIFC Limited Liability Partnership Rules 2017
29. AIFC Data Protection Rules 2018
30. AIFC General Partnership Rules 2017
31. AIFC Rules on Keeping Records of Foreign Labour Attracted by AIFC Participants and AIFC Bodies 2018
32. AIFC Rules on Creation and Use of the Astana International Financial Centre Reserves 2018
33. AIFC Rules on Financing and Budgeting in the Astana International Financial Centre 2018
34. AIFC Court Rules 2018
35. IAC Arbitration and Mediation Rules 2018
36. On approving the Regulations on keeping separate accounting of income subject to exemption of corporate income tax and subject to taxation, and expenses subject to allocation to deductions by the participants of Astana International Financial Centre 2017 (Joint Order between the AIFC, Ministry of Finance and Ministry of National Economy)
37. On Approval of the Rules concerning Tax Administration and Interaction of State Revenue Authorities with Bodies and Participants of the Astana International Financial Centre on Taxation Matters 2017 (Joint Order between the AIFC and the State Revenue Committee of the Ministry of Finance)
38. On approval of the terms of, and procedures for, entry into the Republic of Kazakhstan and leaving the Republic of Kazakhstan, for foreign nationals and stateless persons coming to the Republic of Kazakhstan to conduct activities in the Astana International Financial Centre 2017 (Order of the Governor)
39. On the approval of Special Provision No. 1 2018 (Joint Order between the AIFC and the State Revenue Committee of the Ministry of Finance)
40. On the approval of Special Provision No. 2 2018 (Joint Order between the AIFC and the State Revenue Committee of the Ministry of Finance)
41. On the approval of Special Provision No. 3 2018 (Joint Order between the AIFC and the State Revenue Committee of the Ministry of Finance)
42. AIFC Foundations Regulations 2019



Michael
Blair QC

**Chairman of the AIFC
Legal Advisory Council,
Leading Counsel in
3 Verulam Buildings**

"The special legal regime is a free-standing commercial law system, designed to enable an independent international financial centre to operate. In order to ensure the introduction of the best global practice and the transposition of the relevant law of England and Wales, the AIFC established the Legal Advisory Council which I have the honor to chair. Representatives of London law firms such as Baker McKenzie, Herbert Smith Freehills, Hogan Lovells International, Michelmores, Norton Rose Fulbright, and White & Case are members of the Legal Council. This is a unique feature involved in creation of the AIFC."

REGULATORY FRAMEWORK

The Astana Financial Services Authority (AFSA) is founded on the pillars of fairness, transparency, investor protection and confidence. They are the hallmarks of a reliable regulatory framework.

The AFSA continues to work on improving the AIFC's legal framework.

It is designed to support innovative approaches that allow financial and regulatory technologies, products and services to be launched, as well as adopt a consultative and business-friendly approach with respect to regulated, ancillary and other activities offered within the AIFC activities.

At present, the existing AIFC regulation framework enables a broad range of financial service activities, including capital markets, banking, insurance, Islamic finance, FinTech, asset management and private banking. It also offers an inclusive and robust environment for the development of financial services markets of the AIFC.

CORPORATE STRUCTURE

The Astana Financial Services Authority (AFSA) is founded on the pillars of fairness, transparency, investor protection and confidence.

AIFC MANAGEMENT COUNCIL

The AIFC Management Council is a permanent collegial body chaired by the President of the Republic of Kazakhstan, the supreme governing body of the AIFC. The Council determines strategic directions for the development of the AIFC and fosters the development of favourable conditions for establishing the AIFC as a leading international financial centre. The Council is authorised to adopt AIFC Acts, determine the structure of the AIFC Bodies, the composition of the AIFC Court, the basis for the establishment of the International Arbitration Centre, approve annual reports on the activities of the AIFC, etc.

www.aifc.kz



Kassym-Jomart Tokayev

PRESIDENT OF THE
REPUBLIC OF KAZAKHSTAN,
Chairman of the AIFC
Management Council



Askar Mamin

PRIME MINISTER OF
THE REPUBLIC OF KAZAKHSTAN,
Deputy Chairman
of the AIFC
Management Council



Alikhan Smailov

First Deputy Prime
Minister of the Republic
of Kazakhstan –
Minister of Finance
of the Republic
of Kazakhstan



Ruslan Dalenov

Minister of National
Economy
of the Republic
of Kazakhstan



Erbolat Dossaev

Governor
of the National
Bank of Kazakhstan



Kairat Kelimbetov

Governor
of the Astana
International
Financial Centre



Dr. Jacob A. Frenkel

Chairman of
JPMorgan
Chase International

"Historic decision to move the capital of Kazakhstan to Astana 20 years ago confirmed its function as a motor for the economic development of the whole country. I think that then not everyone appreciated the importance and significance of this decision. Currently, Kazakhstan is developing rapidly and is on the trajectory of entry into the top 30 of the most developed countries in the world. Today I am convinced that the creation of the AIFC will also be a similar transformational initiative and decision."



Herman Gref

CEO of Sberbank
of Russia

"The main thing that investors can "vote on" is to take the first steps to be here. I would like to wish the leadership of Kazakhstan and the leadership of the AIFC a successful start and success in implementing this very ambitious idea."



Arkadiy Volozh

Co-founder and
CEO of Yandex



Julie Monaco

Managing Director,
Global Head Public Sector
Banking, Capital Markets and
Advisory Division
Citigroup



Sir Suma Chakrabarti

President of the European
Bank of Reconstruction
and Development

"AIFC can become one of the main financial hubs of the Belt and Road project. The center will also help attract international investors to finance large-scale infrastructure projects."

The AIFC development plays an important role in the overall reform agenda of the country: it will help channel domestic and foreign investments to Kazakhstan thus stimulating growth, setting new standards of corporate governance, skills transfer and green innovation. Also, the center will play a crucial role in the privatisation of large first-class companies, which is one of the key tasks in the country."



Dr. Bandar Hajjar

President of the
Islamic Development
Bank Group

"I know that Kazakhstan and this region can offer a lot in terms of the development of innovations and entrepreneurship. I hope that today we will hear the voices of talents, we will see existing ideas. I am glad that Kazakhstan is now among the leaders of Islamic finance and is a developing market for this sphere. The country has all the necessary key requirements in order not only to become a successful domestic market of Islamic finance but also to position itself as a hub of Islamic finance in the region."

AIFC AUTHORITY

The AIFC Authority is a body responsible for: forming the Centre's development strategy; drafting AIFC acts on matters not related to the regulation of financial services and related activities in the Centre; development of services in the territory of the AIFC; infrastructure management of the Centre; advancement of the AIFC on global markets and attraction of potential participants to the Centre, as well as providing conditions for the activities of the AIFC bodies, their organisations and the Centre's participants, and their employees, and representing their interests within their competence.

The AIFC Authority aims to contribute to the development of Nur-Sultan city as a truly global financial hub for

Central Asia, the Caucasus, the Eurasian Economic Union, the Middle East, Europe, as well as West China and Mongolia, by providing high international standards in financial services, regulations and rule of law.

One of the AIFC Authority's goals is to further enhance the role of global integration within the framework of the AIFC and assist in promoting this vision of the AIFC throughout the world, establishing contacts with bodies and participants of international financial centres, financial institutions and investment companies.

www.aifc.kz



**Kairat
Kelimbetov**

Chairman of the Board

Kairat Kelimbetov holds the position of AIFC Governor. Previously, he served as the Governor of the National Bank of Kazakhstan, Deputy Prime Minister of the Republic of Kazakhstan, and CEO of Sovereign Wealth Fund "Samruk-Kazyna." He was the Head of the Executive Office of the President of the Republic of Kazakhstan, CEO of the Sustainable Development Fund "Kazyna," Minister of Economy and Budget Planning of the Republic of Kazakhstan. He also was the First Vice-Minister of Finance, Head of the Agency for Strategic Planning of the Republic of Kazakhstan.



**Nurlan
Kussainov**

Member of the Board

Nurlan Kussainov holds the position of CEO at the AIFC Authority. He was a Deputy Governor of the National Bank of Kazakhstan, and Chairman of the Development Bank of Kazakhstan. He served as a managing partner in the direct investment fund Al Falah Partners, headed the Centre for Marketing and Analytical Research, was an adviser to the Minister of Economy and Budget Planning, Head of the team of the Ministry of Industry and Trade of the Republic of Kazakhstan on accession to the World Trade Organisation in Geneva.



**Kuat
Kozhakhmetov**

Non-executive Member
of the Board

Kuat Kozhakhmetov holds the position of General Director of Samruk-Kazyna Contract LLP. Previously, he was a Deputy Governor of the National Bank of Kazakhstan, Chairman of the Committee on Financial Supervision of the National Bank of Kazakhstan, Deputy Chairman of the Agency of the Republic of Kazakhstan on regulation and supervision of the financial market and financial organisations, Chairman of the Management Board of Tsesna Corporation JSC, and Chairman of the Board of Directors of Tsesnabank JSC.

AIFC AUTHORITY BOARD OF DIRECTORS



**Kuanyshbek
Yessekeyev**

Non-executive Member
of the Board

Kuanyshbek Yessekeyev holds the position of Chairman of the Management Board of Kazakhtelecom. Previously, he was a Deputy Chairman and then Chairman of the Agency for Informatisation and Communication. He supervised issues of informatisation as department director at the Ministry of Finance and Ministry of Economy and Budget Planning of the Republic of Kazakhstan.



**Rumil
Taufikov**

Independent
Non-executive Director

Rumil Taufikov holds the position of the Chairman of the Board of Directors of Tokyo Rope Almaty. Previously, he was a Deputy Mayor of Almaty city, held the positions of Consultant, Head of Sector, Chief Inspector, Deputy Chief and Chief of the Protocol of the President of Kazakhstan.



**Prasad
Bhamre**

Independent
Non-executive Director

Currently, Prasad Bhamre is an independent director of the Management Company of the Direct Investment Fund. Previously, held the positions of the Advisor to the President of Kazakhstan temir zholy JSC, Deputy General Director of Samruk-Kazyna Invest LLP, Managing Director of Sovereign Wealth Fund "Samruk-Kazyna", Chairman of the Management Board of KUN Renewable Energy, Solar Energy, Semi-Silicone LLP, Deputy Chairman of the Management Board of Sustainable Development Fund Kazyna JSC



**Ulf
Wokurka**

Independent
Non-executive Director

Ulf Wokurka holds the position of Independent Director of the Board of Directors of Nurbank JSC. Previously, he held the positions of Chairman of the Management Board of Tsesnabank, Kazkommertsbank, Member of the Board of Directors of Kazakhstan Mortgage Company. He headed the regional representative office of Deutsche Bank AG in Almaty. He held the position of managing director of Metzler, a German asset management company, where he was responsible for the development of international business in Russia and the CIS.



**Antonio
Riera**

Independent
Non-executive Director

Antonio Riera holds the position of Senior Advisor in financial services in Boston Consulting Group (BCG). Previously, he worked as a Senior Partner, Managing Director of BCG, held senior positions in Cedel Bank, worked in Citibank as Managing Director and Head of various departments for more than 15 years.



**Devon
Archer**

Independent
Non-executive Director

Devon Archer is a co-founder and CEO of Rosemont Solebury Capital Management LLC. Also, he is an Executive Director of Rosemont Realty, Director of Burnham Financial and a trustee of the Heinz Family Office. He started his career in Citigroup, held the positions of Vice-President of New England Financial, special analyst of MetLife strategic management group, Senior Advisor of John Carry during presidential election's campaign in 2004, afterwards – Co-chairman of US National financial committee.

AIFC AUTHORITY MANAGEMENT BOARD



NURLAN KUSSAINOV

Chairman of the
Management Board



KAIRAT AITEKENOV

First Deputy Chairman of the
Management Board



MARAT AITENOV

First Deputy Chairman of the
Management Board



YERNUR RYSMAGAMBETOV

Deputy Chairman of the
Management Board



TEMIRLAN MUKHANBETZHANOV

Deputy Chairman of the
Management Board



NURGANUM UTEBAYEVA

Head of the Shared
Services Group

ASTANA FINANCIAL SERVICES AUTHORITY

ACTIVITIES LICENSED IN THE AIFC

AFSA is an independent integrated regulator of all regulated activities, market activities and ancillary services in the AIFC. As the AIFC integrated regulator, AFSA also registers all AIFC participants who provide financial and non-financial services.

AFSA regulations cover fundamental pillars of financial services, including capital markets, banking and insurance along with Islamic finance, FinTech, asset management and private banking.

Since its opening for business, the AFSA is committed to adopting and implementing a regulatory regime that complies with international best practices in which international and domestic investors have confidence and business is trusted.

One of first tasks of the AFSA is to provide a favourable environment that encourages business and innovation through flexible, but impartial regulation. The AIFC regulatory approach is designed to facilitate business by maintaining the safety and soundness of the AIFC financial system and ensuring fair, efficient and transparent financial markets.

AFSA aims at providing a balance between a predictable and transparent regulatory environment and supporting financial stability, market confidence, consumer protection and to foster sustainable development and innovations.

As of June 2019, the list of services licensed in the AIFC includes 25 types of regulated activities, 3 types of market activities and 5 types of ancillary services.

REGULATED ACTIVITY

1. Investment transactions as a trustee
2. Investment transactions as an agent
3. Investment management
4. Management of the collective investment mechanism
5. Depository security
6. Depository organisation
7. Provision of trust services
8. Provision of fund administration/ Funds management
9. Fulfillment of the duties of the fund principal/ Activities as a trustee of the fund
10. Investment advisory
11. Organisation of operations with investments
12. Limited Profit Investment Account Management
13. Islamic banking
14. Provision of Islamic finance
15. Insurance mediation
16. Representative office management
17. Acceptance of deposits
18. Granting a loan
19. Credit line counseling
20. Organisation of credit line
21. Provision of cash services
22. Signing insurance contracts
23. Execution of insurance contracts
24. Insurance management
25. Islamic insurance Takaful and Islamic reinsurance Retakaful

MARKET ACTIVITY

1. Implementation of AIX activities
2. Implementation of clearing house activities
3. Implementation of the trading platform for private e-currencies

ANCILLARY SERVICES

1. Provision of legal services
2. Provision of audit services
3. Provision of accounting services
4. Provision of consulting services
5. Provision of credit assessment services



Lady Barbara Judge CBE

Chairman of the Board of Directors of the Astana Financial Services Authority

She has wealth of experience at the international level working as a senior executive, chairman and independent director, both in the private and public sectors. Lady Barbara Judge CBE was the youngest ever commissioner of the US Securities and Exchange Commission. She is currently the Chairman of CIFAS, the United Kingdom's fraud prevention service, the former Chairman of the UK Atomic Energy Authority and the Pension Protection Fund of the UK. She is also a non-executive director of a number of other public and private companies. In June 2010 she was awarded the Order of the British Empire (OBE) for contribution to the development of financial services and nuclear industry. In 2015 she received an award for chairing the Pension Protection Fund of the UK.

"The AFSA's regulatory goals and objectives align with the AIFC's aim to become one of the top 20 Financial Centres in Asia and to feature among the top 30 Global Financial Centres."

We have fully embraced strategic pillars and priorities of the AIFC to support it with fair, transparent and efficient regulation. We are also keen to take advantage of our location by the New Economic Silk Road and the Belt & Road Initiative.

Due to its strategic location between Europe and China, the AIFC aspires to be the Financial Services Hub for Eurasia. We look forward to working with companies engaged in strategic pillars and priorities of AIFC and we have a great team to support potential AIFC participants."

AFSA BOARD OF DIRECTORS



Mukhtar Bubeyev

Acting CEO of the AFSA

Mukhtar Bubeyev is also AFSA Chief Policy Officer, responsible for the development of regulations and rules, implementation of strategy, international relations and communications. He has extensive professional experience in banking supervision and financial services regulation of the Republic of Kazakhstan.

Previously, Mr. Bubeyev worked as the Head of the banking supervision department of the Agency of Republic of Kazakhstan on regulation and supervision of financial market and financial organisations, Head of Research and Strategic Analysis Department of the National Bank of Kazakhstan, Chief Risk Officer at ATF Bank JSC, Head of Department of Code and Research of Financial Models in the Ministry of Finance of Kazakhstan. Also, he was a member of the Board of Directors of Kazakhstan Deposit Insurance Fund and was an independent director of Zerde National Infocommunication Holding.



Angela Knight CBE

Deputy Chairman of the Board

Angela Knight is the Chair of the Office of Tax Simplification, an independent body of HM Treasury, Senior Independent Non-Executive Director of the world's largest interdealer broker TP ICAP, independent Non-Executive Director of the British-based house-building company Taylor Wimpey Plc, and a specialist at the finance company Provident Financial Plc. Prior to that she was the head of a number of UK organisations, including Energy U.K, the British Bankers' Association and the Association of Private Client Investment Managers and Stockbrokers.



Gregory Tanzer

Non-executive member of the Board

Gregory Tanzer is a lawyer and solicitor with extensive work experience in the area of financial regulation in Australia. Earlier he served as a Commissioner of the Australian Securities and Investments Commission, and Secretary-General of the International Organisation of Securities Commissions (IOSCO).



Daniel Heller

Non-executive member of the Board

Mr. Heller is a digital currency and FinTech specialist. He was responsible for financial stability at the Swiss National Bank, was the Head of the Secretariat of the Committee on Payment and Settlement Systems at the Bank for International Settlements, and Executive Director for Switzerland, Poland, Serbia, Azerbaijan, and four Central Asian republics (including Kazakhstan) at the International Monetary Fund.



Dr. Akash Deep

Non-executive member of the Board

Dr. Akash Deep is a Senior Lecturer in Public Policy at Harvard University's John F. Kennedy School of Government. He served as a Senior Economist at the Bank for International Settlements in Switzerland and as a consultant and expert for the World Bank, the International Finance Corporation, the United Nations, the European Bank for Reconstruction and Development, the Asian Development Bank, the Inter-American Development Bank, and the International Centre for Settlement of Investment Disputes.



Masood Ahmed

Non-executive member of the Board

Masood Ahmed is the President of the Center for Global Development. Prior to that, he held several positions in the International Monetary Fund, served as a Director General for Policy and International Development at the UK Government's Department for International Development. Mr. Ahmed also held various positions at the World Bank.



Marc Holtzman

Non-executive member of the Board

Marc Holtzman is the Chairman of the Bank of Kigali, a member of the Board of Directors of TeleTech, the world's leading service provider of technology and analytics, and member of the Board of Directors of FAT Brands, the global franchisor of leading restaurant brands. Previously Mr. Holtzman held different senior executive positions in Kazkommertsbank, Meridian Group and served as Executive Vice-Chairman of Barclays Capital and as Executive Vice-Chairman of ABN Amro Bank.



Dr. Iain Saville CBE

Non-executive member of the Board

Dr. Iain Saville is the Chairman of the Risk Committee of European Central Counterparty N.V. For 20 years he worked in the Bank of England, for 5 years he served as an independent Advisor and Director of the European Central Bank on the design and delivery of the EU's securities settlement system, TARGET2. Previously, he was the founder and CEO of CREST (UK-based central securities depository), and an executive Director of Computershare.



Zere Seidimbek

Non-executive member of the Board

Chief Internal Policy Officer of the AIFC Governor's Council. Earlier, she was responsible for the development of the AIFC regulatory framework and establishment of the Astana Financial Services Authority. Previously she held senior executive positions at the Development Bank of Kazakhstan, Kazakhstan Public-Private Partnership Centre, and Q-BRO (subsidiary company of the National Bank of Kazakhstan).

AIFC COURT



The Rt. Hon. Lord Woolf CH

Chief Justice of the AIFC Court

"The AIFC Court provides a common law court system for the first time in Eurasia. It operates to the highest international standards to resolve civil and commercial disputes in the AIFC. It has exclusive jurisdiction over disputes arising out of the activities and operations of the AIFC and jurisdiction in the case of other disputes in which all parties agree in writing to give the AIFC Court jurisdiction."

On 1 January 2018 the independent AIFC Court and International Arbitration Centre (IAC) at the AIFC became operational.

The AIFC Court is the first common law court system of its kind in the region. It operates under the highest international standards to resolve civil and commercial disputes at the AIFC. The AIFC Court does not have jurisdiction to resolve criminal or administrative disputes, but has exclusive jurisdiction over civil and commercial disputes arising between the AIFC participants, AIFC bodies and their expat employees, in relation to operations carried out in the AIFC and governed by the AIFC law, and disputes referred to the AIFC Court by the agreement of the parties.

The AIFC Court is independent in its activities and is not a part of the judicial system of the Republic of Kazakhstan. It consists of a Court of First Instance and a Court of Appeal. In order to ensure the prompt resolution of lower value claims, the Court of First Instance has a special division known as the Small Claims Court.

The decisions of the AIFC's Court of Appeal are final and are not subject to further appeal.

www.aifc-court.kz

Astana International Financial Centre Court

The 70th step of the Nation Plan "100 Concrete Steps" provides for the establishment of the independent court functioning on the principles of English common law within the territory of the Astana International Financial Centre

LEGISLATIVE BASIS

- Constitutional Statute of the Republic of Kazakhstan "On the Astana International Financial Centre"
- Resolution of the AIFC Management Council "On the Astana International Financial Centre Court"
- AIFC Court Rules 2018



COMPOSITION

- Chief Justice of the AIFC Court
 - 8 Judges
 - Registrar and Chief Executive of the Court
- Requirements for the judges:**
- age: must be over thirty years old
 - significant common law knowledge/experience as a qualified lawyer/judge in a common law system
 - good reputation
 - fluent in English



JURISDICTION: COMMERCIAL AND CIVIL DISPUTES

- disputes between AIFC Participants, AIFC Bodies and/or their expat Employees
- disputes relating to activities conducted in the AIFC and governed by the Acting Law of the AIFC
- disputes transferred to the AIFC Court by agreements of the parties
- interpretation of AIFC Acts



STRUCTURE

- Court of First Instance (including the Small Claims Court)
- Final Court of Appeal

AIFC COURT ACTIVITIES

- resolution of commercial and civil disputes within the competence of the AIFC Court;
- strengthening of cooperation with foreign commercial courts;
- conducting seminars, lectures and conferences for the legal community of the Republic of Kazakhstan;
- participation in international events and conferences
- promotion of the AIFC Court in international legal and investment communities;
- integrated IT platform.



ADVANTAGES OF THE AIFC COURT

- judges of unique international repute and professional experience in civil and commercial common law;
- English language in judicial proceedings;
- innovative IT, including the eJustice e-filing system;
- procedural rules based on the principles of judicial proceedings of England and Wales and international best practices;
- wide rights of audience;
- robust enforcement of the AIFC Court decisions in the Republic of Kazakhstan and foreign states in accordance with international treaties (PRC, India, Turkey, UAE, Pakistan, the Russian Federation and other CIS states).



AIFC COURT JUSTICES

The Chief Justice and Justices of the AIFC Court have impeccable reputations and experience in the common law and international best practices and were appointed by the decree of Elbasy, the First President of the Republic of Kazakhstan.



The Rt. Hon. The Lord Woolf CH

Chief Justice of the AIFC Court

Lord Woolf is one of the most influential judges in contemporary British legal history and a global figure on the common law, courts and dispute resolution, and as well as legal education. He was the Chief Justice - President of the Courts of England and Wales, a Non-Permanent Judge of the Court of Final Appeal of Hong Kong and the first President of the Qatar Financial Centre Civil and Commercial Court.



The Rt. Hon. Sir Robin Jacob

Justice, AIFC Court

Sir Robin Jacob has specialist expertise in intellectual property law and commercial law. He previously served as a High Court Judge in the High Court of England and Wales, and as a Lord Justice of Appeal in the Court of Appeal of England and Wales. Sir Robin has been admitted to the Intellectual Property Hall of Fame.



The Rt. Hon. Sir Rupert Jackson

Justice, AIFC Court

Sir Rupert Jackson served as a High Court Judge in the Queen's Bench Division of the High Court of England and Wales. He was the Judge in Charge of the Technology and Construction Court and a Lord Justice of Appeal in the Court of Appeal.



The Rt. Hon. Sir Jack Beatson FBA

Justice, AIFC Court

Sir Jack Beatson was a Judge of the High Court of England and Wales and a Lord Justice of Appeal in the Court of Appeal of England and Wales. He served as the Presiding Justice in Wales. Sir Jack taught law at Oxford University and was the Rouse Ball Professor of English Law at the University of Cambridge



The Rt. Hon. Sir Stephen Richards

Justice, AIFC Court

Sir Stephen Richards has specialist expertise in competition law and regulatory law. He is an Honorary Fellow of St. John's College at Oxford University. He served as a High Court Judge of the High Court of England and Wales and he was the Presiding Judge in Wales. Later he was appointed as a Lord Justice of Appeal in the Court of Appeal of England and Wales and Deputy Head of Civil Justice.



The Rt. Hon. The Lord Faulks QC

Justice, AIFC Court

Lord Faulks QC is a member of the UK House of Lords. He has served as a Minister of State at the UK Ministry of Justice. He has worked as Chairman of the Professional Negligence Bar Association and Special Advisor to the UK Government Department for Constitutional Affairs. He is a member of the Chartered Institute of Arbitrators.



Andrew Spink QC

Justice, AIFC Court

Andrew Spink is joint Head of Chambers and leads the Commercial team at Outer Temple Chambers, a barristers' chambers in London. He was appointed as a Deputy High Court Judge in the High Court of England and Wales and sits regularly in this capacity in the Queen's Bench Division and Chancery Division of that Court.



Thomas Montagu Smith QC

Justice, AIFC Small Claims Court

Thomas Montagu Smith QC practices law as a barrister in London and internationally. He has specialist expertise in international commercial law, arbitration, commercial fraud, insurance and reinsurance, construction, and professional negligence.



Patricia Edwards

Justice, AIFC Small Claims Court

Patricia Edwards practices as a barrister in London and has broad commercial litigation and arbitration experience. She has specialist expertise on urgent interim relief measures, insurance law, aviation, banking, international trade, private international law, and intellectual property. Patricia was appointed to Tiers 1 and 2 of the Lloyd's Arbitration Scheme Arbitrators Panel.



Christopher Campbell-Holt

Registrar and Chief Executive, AIFC Court

Christopher Campbell-Holt has many years of legal experience gained while living and working in the UK, the US, the Middle East, and Eurasia. He was the Registrar at the commercial court and alternative dispute resolution centre in the international financial centre in Qatar under the Presidency of Lord Woolf. He also worked at international and regional law firms and practiced broad international commercial law and dispute resolution. He is Honorary Professor at the M. Narikbayev KAZGUU University, a leading law school in Kazakhstan. He is a member of the AIFC Legal Advisory Council and the AIFC Academic Council. He is a member of the Bar of New York State, Member at the Chartered Institute of Arbitrators, and an accredited mediator of the Centre for Effective Dispute Resolution (CEDR).



INTERNATIONAL ARBITRATION CENTRE

The International Arbitration Centre (IAC) provides an independent, economical and expeditious alternative to court litigation, operating to the highest international standards to resolve civil and commercial disputes in the AIFC. The IAC has its own panel of outstanding international arbitrators and mediators who are greatly experienced, independent, impartial and of the highest integrity.

The IAC offers parties maximum choice and flexibility in choosing the rules and procedures they wish to use for the resolution of their disputes at the IAC. Parties may agree for the IAC to:

- Administer their arbitration according to the IAC Arbitration and Mediation Rules dated 2018. These rules include procedures for expedited arbitrations, the appointment of emergency arbitrators, and the resolution of investment treaty disputes;
- Administer their arbitration according to United Nations Commission on International Trade Law (UNCITRAL) or ad hoc arbitration rules;
- Carry out mediations according to the IAC Arbitration and Mediation Rules or ad hoc mediation rules, agreed upon by the parties;
- Provide other forms of alternative dispute resolution.

The IAC is an appointment authority, offering the appointment of arbitrators and mediators from the IAC panel, for arbitrations and mediations conducted at the IAC or elsewhere.

Arbitration awards of the IAC are enforceable in the Republic of Kazakhstan as a robust enforcement system supports the AIFC Court orders. They are also enforceable internationally under the New York Convention. The procedures and standards at the IAC provide the latest world class efficient administration and will be familiar to users of arbitration and mediation services in major financial centres around the world.

The IAC panel consists of 30 international arbitrators, 18 of whom are available as mediators (representatives from the European Union, Hong Kong, Japan, India, Kazakhstan, Russia, Singapore, United Kingdom, Ukraine and the USA). The panel includes leading international arbitrators who have many years of experience in arbitration in the areas of Islamic finance, banking, intellectual property law, subsoil use, trade, oil and gas, construction, energy, and other areas of commercial law.

www.aifc-iac.kz

International Arbitration Centre

The 24th step of the Nation Plan «100 Concrete Steps» provides for the establishment of the International Arbitration Centre within the territory of the Astana International Financial Centre.



JURISDICTION

The International Arbitration Centre arbitrates disputes based on an arbitration or a mediation agreement between the parties.

MANAGEMENT

Chairman – overall management.
Registrar and Chief Executive – Day to day administration and case management.

LEGISLATIVE BASIS

- Constitutional Statute of the Republic of Kazakhstan «On the Astana International Financial Centre».
- Resolution of the AIFC Management Council «On the International Arbitration Centre»
- IAC Arbitration and Mediation Rules 2018

ARBITRATION AND MEDIATION RULES

They are based on the most modern and efficient international standards to meet modern requirements of international and regional trade, including provision of investment arbitration, appointment of emergency arbitrators and an expedited procedure.

SERVICES

- Administering of arbitration disputes according to the Arbitration and Mediation Rules of the International Arbitration Centre 2018, provided the parties agree that such shall apply. These rules include procedures for expedited arbitrations, the appointment of emergency arbitrators, and the resolution of investment treaty disputes;
- Administering of arbitration disputes according to the UNCITRAL Model Rules, and ad hoc rules agreed by the parties.
- Administering mediations according to the IAC Arbitration and Mediation Rules or ad hoc mediation rules.
- Administering of other forms of alternative dispute resolution by agreement of the parties.
- Fundholding for arbitrators' fees and the holding and disbursing of advances paid to cover the reasonable costs of the IAC's own services and facilities.
- Appointment authority, offering the appointment of arbitrators and mediators from its panel, for arbitrations and mediations conducted at the IAC or elsewhere.
- Permanent state of the art administrative facilities, including first class IT, conference, meeting, and hearing rooms at "IAC Chambers" which will be located at the IAC EXPO-2017 Astana premises.



ACTIVITIES

- settlement of disputes through arbitration, mediation, and other mechanisms of alternative dispute resolution;
- strengthening of cooperation with international arbitration institutions;
- holding of seminars, lectures and conferences for the legal community of the Republic of Kazakhstan;
- participation in international events and conferences;
- promotion in international legal and investment communities;
- integrated IT-platform.

ADVANTAGES OF ARBITRATION AND MEDIATION IN THE AIFC

- arbitrators and mediators of international level with impeccable reputation and wide professional experience;
- modern IT-solutions including those for remote dispute resolution;
- maximum opportunity of choice to parties for arbitration rules including the IAC's Arbitration and Mediation Rules 2018, UNCITRAL Model Rules, and ad hoc rules, developed by the parties;
- enforcement of IAC's awards in the Republic of Kazakhstan in the same way and on the same terms as awards of other arbitration centres in Kazakhstan and enforcement abroad in accordance with the New York Convention in the territory of 157 foreign states.

In 2018 the AIFC Court and IAC launched and implemented a comprehensive marketing campaign to spread information about the AIFC Court and IAC services among their target audiences, which include business leaders and senior lawyers, national companies and private enterprises, professional associations and bar associations.

The marketing activities had a wide geographical range and included large business centres in the CIS region, Europe and Asia. Face-to-face communication with potential users in Nur-Sultan, Almaty, Baku, Moscow, Tashkent, London, Geneva, Minsk, Hong Kong, Beijing, New York, Stockholm, Vienna and Hague, encouraged users to include the AIFC Court and IAC into their commercial contracts. The AIFC Court and IAC jurisdiction were included in more than 220 contracts.

Following its goal of establishing and developing relations with other courts in foreign jurisdictions, in 2018 the AIFC Court became a member of the Standing International Forum of Commercial Courts.



**Barbara
Dohmann QC**

Chairman of the IAC

"We aim to make the IAC the number one choice for the resolution of civil and commercial disputes by arbitration and alternative dispute resolution in the Eurasian region."

Barbara Dohmann QC has been one of the UK's leading commercial barristers and an international arbitrator for many years. She began her practice at the Bar of England and Wales in 1973 and was appointed Queen's Counsel in 1987. She is a member of the London Court of International Arbitration. She has been appointed as arbitrator at the LCIA, at the London Metal Exchange (where she is an Arbitration Appeals Panel member), at the Paris International Chamber of Commerce, and at the Hong Kong International Arbitration Centre. She is an accredited Mediator at the Centre for Effective Dispute Resolution (CEDR).

In addition to a large-scale awareness campaign, the AIFC Court and IAC in cooperation with the AIFC Bureau for Continuing Professional Development organised a pilot programme of legal education for Kazakh judges, lawyers of local and international law firms, as well as law students and law faculty members. The programme included lectures from the distinguished AIFC Court Justices, and training programmes delivered by professors from Cambridge University, University College London, and the Centre for Effective Dispute Resolution (CEDR). The AIFC Court and IAC First Mock Trial Final ("Moot") was the final stage of the educational programme of the AIFC Court and IAC in 2018.

In February 2019 the AIFC Court and the IAC officially launched their new eJustice system, which is the first of its kind in Central Asia. The system was developed by the AIFC Court and the IAC alongside its partner – CrimsonLogic, a Singaporean software developer.



**Christopher
Campbell-Holt**

Registrar and Chief Executive, IAC

Christopher Campbell-Holt has many years of legal experience gained while living and working in the UK, the US, the Middle East, and Eurasia. He was the Registrar at the commercial court and alternative dispute resolution centre in the international financial centre in Qatar under the Presidency of Lord Woolf. He also worked at international and regional law firms and practiced broad international commercial law and dispute resolution. He is Honorary Professor at the M. Narikbayev KAZGUU University, a leading law school in Kazakhstan. He is a member of the AIFC Legal Advisory Council and the AIFC Academic Council. He is a member of the Bar of New York State, Member at the Chartered Institute of Arbitrators, and an accredited mediator of the Centre for Effective Dispute Resolution (CEDR).

ORGANISATIONS OF THE AIFC BODIES:

ASTANA INTERNATIONAL EXCHANGE

The Astana International Exchange (AIX) has been established in order to create a new modern infrastructure for the country's stock market. AIX operates within internationally recognised regulatory framework to ensure transparency, investor protection, and confidence.

The AIX partners are Shanghai Stock Exchange, Goldman Sachs, the Silk Road Fund, and Nasdaq, which provides the AIX with the latest technologies for trading and market research. The partnership with the Shanghai Stock Exchange contributes to increased liquidity at the market and has become the basis for the participation of the AIFC platform in the framework of the Chinese Belt and Road Initiative.

AIX provides a complete business cycle ensuring trading, clearing and settlement institutions, registration of data transfer, and IT services. AIX expands outreach to a promising Eurasian market for the global investment community and countries of the continent, with access to global capital markets and the possibility of attracting new investments.

The AIX is defined as the main platform for the Comprehensive Privatisation Plan. In November 2018 Elbasy, the First President of the Republic of Kazakhstan Nursultan Nazarbayev officially launched the first trading of securities at the AIX site – the IPO of the world's largest uranium producer Kazatomprom. Joint work to launch IPO/SPO of the national companies of the Sovereign Wealth Fund "Samruk-Kazyna" is being actively pursued.

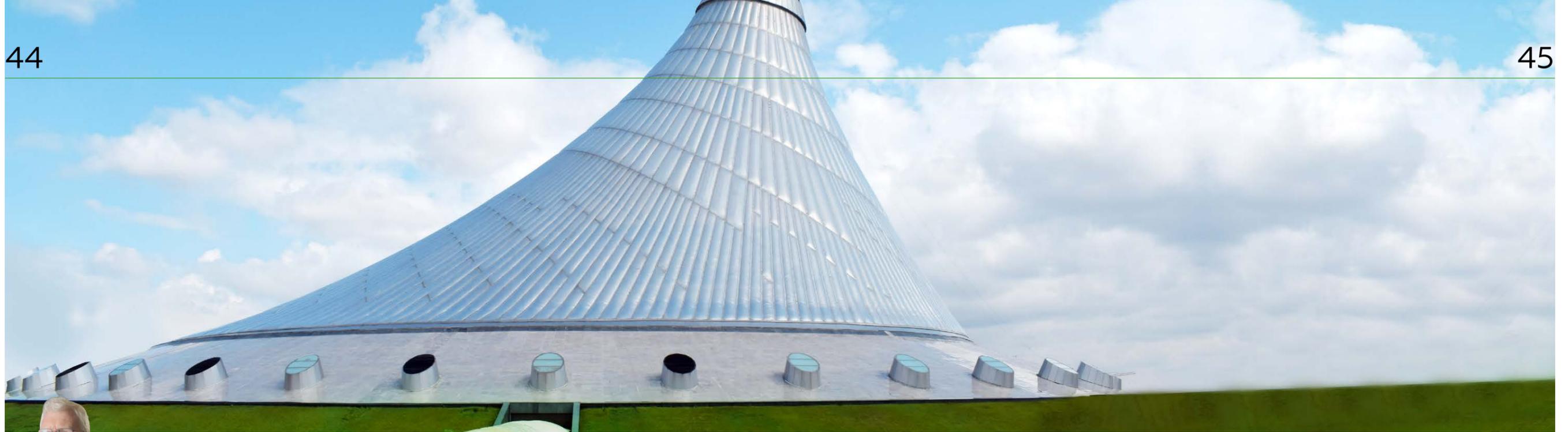
AIX plans to provide a marketplace to finance infrastructure projects. A special exchange sector AIX Belt and Road Market has been created to provide different mechanisms of fund market to finance Belt and Road projects. The AIFC plans to become a regional

hub of the given initiative, which covers about 123 world countries, 29 international organisations, 60 countries with a total population of over 4 billion people.

At the AIX site securities can be nominated in four currencies (KZT, RUB, USD and RMB). The securities of the following issuers were listed at the AIX in 2018: Eurobonds of the Ministry of Finance of the Republic of Kazakhstan, ordinary shares and global depository receipts of Kazatomprom and corporate bonds of Kazakhstan Temir Zholy. In doing so, four companies conducted a private issuance of debt securities on the AIX, including issuance of coupon bonds of Kazakhtelecom. In addition, securities of the companies Shubarkol Komir and Kazchrome are included in the Pre-IPO category. As of June 2019, AIX trading members have totalled 18 companies, including the two largest brokers in China and Wood & Co, a leading investment bank focused on emerging markets. The two custodian banks, Sberbank and Bank CenterCredit, have become members of the Central Depository of Securities of the AIX. In 2018 the Central Depository opened accounts for more than 60,000 investors.

In February 2019 the United Kingdom's HM Revenue and Customs (HMRC) granted the AIX 'recognised stock exchange' status. At present the AIX is the only stock exchange in Central Asia that has received this recognition from the HMRC. This status allows the holders of securities traded on the 'recognised stock exchange' to have favourable treatment in accordance with UK tax law, provided their individual circumstances and conditions are applicable within the law.

www.aix.kz



Timothy Bennett

CEO of AIX

Prior to his appointment, Mr. Bennett was the CEO of the New Zealand Stock Exchange (NZX), a licensed operator of the securities and derivatives markets. Mr. Bennett headed NZX through a period of significant organisational and regulatory changes, including the replacement and upgrading of NZX's trading and clearing systems, and the launch of 23 ETFs through NZX Funds Management. During his time at the NZX site, the New Zealand government privatized several state-owned enterprises. Prior to joining NZX, Mr. Bennett was a Partner with Oliver Wyman and the Boston Consulting Group in Asia. His consulting experience includes the development of strategies and a capital market for Asian and Middle Eastern countries, as well as the development of markets for derivatives trading, primarily iron ore.

"We achieved many important milestones in AIX's first year: creation of a regulatory environment familiar to international investors, fully operational global standard infrastructure, an ecosystem of local and international brokers, a platform for successful IPO of the first national company, Kazatomprom, which was listed within the state privatisation programme. There was significant interest shown by local and international investors in Kazatomprom which resulted in greater level of liquidity than we expected. We have created a world-class exchange in less than a year, and we will continue working on further development of the capital markets in Kazakhstan and the region in the future."

AIX BUSINESS RULES

1. General Business Rules
2. Code of Conduct and Governance Rules
3. Membership Rules
4. Prospectus Rules
5. Markets Listing Rules
6. Audit Committee Rules
7. Admission and Disclosure Standards
8. Market Disclosure Rules
9. Trading Rules
10. Clearing and Settlement Rules
11. Default Rules
12. Monitoring and Enforcement Rules (including Disciplinary Rules)
13. Green Bonds Rules
14. Belt and Road Market Rules

Polymetal becomes first foreign issuer to list on the Astana International Exchange

Polymetal is one of the top twenty world gold producers and the top five world silver producers. The company's portfolio includes 9 production assets and 3 large development projects in Russia and Kazakhstan. Shares of the large Russian mining company Polymetal were included in the official list of the AIX in April 2019, secondary trading of which took place in the same month. The demand for Polymetal shares exceeded expectations - investors purchased 1.69 million shares in the amount of USD 17.2 million, while the total trading volume amounted to USD 17.3 million.



Kairat Kelimbetov

AIFC Governor

"This listing is a sign of high confidence and trust of a large issuer, recognized at the international level, to the investment potential of Kazakhstan, to the jurisdiction of the AIFC, as well as technological capabilities and AIX infrastructure. Obviously, this trust is based on work experience in our country and will serve as an example for other medium and large companies - potential AIX issuers."



Liu Shaotong

Executive Vice President of Shanghai Stock Exchange

"2018 has been a remarkable year for AIX with fruitful results. AIX successfully commenced its first IPO in November 2018. I would like to express my sincere congratulations to the excellent achievements that the entire team of AIX has accomplished. 2019 will be a year of challenges and opportunities. I firmly believe that we can build AIX into an attractive exchange in Central Asia and better support the development of the entire economy."



Timothy Bennett

CEO of AIX

"We are very pleased to welcome the first foreign issuer on Astana International Exchange. Listing on our platform gives Polymetal an opportunity to diversify its investor base and raise its profile with investors in the region of Central Asia."

"The first day of trading in Polymetal shares demonstrated high demand in securities of the company that provide exposure to the economy of Kazakhstan. Today demonstrates that AIX's platform which combines an internationally accepted regulatory standards and a modern technology infrastructure can attract international issuers and connect them with local and regional investors."



Vitaly Nesis

CEO of Polymetal

"This listing is an appropriate milestone to mark Polymetal's first decade in Kazakhstan. The AIX listing should make our stock more attractive and accessible for domestic investors while giving us better visibility in Kazakhstan and providing an opportunity to broaden our shareholder base."



Nurlan Kussainov

Chairman of the Board of Directors



Timothy Bennett

Member of the Board of Directors

AIX BOARD OF DIRECTORS



Liu Shaotong

Member of the Board of Directors



Temirlan Mukhanbetzhanov

Member of the Board of Directors



Dr. Jonathan Easton

Independent Member of the Board of Directors



Martin Joseph (Chip) Dempsey

Independent Member of the Board of Directors



Maxat Kabashev

Independent Member of the Board of Directors

EXPAT CENTRE

The AIFC Expat Centre (AEC) has been created in order to provide foreign citizens with favourable conditions for entry and stay, with the easiest possible adaptation and overall social integration in Kazakh society.

The AEC provides the AIFC international business partners, staff and other foreign citizens arriving in Kazakhstan with centralized access to a wide range of government and non-government services rendered in English on the one-stop-shop principle.

A unique migration and visa regime adopted for the goals of the AIFC provides preferences and significantly optimizes the current system:

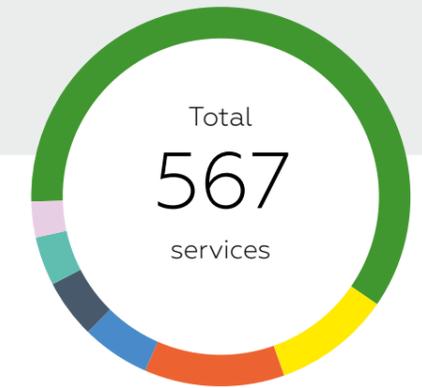
- Citizens of 45 countries (including OECD countries, Malaysia, Monaco, the UAE and Singapore) are granted the right to a visa-free entry to Kazakhstan for the period of up to 30 days
- AIFC participants are granted the right to attract a foreign workforce without needing to obtain work permits for them
- Work visas at the invitation of the AIFC bodies and participants are now issued for up to five years;
- Simplified visa procedures.

SERVICES OFFERED BY THE AEC:

- Visa-migration and related services (only for Kazakhstan visas)
- Taxpayer registration and other services of tax authorities (including obtaining an individual identification number (IIN))
- Electronic digital signature (for access to e-government services)
- A wide range of public services (more than 500)
- Notary and translation services
- Document photo station service
- Payment terminals
- Call-centre services
- Other social and everyday services (assistance in finding accommodation, educational institutions, medical centres, insurance companies, logistics companies, etc.).

www.xpataifc.kz

Services provided by the Expat Centre in 2018



B1/B3 business visa	341	60%
C3 work and dependant visa	58	10%
IIN	73	12%
Notary/translatory	32	6%
B2 business visa	27	5%
EDS	20	4%
Registration	16	3%



BUREAU FOR CONTINUING PROFESSIONAL DEVELOPMENT

The AIFC Bureau for Continuing Professional Development (BCPD) is a centre for professional development, responsible for human capital growth.

The Bureau seeks to create a critical mass of highly qualified and educated specialists in the region, by granting opportunities for the professional development and improving qualifications of domestic specialists.

The main areas of the Bureau are programmes for investment and financial literacy within the strategic focus areas of AIFC, including capital markets, Islamic finance, financial technologies, asset management and private banking.

The plan of the Bureau is to provide retraining to over 5,000 local specialists until 2020 in 20 professional areas, with the implementation of international certification development programmes on the basis of professional skills. For more than two years the Bureau has retrained more than a thousand specialists in the following programmes:

CFA® Chartered Financial Analyst

Chartered Financial Analyst® is a professional diploma awarded by the CFA Institute, which assesses the competence and integrity of financial analysts.

FRM® Financial Risk Manager

The Financial Risk Manager certification is recognised worldwide and is the most respected certification for financial professionals and risk managers. The programme covers a wide range of topics related to risk management, investment management, financial analysis, assets, bonds and derivatives.

ACCA® The Association of Chartered Certified Accountants

The Association of Chartered Certified Accountants

is the largest and fastest growing qualification in the world. There are 208,000 members and 503,000 students in 181 countries. ACCA offers professional financial qualifications that help to acquire the necessary knowledge and competencies that meet the requirements of employers, and build a successful career in finance, accounting, auditing and management in almost any country in the world.

SPHRi® Senior Professional in Human Resources International

Senior Professional in Human Resources - International is a program for international HR Leaders. It validates senior-level HR competency and mastery of generally accepted HR principles in strategy, policy development and service delivery in a single international setting.

PHRi® Professional in Human Resources International

PHRi® - is for international practitioners, and validates professional-level competency, knowledge and skills to help to propel an HR career forward.

IFQ CISI® The Islamic Finance Qualification

The Islamic Finance Qualification (IFQ) from the Chartered Institute for Securities & Investment (UK) programme is a global qualification that covers Islamic finance from both a technical and a Shariah perspective, providing the first international benchmark in the area of Islamic finance. AIFC BCPD is an exam centre for this qualification.

ADIF BIBF® Advanced Diploma in Islamic Finance

The Bahrain Institute of Banking & Finance Advanced Diploma in Islamic Finance is a distance learning course with online seminars consisting of six modules. The ADIF offers a postgraduate diploma-level qualification addressing the needs of both Islamic and conventional financial institutions providing Islamic banking services and products. AIFC BCPD is an exam centre for this qualification.

PCIF INCEIF® Professional Certificate in Islamic Finance

The Professional Certificate in Islamic Finance (PCIF) is developed to cater for finance industry professionals who wish to gain knowledge in certain areas, in concise

yet thorough curriculums. There is an opportunity to choose from one of the four specialisations offered in PCIF programme: Islamic Capital Market; Shariah for Islamic Finance; Islamic Banking and Islamic Wealth Management. AIFC BCPD is an exam centre for this qualification.

CIPA AAOIFI® Certified Islamic Professional Accountant

Certified Islamic Professional Accountant is one of the two flagship qualifications of AAOIFI. It is the only internationally-recognised qualification in accounting for Islamic financial institutions, catering to all banking, investments and Takaful segments. CIPA is for professionals, executives, as well as for students who are currently involved, are studying for or have interest in accounting, auditing and finance, especially for the Islamic banking and finance industry, such as: accountants and auditors, Shari'ah auditors, Islamic finance practitioners, bankers and professionals, undergraduate or graduate students aspiring for an accounting career in Islamic banks. AIFC BCPD is an exam centre for this qualification.

In order to develop human capital in Kazakhstan AIFC BCPD has implemented a system of conditional grants, which provides cost reimbursements for international certifications and trainings. More than 200 professionals have received these grants.

AIFC BCPD also helps universities to develop academic programmes based on international certifications, as well as providing teaching staff with an opportunity to retrain to international standards Train-of-Trainers. In 2019 the Bureau plans to launch centres in nine partner universities.

The Media Centre, which is part of the Bureau, is responsible for promoting the Bureau's activities. More than 60 events, including the conferences Astana Finance Days, Islamic Finance Week, Be-A-Pro, World Investor Week Bureau Professional Days were organised in 2018.

There is also a Career Centre, which brings together a reserve of over 6,000 talented specialists. The objective of the Career Centre is to recruit highly qualified personnel into the AIFC structures and participant companies.

The Bureau carries out training sessions and exam preparations for international certifications in areas such as accounting and audit, financial risk management, HR, marketing, cyber security, mediation, project management and others. The main partners of Bureau are ACCA Global, CFA Institute, HRCI, CEDR, PMI, etc.

www.aifc.edu.kz





**Professor
Alexander
Van de Putte**

Chief Strategy Officer of the AIFC
Governor's Council, Chairman of
the AIFC Academic Council

"The vision of the Astana International Financial Centre (AIFC) is to become the leading international financial centre in Kazakhstan and the region. To achieve this medium to longer-term objective, human capital development is crucial and the AIFC Bureau for CPD aims to contribute to reaching the strategic benchmarks of the state's human capital development.

Given our initial success in providing the professional qualifications in the field of accounting, finances, jurisprudence and human resource managements, as well as the market demand, we decided to increase the list of programmes by introducing the programmes on technologies and corporate governance. The fourth industrial revolution has begun, and corporate governance is a key component of stable business growth."



**Tolkyn
Takishova, CFA**

Director of Belt Economics,
AIFC Authority

"The advantage of the Bureau is that it has a clear vision and understanding of the whole process: why, for whom and how to implement the continuous professional education.

The Bureau is a link connecting all interested parties: employers, specialists, trainers and international certification centres. Also, unlike other commercial centres helping to prepare for similar exams, the Bureau reimburses all the expenses upon passing an exam, which is a great incentive and a great help for all young professionals.

The Bureau trainers are altogether: teachers, mentors and friends. The opportunity to listen and ask questions to the person from the industry is much more useful than to a teacher with only theoretical knowledge.

All Bureau trainers are practitioners who have had experience or continue to work in the field they are teaching. The Bureau's approach is different from the traditional "lecturer-student" approach, and friendly atmosphere makes the study process much easier.

It is also worth mentioning that the trainers of the Bureau are the holders of international certificates themselves who have gone through the same preparation process and the same difficulties that all candidates face. Therefore, they are the ones who can share the experiences of the candidate, give the right advice and direction."

FINTECH HUB



**Marion
Le Bruchec**

Business Development Vice-president,
EMEA Director (Europe, Middle East,
Africa) of Global Association of Risk
Professionals (GARP)

"It is important to not only to pass exams or get certified, but to take the path of continuous professional development. We have a lot of information and educational content for the members of the Association, and I think that the AIFC Bureau also takes an active position in inspiring specialists to keep developing."



**Steve
Wallace**

CFA® Institute Director
for Institutional Partnerships
in EMEA (Europe,
Middle East, Africa)

"The AIFC Bureau has a key role in developing human resource capacities and key competencies of market specialists in light of the progressing infrastructure of the Astana International Financial Center, based on the principles of professionalism, ethics and partnership."



**Assel
Mussagul, FRM**

"First of all, the courses from the AIFC Bureau gave me a huge amount of professional communications and contacts. Due to the fact that courses are attended mainly by practitioners in the field of risk management, various kinds of discussions of topical issues in the financial sector took place during the training. Secondly, the courses taught me certain techniques of training and passing tests, as well as critical thinking and a proper understanding of the issues. Thirdly, a large amount of information and practical tasks on the courses have made a significant contribution to the successful passing of the exam. The level of teaching quality and lecturers is very high, due to the fact that the teachers themselves have successfully passed the FRM exam and have tremendous experience in risk management. I am grateful to the AIFC Bureau for comprehensive support in preparing for the FRM exam, and in obtaining the desired certificate."

The AIFC FinTech Hub creates favourable conditions and high-quality infrastructure for the development of the financial technology market. The Hub aims to unite all regional participants in the financial technology market to introduce and stimulate new products, create a single market for financial technology providers, increase human capital and know-how, and develop an entrepreneurial mindset among the population. The FinTech Hub aims to attract start-ups from around the world, entrepreneurs and international investors, industry experts and highly qualified specialists, which in turn will help develop a more mature, diversified and developed investment market in Kazakhstan, providing a range of opportunities for venture capital funds and financial institutions. As part of creating global bridges with international FinTech communities and building strategic relationships with key international financial tech players, relationships with key local, regional, and international players of the ecosystem of financial technologies are being developed. A collaboration platform for beneficial cooperation is being created not only through the implementation of joint projects, exchange of technologies and talents, and information exchange, but also promotion of local projects and programmes.

The partnership is built through the creation of FinTech bridges with regions including Asia, Europe, the Middle East and the CIS, as well as participation in key FinTech events around the world. The AIFC FinTech Hub participated in international exhibitions, such as Singapore FinTech Week (November 2018) and Istanbul FinTech Week (April 2019), where the FinTech Hub also showcased 9 successful start-ups from Kazakhstan. Partnerships were built with the hubs and FinTech organisations of Singapore, Dubai, Hong Kong, Istanbul and some countries of Central Asia.

One of the common initiatives concerning development of professional personnel is the launch of a series of free online courses on financial technology in cooperation with the University of Hong Kong, which will be interesting to students and the young generation not only in Kazakhstan, but for the whole region of Central Asia.

Partnership agreement was concluded with the Centre of the Fourth Industrial Revolution of the World Economic Forum (WEF C4IR), a hub for global, multi-stakeholder cooperation to develop policy frameworks and advance

collaborations that accelerate the benefits of science and technology.

An essential part of the FinTech Hub is to support FinTech start-ups. Thus, in 2018, AIFC conducted an accelerator programme FinTech Stars, aimed at the development of the spheres of FinTech, e-commerce and insurance, the purpose of which was to involve start-up companies at the stage of development from Kazakhstan, and countries of near and far abroad. Partners from Google, Telr, ChocoFamily, Qazkom, Kcell, MasterCard Kazakhstan, 500 start-ups, Calcey Technologies and Digital Ventures were brought in to act as mentors. About 150 fintech projects were chosen, and the 10 best companies and start-up projects (six local and four international) were named as winners, each receiving USD 20,000 each as an investment, as well as the opportunity to work with the accelerator team, access to webinars and seminars, free access to technical solutions from Seedstars partners, and the opportunity to speak to investors and launch joint projects.

The AIFC has become a partner of Visa and a co-organiser of the Visa Everywhere Initiative in Kazakhstan and Central Asia. The Visa Everywhere Initiative is a global visa programme to support start-ups, with the goal of promoting innovation and business projects that help solve local market challenges and create new consumer products and services.

The contest received a positive response from the financial, IT and FinTech community: the competition was supported by the largest companies in Kazakhstan, from which more than 30 specialists and top managers expressed willingness to be mentors and consultants for FinTech start-ups.

The selection of start-up projects is conducted in six nominations: financial literacy, financial services for individuals, financial services for small and medium-sized businesses, new technologies and products in insurance, B2B services for the financial sector, and mobile financial services.

www.fintech.aifc.kz

GREEN FINANCE CENTRE

The Green Finance Centre promotes the AIFC as a hub for green financing in Central Asia and Eastern Europe, offering strategic solutions for governments, financial institutions and enterprises, including help in launching innovative green bonds in Kazakhstan and Central Asia.

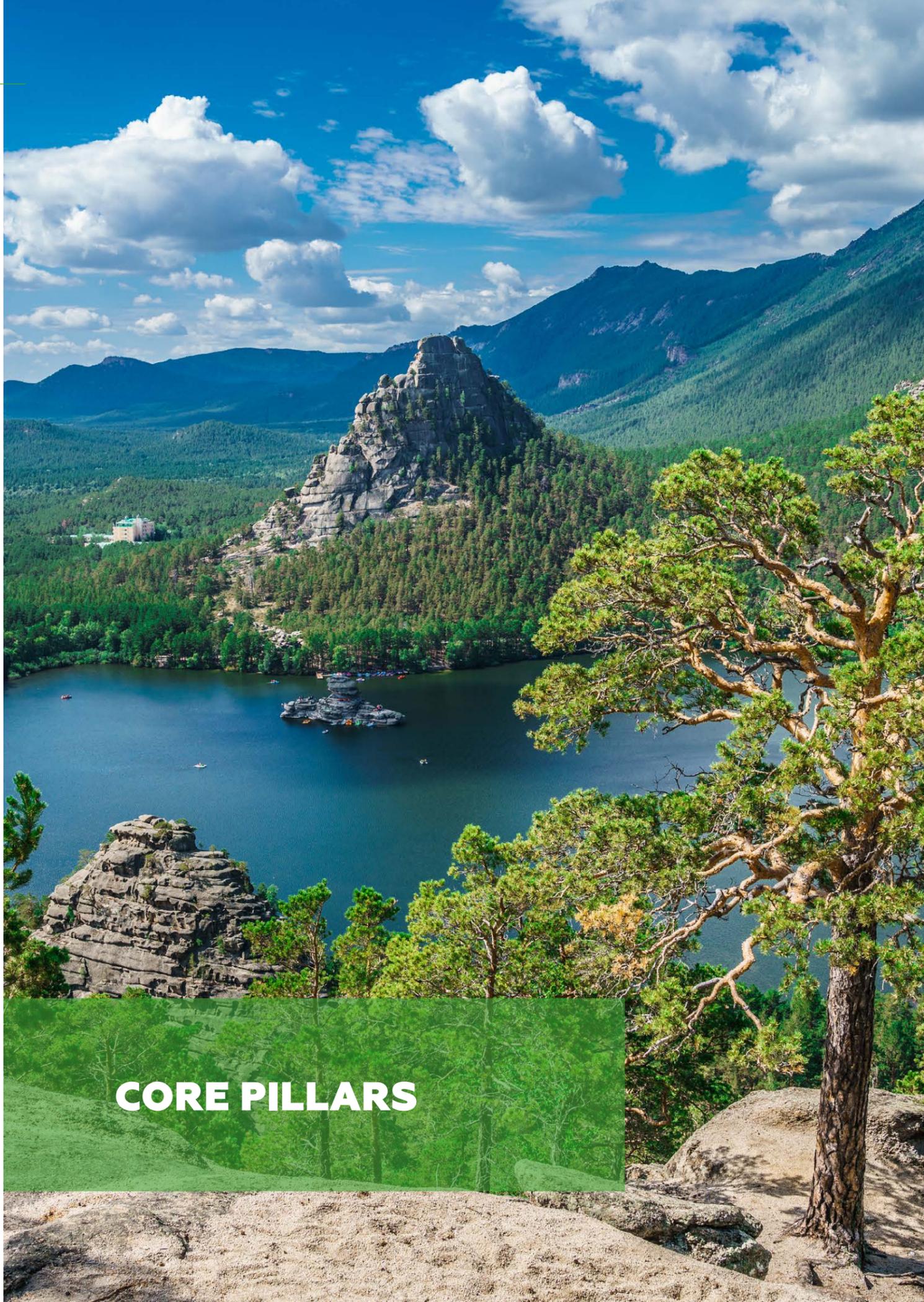
KEY ACTIVITIES OF THE CENTRE:

- Facilitating the introduction of green finance instruments in Kazakhstan
- Development of green finance instruments and their management principles by different market participants, including development institutions, commercial banks, funds, etc.
- Project support, including preparation for issuing green bonds
- Specialist training, training sessions and certification of green finance specialists
- Roster management for international financial institutions that provides green projects with grants and other funds.

www.aifc.kz

DIRECT INVESTMENT FUND

In order to increase the number of foreign investments into the non-commodity sector of Kazakhstan's economy and to provide investors with support throughout all stages of the investment process, the "Kazakhstan Investment Development Fund" and its management company were created on the site of the AIFC. The fund is sovereign, which attracts investments on the principle of co-investing in breakthrough projects in the manufacturing sector. The manufacturing industry, agro-industrial sector and infrastructure projects (energy, transport, logistics, IT, etc.) are identified as the top priority non-commodity sectors for investment.



CORE PILLARS

The core pillars of the AIFC's development have been determined based on the best practices and experience of established international financial centres, in capital markets, asset management, private banking, financial technologies, Islamic finance and green finance.

CAPITAL MARKET

With rapid economic growth and highly attractive IPOs/SPOs for investors in Central Asia and the EAEU, there is an increasing need for a liquid and efficient regional stock market. Therefore, the development of the capital market is one of the major and most significant priorities of the AIFC. The primary objective is to create a significant alternative to the banking system and to develop a liquid and well-balanced capital market with a broad range of financial instruments.

The Astana International Exchange is a regional platform for participants that attracts great financial inflows and connects the world's leading market players in the East and West via its main partners – the Shanghai Stock Exchange, Nasdaq, Goldman Sachs, and Silk Road Fund. The AIX is a high-tech, innovative and efficient platform that provides services based on international standards, increases trading volume and revenue, as well as long-term expansion into new asset classes and revenue diversification.

The AIX's main priority is to create a "familiar environment" for investors: a regulatory environment that is similar to other international jurisdictions, a technology platform with industry standard protocols that connects the AIX with the global investors and a group of brokers, which makes a link between domestic and foreign investors.

Nowadays, AIX has all the necessary components to function in full and conduct its first listings and IPOs, which AIX successfully demonstrated during the launch of trading for the national company Kazatomprom.

ASSET MANAGEMENT

The development of the asset management market is integral to any successful financial centre, and the AIFC leverages its geographical position to provide international investors with access to markets in Central Asia. The AIFC opens opportunities for global and local private equity, as well as hedge funds and real estate funds to add diversity to their portfolios. Thus, localizing leading international asset management companies through the efficient use of Sovereign Funds along with strengthening internal expertise in the area, can

establish Nur-Sultan as the main regional centre for asset management and help boost the competitiveness of the Kazakh economy on the global market.

The AIFC has key advantages in acting as a regional centre for asset management. These include legislation based on common law principles, a favourable tax climate, independent currency regulation, access to Islamic and green finance, as well as economic and political stability.

The AIFC has every chance of becoming a leading jurisdiction for regional investment funds by offering a world-class legal and regulatory framework and cost-efficiency benefits. The AIFC considers such global trends as developing legislative regulation and investor disclosure requirements, the growing variety of legal instruments, competition in the field of product innovation and tax preferences, in order to compete with recognized world jurisdictions of fund structures, and meet the requirements of different market players: fund administrators, custody banks, depositaries, transfer agents, management companies, fund distributors and law firms.

PRIVATE BANKING

The AIFC supports the development of the private banking sector along with the development of the asset management market. The Centre creates favourable opportunities for investments by wealthy individuals, and invites private equity and wealth management companies to open their offices in the AIFC. As private wealth management is globally experiencing a shift towards Asia, and as countries with developing economies are drawing more investments and fueling further wealth development, the AIFC aims at positioning Nur-Sultan as a main regional wealth management hub in Central Asia for the CIS, EAEU and other parts of Asia. The AIFC provides a favourable and reliable regulatory framework that is based on the positive experience of the world's leading private equity management centres, that is leveraged on the positive global experience of the world's leading wealth management centres such as Switzerland, Singapore, Luxembourg and the UAE. The extensive range of products and services (investment & portfolio consulting, tax & investment planning, asset allocation) are offered in accordance with the best modern practices in private capital management, via such structures as representatives, branches, affiliated companies, services for opening and maintaining accounts for local players.

Development of a favourable environment specialising

in wealth banking services, along with the asset management market, is supposed to become an important pillar of the financial centre. The AIFC creates a new fully functional marketplace platform for private banking services to better serve the needs of local and foreign private clients and family offices of the region. With the growth in assets of wealthy families the need in the field of integrated private wealth management, in expanding the range of banking services for wealthy individuals, grows as well.

FINANCIAL TECHNOLOGIES

With its modern infrastructure, flexible regulations, easy communication environment and legal transparency, the AIFC is well positioned to attract tech companies and become a regional FinTech hub with flexible regulation. The introduction and development of the relatively new FinTech aspect allows to reduce the cost of traditional financial services, facilitate an expanded integration with global markets and accelerate the development of the local financial system.

Considering the transformations of the global financial system that uses innovative technologies, the AIFC has launched a number of initiatives that will help the region to seize the opportunities offered by FinTech.

A legal regime has been launched by the AIFC to test new FinTech products in a light Regulatory Sandbox regime, along with a specialised regulatory environment (the FinTech Lab), which allows companies to offer their innovative financial services in a safe environment, without the full burden of regulatory requirements.

The main objectives of the Regulatory Sandbox are to promote competition by removing unnecessary regulatory barriers to bring financial innovations to the market, ensure appropriate consumer protection safeguards, reduce potential risks in financial innovations by adapting existing risks, and to build a more efficient and stronger regulatory framework. Currently, the Astana Financial Services Authority has adopted the regulatory framework of the AIFC in the sphere of private electronic currencies (cryptocurrencies) and private placement of securities.

However, in the near future it plans to introduce amendments into the AIFC Acts on the regulation of crowdfunding activities, which is aimed at providing access to alternative forms of financing for small and medium-sized businesses.

At the same time, the goals of the FinTech Lab are to simplify access to investments, create a legislative basis

for new products/business models, eliminate ineffective legal norms, and ensure appropriate measures to protect consumers and investors.

The FinTech Lab allows companies with licenses from foreign jurisdictions to test regional markets with a minimum amount of resources through step-by-step compliance with the AIFC regulatory requirements, and to test new unregulated financial services and technologies in real time with existing customers.

ISLAMIC FINANCE

Kazakhstan is an attractive platform for the development of Islamic finance in the region. The AIFC plans to become a regional Islamic finance hub for the countries of Central Asia and the CIS by providing a special infrastructure, legal and tax regime, as well as opportunities for professional development.

Working closely with the Asian Development Bank (ADB), the AIFC has created a favourable legal and regulatory environment for Islamic finance and banking, takaful and the Islamic capital market. For the further development of Islamic finance legislation, representatives of the AIFC joined the Technical Committee of the Islamic Financial Services Board (IFSB), as well as working groups on the development of IFSB standards.

With the technical assistance of the Islamic Development Bank (IsDB), the AIFC is working on a Master Plan (Roadmap) of the development of Islamic finance in Kazakhstan.

To promote the AIFC as a regional hub of Islamic finance, the Advisory Council on Islamic Finance (ACIF) and the Central Shari'ah Advisory Board under the AIFC have been established. Their members are the best international experts in the field of Islamic finance.

The AIFC is forming a fully-fledged market for Islamic finance. It has created the conditions for Islamic securities to be issued on the AIX: the issuance of corporate and sovereign Islamic securities (sukuk) are planned. The AIFC registered the first companies operating in the field of Islamic finance, including Islamic Bank, the Waqf Fund Investment Fund, Islamic FinTech organisations, as well as legal and consulting companies.



**Daud Vicary
Abdullah**

Chairman of AIFC Advisory
Council on Islamic Finance

"I am optimistic about the development of Islamic finance in the AIFC. There is a lot of work ahead, the future of the Islamic finance industry in Kazakhstan looks very promising. The development of this area in the AIFC is an important strategic step to promote the development of Islamic finance not only in Kazakhstan but also in the whole region".



**Sheikh
Bilal Khan**

Member of AIFC Advisory
Council on Islamic Finance

"I think it's an opportunity now for Kazakhstan, especially for Nur-Sultan city, to be a regional hub at least for the entire CIS region, if not globally as well".



**Linar
Yakupov**

Member of AIFC Advisory
Council on Islamic Finance

"The AIFC, I believe, is created not only for Kazakhstan. The pilot project of an International Financial Centre being establishing here in Nur-Sultan in Kazakhstan will definitely move our markets to new standards, and will attract more companies from the region to be actively involved in different financial activities. I strongly believe that AIFC is a right and timely initiative, and it's supported by businesses and by financial industries from most CIS countries".



GREEN FINANCE

The decline in world prices for Kazakhstan's staple export items, as well as the task of achieving sustainable economic growth, are the main drivers behind Kazakhstan's low carbon development. In 2016 Kazakhstan ratified the Paris Agreement, committing to reduce CO2 emissions, as well as to take adaptation measures, including the construction of new power plants that operate on renewable energy sources.

In this regard, there was a need in Kazakhstan for investment in clean, energy efficient and low carbon projects; in other words, there was a need for green finance. The main instruments of green financing are green bonds, concessional lending, and subsidies for green projects.

Green financial instruments allow for expanding the range of financial instruments and, accordingly, opportunities for investors, given that this type of financial instrument is actively developing around the world.

The AIFC facilitates the development of green finance by providing the necessary conditions and infrastructure, stimulating the transition to a green economy and sustainable development. The AIFC has developed a legislative base for green finance, including the Concept of the Green Financial System for Kazakhstan and the AIFC Strategy on leadership in green finance until 2025,

which reflects the main institutional development stages of green finance at the AIFC.

An important step was the development of the Rules for issuing green bonds on the AIX, which are based on the ICMA Green Bonds Principles and the Climate Bonds Initiative systematics, defining the criteria for green projects that can be financed through the issuance of green bonds, as well as the issue procedure itself. At the same time, the sectors of the economy in which the green projects described in these rules can be implemented are correlated with the provisions of the Concept on the transition of the Republic of Kazakhstan to a green economy.

An example of the successful implementation of a green economy in countries with energy reserves similar to Kazakhstan is Norway, which is actively developing a green economy and is switching to clean technologies. In the long-term, the development of a sustainable economy is an economically viable action.



Sean Kidney

CEO of the Climate Bonds Initiative,
Member of the AIFC Green Finance
Advisory Council

"Internationally, there has been a major shift in the thinking of institutional investors, who have increasingly realized the benefits of investing in green projects. The green bond market is a growing source of capital for clean energy & green infrastructure investment, vital to the fight against climate change".



Dr. Ma Jun

Director of Research Center for Green
Finance Development at Tsinghua
University, Chairman of the Green
Finance Committee of China Society for
Finance and Banking, member of the
AIFC Green Finance Advisory Council

"Policymakers should send strong signals about the importance of green finance to boost the development of the market. Messages from the Government, Central Bank and related government institutions will support and reshape market participants' expectations. Kazakhstan is sending signals already, and the AIFC takes a unique position which will allow it to be the platform connecting the Asian and European market of green finance".



About 40 large national companies and 160 subsidiaries and affiliates of the Sovereign Wealth Fund "Samruk-Kazyna" have been identified to be proposed for transfer to the competitive environment as part of the Comprehensive Privatisation Plan for 2016-2020, approved by the Government of the Republic of Kazakhstan. The privatisation programme is being implemented within the framework of the task set by Elbasy, the First President of the Republic of Kazakhstan Nursultan Nazarbayev to reduce the government's share in the country's economy to 15% of GDP, as recommended by the OECD.

The AIX is defined as the main platform for the privatisation of national companies. Thus, in November 2018, an initial public offer of shares of the world's largest uranium producer, the national company Kazatomprom, took place on the Astana International Exchange. In the future, the AIX also plans to launch IPO/SPO of a number of large national companies – Kazakhtelecom, Air Astana, KazMunaiGaz, Kazakhstan Temir Zholy and Kazpost.

IPO OF KAZATOMPROM - THE FIRST PUBLIC TRADING ON THE ASTANA INTERNATIONAL EXCHANGE

Kazatomprom is the world's largest producer of natural uranium with priority access to one of the world's largest resource bases. The company is the national operator of the Republic of Kazakhstan for the import and export of uranium, rare metals, and nuclear fuel for nuclear power plants. Kazakhstan has been the world leader in natural uranium mining since 2009. The assets of the national atomic company include the whole complex of enterprises involved in the chain of production of final products - from exploration, uranium mining, production of nuclear fuel cycle to science, social security and staff training.

In November 2018, a successful placement of 15% of Kazatomprom shares owned by the Sovereign Wealth Fund "Samruk-Kazyna" worth USD 451 million took place on the London Stock Exchange and the Astana International Exchange. Demand exceeded supply by 1.7 times. The number of shares/GDRs placed was 38.9 million, of which about 7.8 million were offered on the AIX. Kazakh investors acquired 47.5% of the total number of outstanding securities. A total of 49 foreign and 16 domestic legal entities, including the Unified Accumulation Pension Fund, as well as 2,700 citizens of the Republic of Kazakhstan took part in the IPO.

PRIVATISATION PROGRAMME



**Akhmetzhan
Yessimov**

CEO of Sovereign Wealth
Fund "Samruk-Kazyna"

"Within the framework of the comprehensive privatisation plan, six companies of Samruk-Kazyna Fund will go to IPO/SPO. This is a new stage in the development of the national companies of Kazakhstan. In accordance with the Fund's development strategy for 2018-2028, our goal is to increase the efficiency of our companies and to improve management of our assets. Privatisation is one of the tools for achieving this goal."

"Despite the volatility observed on global stock markets since the beginning of October, we nevertheless fulfilled the task we had set ourselves and entered an IPO, because we see this as a long-term growth opportunity. Kazatomprom is the first quasi-state company to enter the international IPO on both the London Stock Exchange (LSE) and the AIFC (AIX). The status of a public company will allow Kazatomprom to become more transparent and understandable to investors."



**Kairat
Kelimbetov**

AIFC Governor

"The IPO of Kazatomprom on the AIX platform is a remarkable event not only for the Astana International Financial Centre, but also for the development of the capital market in Kazakhstan. This IPO is the first of many listings of the national companies within the state privatisation programme on AIX platform."



**Galymzhan
Pirmatov**

CEO of Kazatomprom

"We had a successful IPO, confirming our status as the world leader of the uranium industry and became the first company listed on the Astana international stock exchange. Local and international investors have shown great interest in our company. Our new shareholders include Kazakh investors and leading international investment funds. We are ready to share the success and future of the company with our new shareholders and lead the company to new stages of development for the benefit of our country!"



**Timothy
Bennett**

CEO of AIX

"AIX has world class regulation and systems, but also has shown its innovativeness. The successful listing of the GDRs and Kazatomprom shares demonstrated that AIX can match the needs of issuers and investors. AIX is integrating the Kazakh and global markets through the dual listing of shares and GDRs as well as having CICC and other international brokers as members. Thus AIX is investing in development of the capital markets in Kazakhstan."



AIFC'S ROLE IN THE BELT AND ROAD INITIATIVE

The Belt and Road Initiative (BRI), an unprecedented strategy aimed at reviving the ancient Silk Road, plays a great role in the development of the whole Central Asia. Due to its geostrategic location between the markets of East and West, Central Asia has become a favoured destination for transport infrastructure development. Indeed, three of the six economic corridors under the initiative touch Central Asian countries.

The landlocked but strategically located and business friendly Kazakhstan – often referred to as the “Buckle” of the Belt and Road Initiative – is a key recipient of transport-related BRI projects. Increased connectivity within the country could boost trade and transit flows due to the high levels of efficiency and cost savings as well as give rise to small and medium size businesses. BRI is forecasted to contribute additional 1% to annual Kazakhstan's GDP growth by 2021, creating over 200 thousand jobs.

To fully exploit emerging opportunities for further development of Kazakh and regional markets and a demand for a sound international multilevel platform, AIFC offers its services and emerges as the regional hub for the BRI on different levels.

In addition to the fundamental advantages of the AIFC (special legal and regulatory regime, tax incentives, favorable business environment, high-tech stock exchange infrastructure, etc.), several initiatives are being developed at AIFC to support the emergence of the centre as the leading hub for the BRI.

AIFC will facilitate the development of new sources and financing instruments for BRI projects by attracting institutional and private investors and developing legal, regulatory and operational frameworks. Belt and Road Market, a special market segment at AIX has already been introduced to develop an attractive alternative for financing different investment projects under BRI. It should be noted that BRI covers not only infrastructure projects but also projects in a wide variety of industry sectors: energy and natural resources, manufacturing, agriculture, high-technology, culture, telecommunication, etc.

In a short time since establishment, AIFC has managed to build a strong relationship with leading Chinese institutions, international development banks and major financiers of Belt and Road investments, such as the partnership with Shanghai Stock Exchange, Silk Road Fund, China Development Bank, China Construction Bank to name a few. Partnering with such organisations will not only attract liquidity, but also contribute to the successful development of investment platform for BRI projects.

Forming a consolidated database uniting Kazakh and institutional investors with a mandate of investing in countries of the Belt and Road Initiative is essential to build an effective tool for increasing a level of investment at AIFC and the country as a whole. The establishment of a database is seen as mutually beneficial for both the project holders and investors.

In addition, AIFC is developing as the centre of expertise in macroeconomics and international trade, because BRI is much more than just investments. BRI also concerns politics, international trade and economics. Therefore, a lot of analysis is conducted to understand opportunities

and risks, assess global trends, geopolitical risks, country macroeconomic and market development as well as trade and investment policies.

GLOBAL MARKETS

In partnership with the European Bank for Reconstruction and Development, the AIFC has launched a project to develop the country's capital market, which will contribute to creating liquidity during large-scale privatisation. As a result, the Kazakh market will not only become liquid, but it will also be able to raise its status in the global MSCI index to the level of Emerging Markets. The MSCI Emerging Markets Index is a recognised global benchmark for investors from around the world. Enhancing the status in the MSCI index will allow Kazakhstan to improve its investment rating and thus the liquidity of local securities will be increased. The project also aims to create an optimal liquid infrastructure on the exchange market.

In partnership with Euroclear, a project is being undertaken to adopt the international capital market infrastructure in order to ensure access by foreign and local investors to government securities and other financial instruments.

Leading foreign investment institutions and all other investors will be able to directly acquire Kazakhstan's

securities without operational difficulties. Using Euroclear will allow the market to provide local and foreign investors a single large liquidity centre. This will lead to significant macroeconomic benefits for the country, such as reducing the cost of government borrowing and creating a stable and large stock market.

Thanks to the partner EuroCCP (the central counterparty, which acts as the guarantor of the transaction in the event of a default by one of the parties), a project is being implemented to create an internationally accepted clearing system that guarantees elimination of the counterparty's default risk, and deployment of the best international standards for clearing transactions.

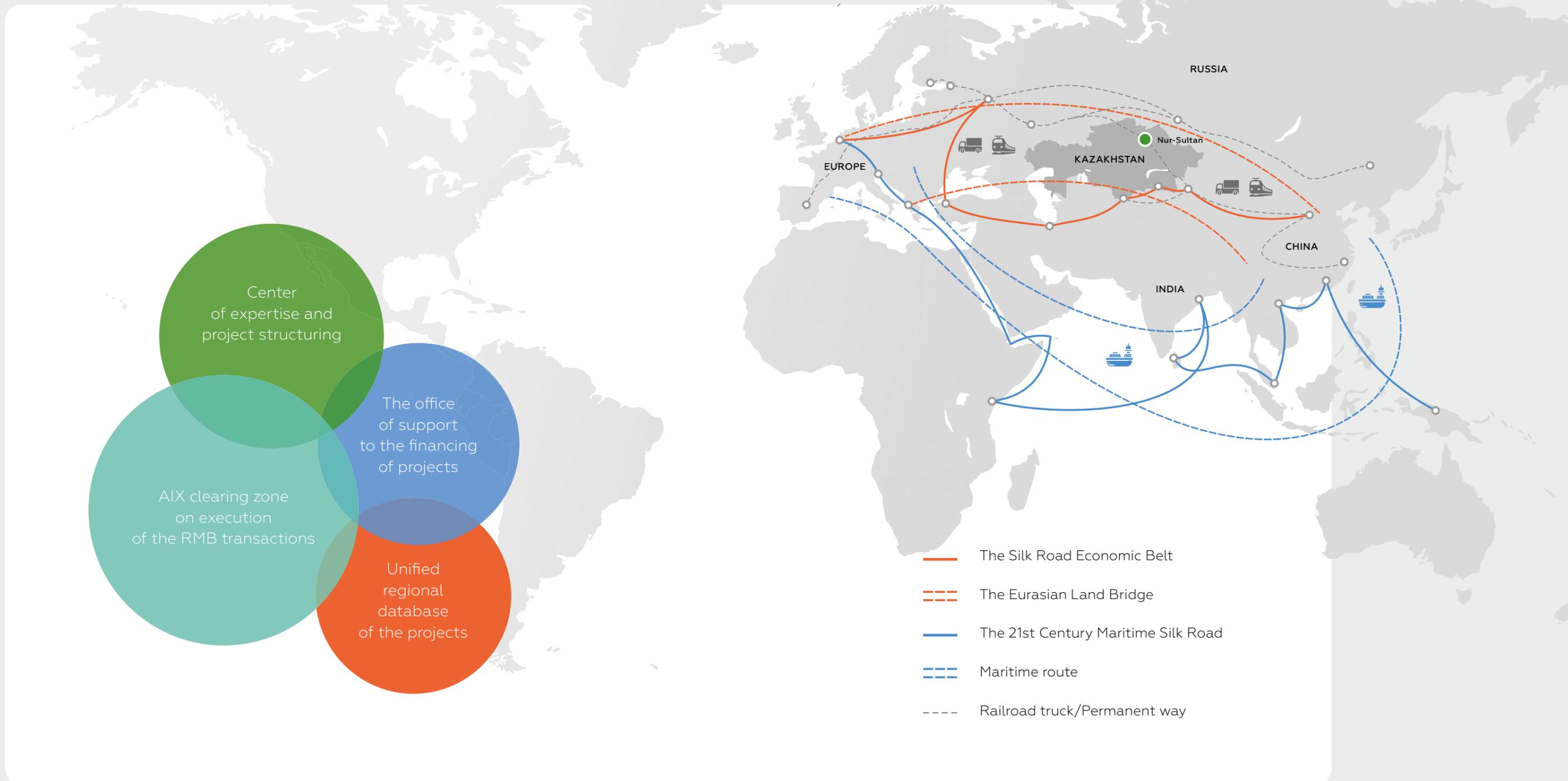
The Eurasian commodity market will catalyse the development of the regional commodity market, ensure the creation of a large logistics hub in Central Asia, and will allow the AIFC to attract strategic partners and key players in the commodity market and the market of derivative financial instruments. In turn, this will increase the inflow of investments in goods from the Eurasian region, will establish a market for derivative financial instruments, will create market pricing, reduce market risks for producers of goods, and reduce price volatility by stabilising prices and creating commodity infrastructure in the country and the region. Through recognised international experts the Asian Development Bank provides technical and consulting assistance in launching the Eurasian commodity market to date.

Within the SME (Small-Medium sized Enterprises) project, under the AIFC umbrella, small and medium-sized businesses will have access to funding in the Kazakh capital market. A supporting ecosystem will be created to fund the SME, and easy and quick access will be provided to a wider range of investors. The established ecosystem will give companies the necessary environment for development and access to financing through the stock market. Therefore, the contribution of local SMEs to the country's economy will increase. The AIFC works with several providers of the SME financing platform to build the ecosystem, and also evaluates the growth of the SME market in a regional context, and is preparing a plan for implementing the platform through consulting services.

With international strategic partners, the AIFC actively participates in associations such as the World Alliance of International Financial Centers (WAIFC) and the World Federation of Exchanges (WFE) in order for the AIFC to be recognised internationally. Preparatory work is being carried out to assess the AIFC market by the European Securities and Markets Authority (ESMA), which will allow large foreign institutional investors to obtain regulatory permits for investment in the Kazakh market.

AIFC initiatives in the framework of the "Belt and Road"

The key role of Kazakhstan in the revival of the Silk Road contributes to the formation of the AIFC as a regional financial center under the "Belt and Road" Initiative





Dr. Johann Biedermann

Managing Director of the World Alliance of International Financial Centers (WAIFC)

"The AIFC is not only a long-term vision for Kazakhstan, but also an incredible success story that happened in less than a year after the official opening. I had the honor to witness the development of events from the very beginning. And I am very impressed with the Centre's achievements in such a short period of time not only in the areas of stock trading, FinTech, Islamic finance, but also in establishment of its own court and arbitration center. AIFC sets standards in Central Asia and outside of it. I am very proud that AIFC is one of the founders of the World Alliance of International Financial Centers."

E-RESIDENCY

The main objective of the AIFC's e-Residency project is to create best possible climate for establishing a business in the AIFC and Kazakhstan. The launch of this project will have a positive impact on the investment climate in the country, the global image of the AIFC and Kazakhstan, and will allow potential participants to spend as little time as possible in Kazakhstan while the business is being set up. During 2018 the AIFC launched a digital portal to provide AIFC participants with services for remote authorisation and registration of legal entities on the territory of the AIFC.

In January 2019 "AIFC e-Residency" and "e-Residency", that were both under the government programme "Digital Kazakhstan", were merged into one project. The AIFC works jointly together with the Ministry of Foreign Affairs of the Republic of Kazakhstan and interested state authorities, on implementing this project. The AIFC serves as a platform to launch pilot projects. Within "Digital Kazakhstan" e-Residency includes two main elements:

1. Issue of an individual identification number
 2. Issue of a digital signature.
- These are obtained online via the AIFC Digital portal.

More e-Residency services planned for 2019-2020:

3. Online office rental at the AIFC;
4. Online company registration and authorisation at the AIFC;
5. Online bank account opening;
6. Visa and migration services;
7. Financial and tax reporting.

EJUSTICE

In February 2019 the AIFC Court and IAC officially launched eJustice their new e-filing system, which is the first to operate in the Central Asia region. The system was developed by the AIFC Court and IAC together with an IT partner from Singapore, CrimsonLogic.

eJustice is an online portal that enables parties to file cases at the AIFC Court and IAC electronically from anywhere around the world, without having to be physically present in Nur-Sultan. The portal assists with the management of legal proceedings and electronic processing of legal documents.

The portal aims to provide the legal and business communities with immediate and convenient access to the AIFC Court and IAC.

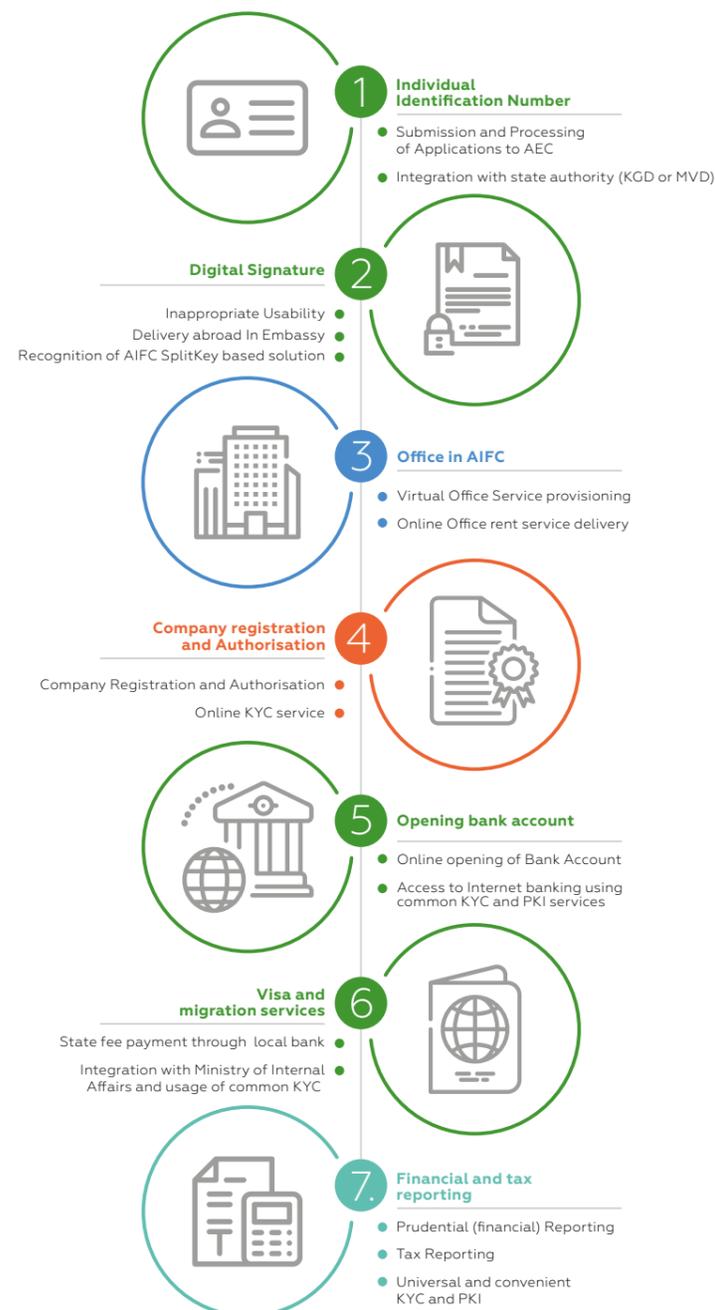
The portal also supports the judges and arbitrators, and helps in resolving procedural issues, ensuring prompt and cost-effective resolution of commercial disputes in accordance with the highest international standards.

FINANCIAL SUPERMARKET

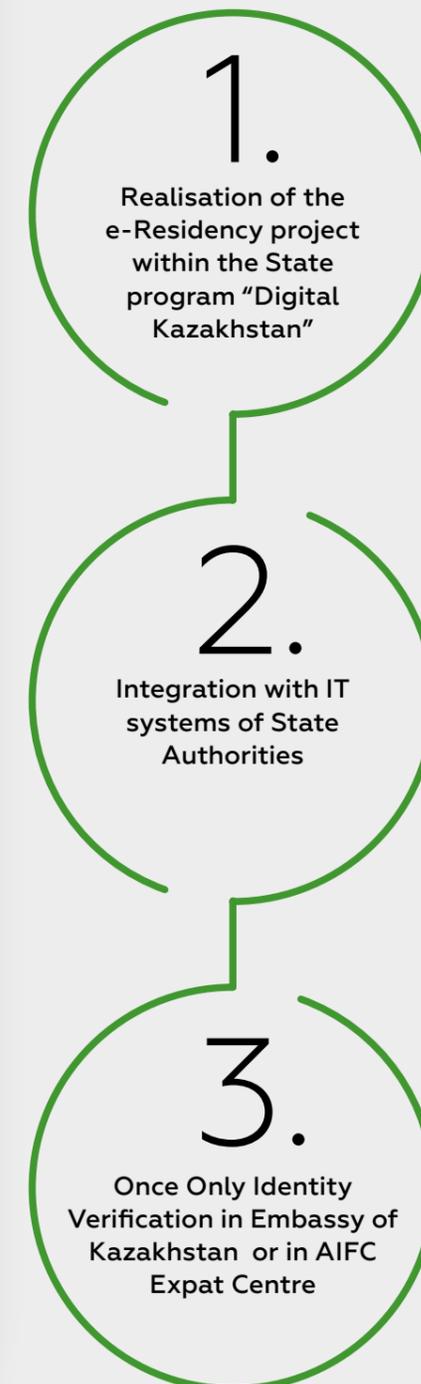
At present, the AIFC is implementing a project to create a digital platform for a financial supermarket, the concept of which was developed jointly with the international consulting company Accenture. The new platform will be one of the important elements of technological modernisation of the economy of Kazakhstan, to create new promising areas in the economy and finance, based on modern digital technologies.

After its implementation, the financial supermarket will significantly improve the availability of financial services through the integration of financial services into existing ecosystems. In addition, the creation of such service will

AIFC e-Residency: 7 steps to open business in 1 visit



Implementation supported by Key Enablers



improve the competitive environment in the financial market by facilitating access to consumers even for small financial players.

Central banks around the world are the main drivers of these kind of infrastructure projects.

The central banks of Russia and Singapore have launched such initiatives, as well as the creation of a single transparent platform where people can compare different financial products.

Experience shows that independent bodies, not market players, launch such initiatives in order to balance commercial interests while developing competitiveness in the financial industry. The AIFC acts as an independent structure, implementing the financial supermarket as one of the key drivers for achieving the goals of the republic's digital strategy.

To date, a technical prototype of a financial supermarket has been developed, which unifies and aggregates the product offers of financial organisations and provides them to a variety of front-end platforms, for example, e-commerce sites. Thus, the end user can receive financing for the purchase of goods not from one bank but from a host of banks, choose the best product and arrange it online. The technical prototype is integrated with the existing country credit rating and customer identification services, as well as leading e-commerce sites.

Following the results of testing the technical prototype in cooperation with banks and other partners, it is planned to launch the first financial supermarket in the retail market. In the future, on specialised sites, it will be possible to select a suitable deposit and insurance product through a supermarket. The site will display the options of all players who want to join this platform.

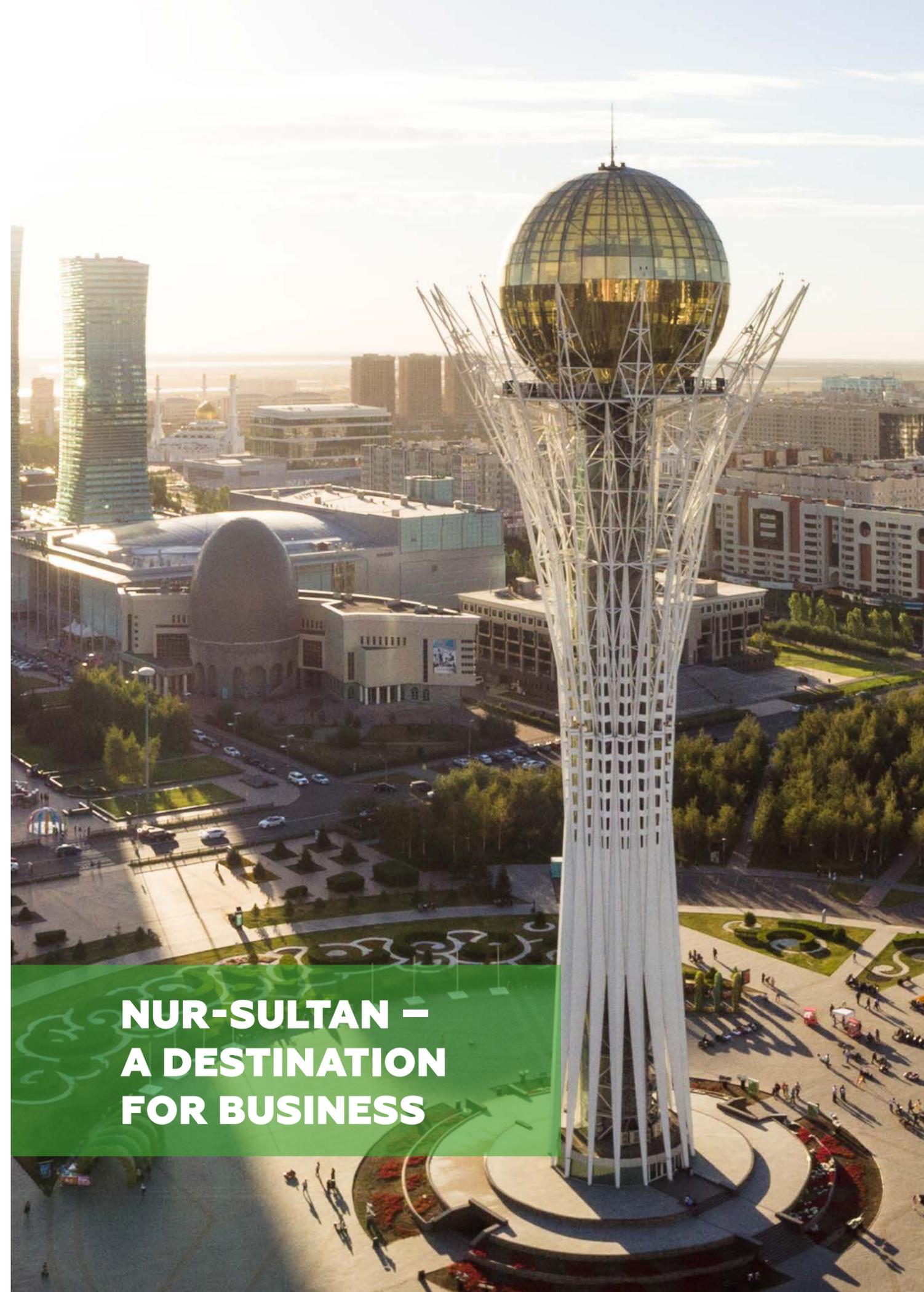
The innovation platform of the supermarket will help create the necessary environment, as well as the most important components of the future financial system of Kazakhstan, creating the necessary standards for the interaction of players in the market. Thus, the supermarket implements a de facto new infrastructure financial service that integrates existing and future financial services, the consumption sites of these services, and country-level infrastructure solutions through its application programming interfaces.

ACCELERATION PROGRAMME FOR ISSUING GREEN BONDS

The AIFC Green Finance Centre has launched the Acceleration programme for issuing green bonds on the Astana International Exchange. The project's partners are the United Nations Environment Programme Inquiry into the Design of a Sustainable Financial System and the Climate Bonds Initiative, an international non-profit organisation working with investors to attract investment in climate projects.

The Acceleration programme consists of the following components:

- Search for potential issuers and arranging potential issuers groups: sovereign, municipalities, state-owned enterprises, private companies;
 - Conducting workshops and trainings for all interested parties;
 - Assistance in developing a Green Bond Framework for the issuers;
 - Asset portfolio review and identification of eligible green projects;
 - Development of template for post-issuance use of proceeds and impact report;
 - Project support until the green bond issuance.
- In addition, the AIFC Green Finance Centre covers the issuer's expenses upon a mandatory external review of the first five green bonds.



**NUR-SULTAN –
A DESTINATION
FOR BUSINESS**



Nur-Sultan is one of the fastest growing cities in the world. Aiming to become a top destination for investors, it is already gaining recognition as a regional financial hub for market participants and attracting great financial inflows to the country. With its modern infrastructure, distinctively unique architecture, transport logistics, constantly developing education and healthcare services, Nur-Sultan is a state-of-the-art location for attracting international investors and businesses.

SMART CITY

The project Smart Astana is created for sustainable development, improving the quality of life of residents and guests of the capital of Kazakhstan by modernizing city infrastructure, integrating the technologies into the city's development, increasing public safety, as well as creating a platform for citizens and the business community to exchange ideas and knowledge. For many years the capital of Kazakhstan has been a venue for world class political, sporting and cultural events. With the development of the AIFC, Nur-Sultan is undoubtedly becoming an important element of the global financial system.

The harmonious development will allow the capital to become a truly global, smart, innovative model for the development of many European cities, based on six elements: smart economy, smart management, smart life, smart mobility, smart people and smart environment. The synergy of these characteristics defines the concept of Smart Astana, contributing to energy savings, lower utility costs, fewer traffic accidents, etc.

GREEN FINANCE HUB

Kazakhstan has a great opportunity to orient its financial system towards low-carbon and sustainable development, also taking into account the process of mobilisation and reorientation of the world's economy

towards clean technology. The AIFC pays special attention to supporting such projects in the capital, which are based on the core principles of green economy: increasing and managing the efficiency of resources usage (water, land, biological, etc.), improving current infrastructure and constructing a new one, improving the population's well-being and the health of the environment, enhancement of national security and of water security in particular. Mindful of the importance of such projects, Nur-Sultan's municipality is developing a strategy for the city's low-carbon development until 2030. Also, in March 2019, the AIFC joined the Green Principles of the Belt and Road Initiative, which demonstrates the Centre's commitment to the principles of green financing.

TAX REGIME IN THE AIFC

In accordance with the Constitutional Statute of the Republic of Kazakhstan "On the Astana International Financial Centre," the AIFC participants are exempt until 2066 from corporate income tax on income received from providing the following financial services at the AIFC:

1. Islamic banking services;
2. Reinsurance and insurance brokerage services;
3. Investment management services for assets of investment funds, accounting and safekeeping services for investment funds, as well as services related to issuing, offering, trading, purchase and redemption of securities of investment funds;
4. Brokerage, and (or) dealer, underwriting services;
5. Any other financial services prescribed by AIFC Acts

Until 2066, AIFC participants are exempt from corporate income tax on income received from legal, audit, accounting and consulting services provided to the AIFC Bodies as well as to the AIFC participants that provide the above-mentioned financial services in the AIFC.

The AIFC bodies and AIFC participants that provide financial services and legal audit, accounting and consulting services are exempt from property tax and land tax for facilities located in the AIFC.

Until 2066, foreign nationals who are employees of an AIFC participant that provides financial services and legal, audit, accounting and consulting services or of an AIFC Body, are exempt from personal income tax on income received under their employment contracts with the AIFC Body or AIFC Participant.

Until 2066, natural and legal persons are exempt from individual and corporate income tax on income received from the following sources:

1. Profits from the sale of securities listed, on the day of their sale, on the official list of the Stock Exchange;
2. Profits from the sale of shares or stakes in the capital of the AIFC participants that are legal persons registered under the AIFC Acting Law;
3. Dividends and interest from securities listed, on the day of their distribution, on the official list of the Stock Exchange;
4. Dividends from shares or stakes in the capital of the AIFC participants that are legal persons registered under the AIFC Acting Law.

ONE-STOP-SHOP PRINCIPLE

In order to facilitate a business, set it up within the AIFC's jurisdiction and attract the best international workforce, the AIFC Expat Centre in Nur-Sultan provides a wide range of government and non-government services based on the one-stop-shop principle. Foreign nationals coming to the capital city can receive efficient centralized access to visa and migration related services, tax-revenue services, Government for Citizens State Corporation (GCC) services, call-centre services, as well as assistance

in securing accommodation, educational facilities, etc. The authorized official of the government and non-government organisations are physically present on the AEC's site.

AIR CONNECTIVITY

One of the key factors in the development of the AIFC is the capital's connectivity by air. Nur-Sultan is directly connected with many other global financial centres, including Frankfurt, London, Paris, Seoul, Bangkok, Beijing, Istanbul, New Delhi and Dubai.

By 2025 Nur-Sultan aims to open direct routes to more than 50 financial centres, including New York, Shanghai, Hong Kong, Singapore, Tokyo, Amsterdam and Zurich.

Nur-Sultan has the potential to become one of the main transit hubs for international air travel in the region due to its advantageous geographical location, air liberalisation policy, favourable visa regime, and modern airport facilities.

Nur-Sultan has already acquired the status of a political, cultural and business centre, which attracts a large amount of investment in construction and infrastructure projects. Nur-Sultan is a venue for important world-class events. The city is also number one choice for the regional location of offices of international corporations, commercial organisations and financial institutions. In addition, the city's geographical location in the heart of Eurasia gives Nur-Sultan significant advantages to become an important transportation hub between Europe and Asia.

Kazakhstan's civil aviation policy is aimed at achieving a greater degree of airspace liberalisation. State authorities are constantly working to develop and strengthen intergovernmental agreements on air traffic.

Favourable visa conditions include exemptions from visa requirements for visits up to 30 calendar days for citizens of OECD countries, the EU, Malaysia, Monaco, UAE and Singapore (45 countries in total). A 72-hour visa-free regime has been introduced for Chinese and Indian citizens transiting to third countries via the international airports of Nur-Sultan and Almaty.

Over the last decade the airport of Nur-Sultan city has been significantly modernized. Technical parameters of the airport allow serving different types of aircraft fleets providing limitless opportunities to airlines.

GLOBAL FINANCIAL CENTRES INDEX

In the Global Financial Centres Index 2019 (GFCI 25) the capital of Kazakhstan is in 51st place out of 102, climbing 37 positions over the past year, since the moment of the AIFC's official launch. This is significant progress in the development of Nur-Sultan city as a financial centre. According to this ranking, Nur-Sultan is the leading financial centre of the entire region of Eastern Europe and Central Asia being ahead of Istanbul, Prague, Budapest, Moscow and Baku.

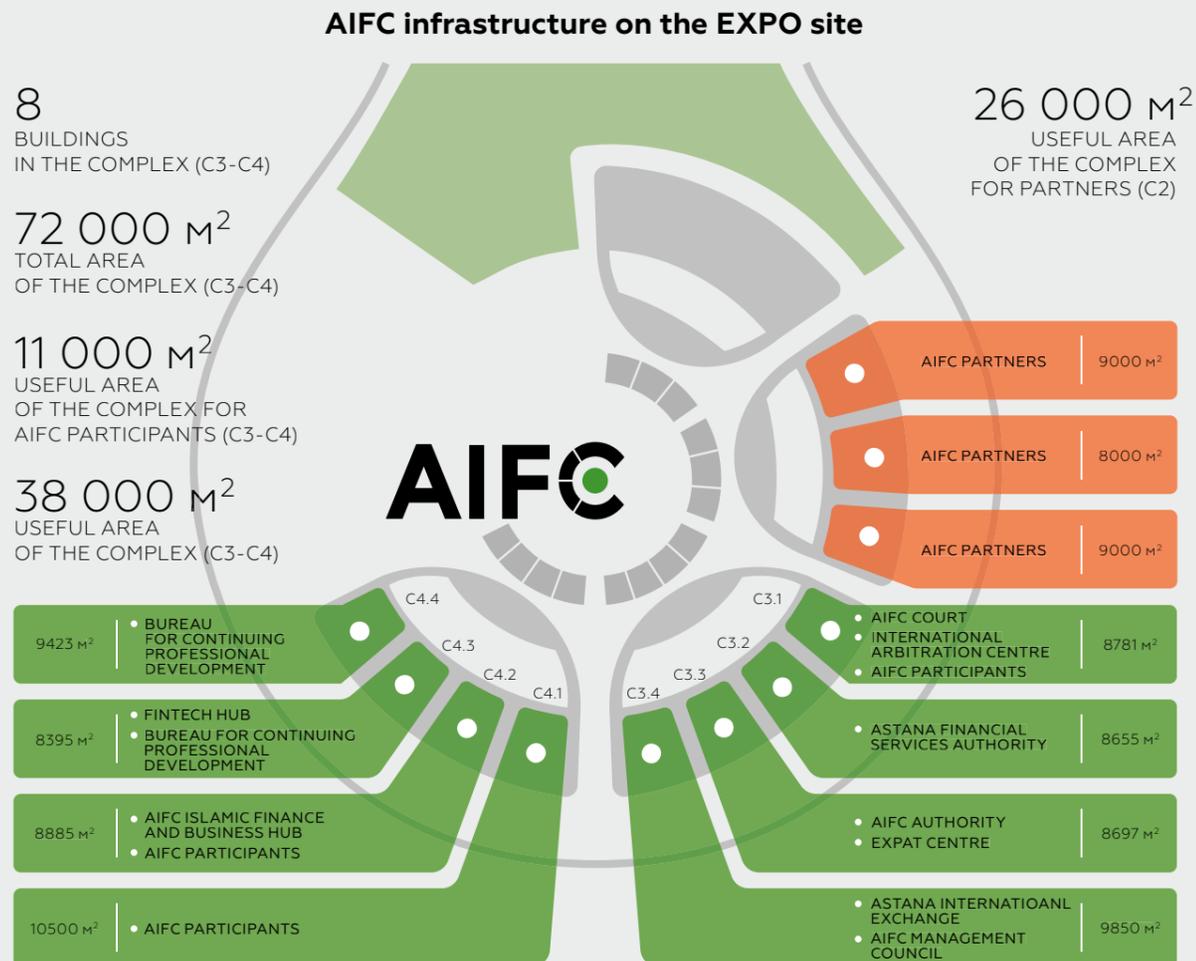
The ranking explores financial centres around the world by making an analysis of areas such as competitiveness of the business environment, human capital, infrastructure, financial sector development, reputation, as well as the level of diversity, speciality and accessibility.



Marc Yendle

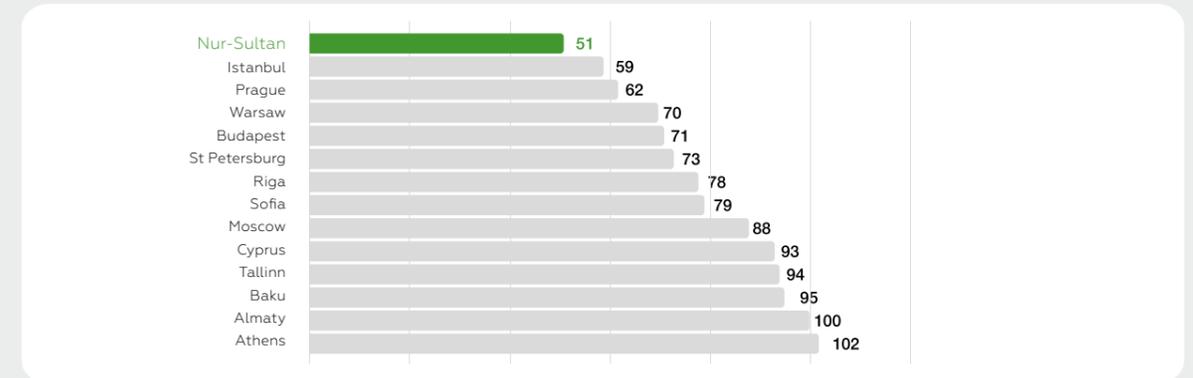
Director of Z/Yen, lead author and co-creator of the Global Financial Centres Index (GFCI)

"In the index, which I publish every six months, we rate more than a hundred financial centres. Top 5 includes London, New York, Hong Kong, Singapore and Tokyo. All of them are very large, developed, well-organized and successful cities. And I think that this should be the goal for Astana. I have done quite a lot of work with the AIFC and investigated the factors essential to have in order to become a successful financial centre. I think that Astana has made an incredible progress and has done everything necessary to build a successful financial centre."



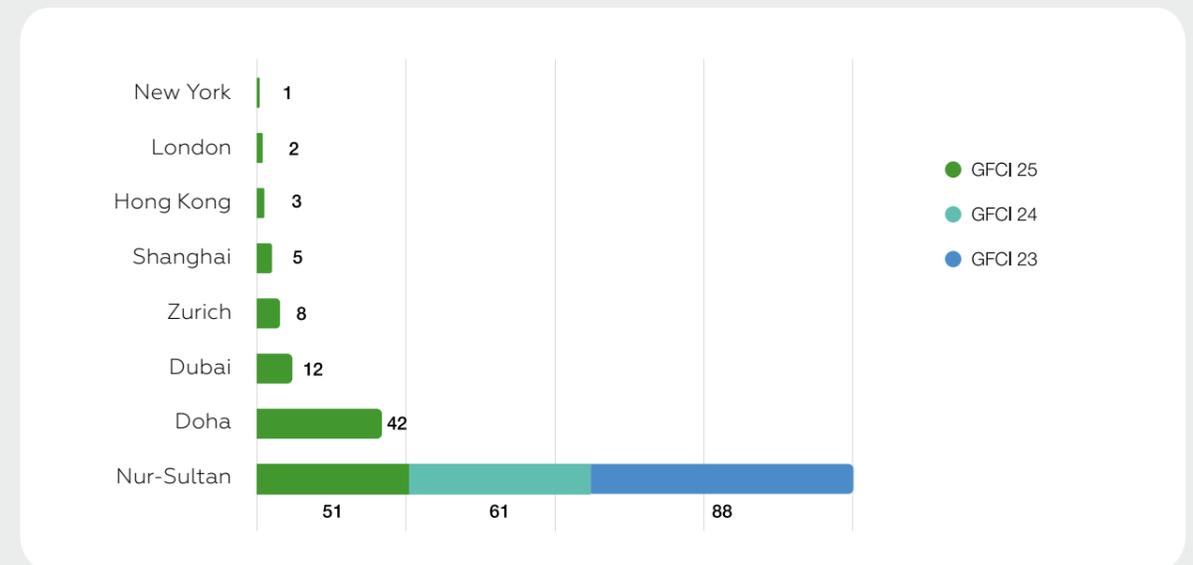
Kazakhstan in the Global Financial Centres Index for Eastern Europe and Central Asia (GFCI 25)

Source: The Global Financial Center Index (GFCI 25)



Kazakhstan in the Global Financial Centres Index (GFCI 23-25)

Source: The Global Financial Center Index (GFCI 23-25)



AIFC PROPERTY

The territory of the AIFC spans 1,632 hectares, which are situated on the left bank (including the EXPO) and part of the right bank of Nur-Sultan city, which allows companies to register as AIFC participants using the city's extensive and developed transport, logistics and administrative infrastructure.

The EXPO, which currently houses the AIFC bodies and their organisations, represents an architectural design of

unique quality and is specifically designed to provide the high-tech innovation infrastructure of the AIFC.

The EXPO's modern, high-class office space is a kind of financial and technological hub in the centre of the AIFC, with a single atmosphere for investors and accommodation of the largest financial institutions in the world, as well as technological development objects. At the same time, the EXPO site is becoming the basis for creating an advanced financial and technological hub in the very heart of the AIFC, which suits for placing major financial institutions as well as objects of technological development.

AIFC IN THE INTERNATIONAL ARENA

The AIFC is constantly working to expand its presence in the international arena. Within the regulatory framework the AIFC acts in accordance with the standards set by global organisations. In this regard, the AFSA has become a member of the International Organisation of Securities Commissions (IOSCO), International Association of Insurance Supervisors (IAIS), the Group of Banking Supervisors from Central and Eastern Europe (BSCEE), which is a regional group of the Basel Committee on Banking Supervision (BCBS), the Islamic Financial Services Board (IFSB) and Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI). Membership of these organisations contributes to the adoption of international standards to regulate capital markets, banking, insurance and Islamic finance. Also, the AFSA joined the R3 Consortium and the Corporate Registers Forum (CRF).

The AIFC cooperates with the Organisation for Economic Co-operation and Development (OECD) and seeks to create a regulatory framework of financial services that meets the highest standards of transparency and information exchange for tax purposes. In 2018, the AIFC conducted work on the adoption of the following international standards of OECD into the regulatory framework: Exchange of information on request (Information Exchange Standard); Automatic exchange of information (The Common Reporting Standard CRS on the exchange of the tax information.); Countering harmful tax practices (Base erosion and profit shifting, BEPS).

Within the framework of international cooperation, the AIFC is a part of the Global Financial Innovation Network (GFIN) initiative, which is an association of 35 global financial regulators and organisations

including the UK Financial Supervision Authority, the International Monetary Fund, the World Bank Group. Such initiative was created to collaborate and share experience in innovation, to share knowledge on issues related to regulatory technologies (RegTech), to enable companies to test innovative products, services or business models in several countries at the same time, including Kazakhstan, United Kingdom, United States and other jurisdictions.

Cooperation of the Astana Financial Services Authority with regulators of other jurisdictions:

- China Securities Regulatory Commission (CSRC)
- China Banking and Insurance Regulatory Commission (CBIRC)
- Abu Dhabi Global Markets Financial Services Regulatory Authority (ADGM FSRA)
- Abu Dhabi Global Markets Registration Authority (ADGM Registration Authority)
- Dubai Financial Services Authority (DFSA)
- Qatar Financial Centre Regulatory Authority (QFCRA)
- Financial Regulatory Authority of Egypt (FRA)
- National Bank of Georgia (NBG)
- Bank of Lithuania (BoL)
- Monetary Authority of Singapore (MAS)
- Banking Regulation and Supervision Agency of Turkey (BRSAT)
- Capital Markets Regulation Board of Turkey (CMB of Turkey)
- Securities and Exchange Market National Commission of Ukraine (NSSMC)
- Financial Services Regulatory Commission of the Republic of Korea (FSC)
- Financial supervision service of the Republic of Korea (FSS)

- National Bank of Kazakhstan (NBK).

The AIFC is working on the evaluation of the AIFC site by the European Securities and Markets Authority (ESMA) in order to be compliant with the European Market Infrastructure Regulation (EMIR) rules, which will permit European accredited institutional investors to easily invest in the Kazakh stock market. Evaluation of the AIFC site by the European regulator will not only provide institutional investors with access to the Kazakh market, but also ensures compliance with the global standards that investors all over the world are guided by.

The AIFC has become a member of the World Alliance of International Financial Centers (WAIFC), which promotes financial centres worldwide, sharing best practices along with the world's best practitioners, and works closely with consulting firms, universities and research centres. The organisation focuses on projects in green infrastructure and investment, financial technology, the creation of a database of financial centres, as well as the contribution of financial centres to financing the economy.

The AIFC is a member of Vantage Financial Centres (VFC), an exclusive club of financial centres, which includes all large financial centres in Dubai, Abu-Dhabi, Luxembourg, Seoul, Shenzhen, Montreal, Casablanca and others. Vantage Financial Centres was established by Z/Yen Group, the founder of GFCI index.

As part of the AIFC's participation in global initiatives, it has become a member of the World Federation of Exchanges (WFE), the leading professional association of the global stock exchange industry since 1961, which currently unites more than 100 stock exchanges. The main goal of the organisation is to provide equal rights for all shareholders and to coordinate the structures of securities markets. The main tasks are the regulation of securities trading, the development of technical devices and technology of the exchange business, and the formation of policies affecting the stock market.

The AIFC is also a member of the Federation of Euro-Asian Stock Exchanges (FEAS), which unites 33 members of European, Asian and Mediterranean financial institutions. The goal and mission of FEAS is to promote cooperation, development and promotion of capital markets through the exchange of knowledge, workshops, webinars, research and publication, as well as participation in the ConFEAS event.

The AIFC has become an Associate Member of the

European Association of Central Securities Depositories (ECSDA). The Association represents 40 national and international central depositories in 36 European countries, and provides a platform for European central depositories to exchange views, develop best practices, and promote projects of mutual interest.

With a view of developing Islamic finances the AIFC cooperating with leading international Islamic finance organisations. Besides the membership of the Islamic Financial Services Board (IFSB) and the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) the AIFC has become a member of the General Council for Islamic Banks and Institutions (CIBAFI).

Kairat Kelimbetov, the AIFC Governor, is the official representative of the Republic of Kazakhstan on the Board of Governors of the Islamic Development Bank (IsDB).

The activities of the AIFC, as the office of the IsDB Governor in Kazakhstan, are aimed at further developing and strengthening cooperation between the IsDB and its subsidiaries with state and private structures of Kazakhstan, coordinating their collaboration, including in the development of the Islamic finance industry.

The initiatives undertaken by the AIFC in promotion and development of Islamic finance have improved Kazakhstan's position in the Islamic Finance Country Index. According to the Global Islamic Finance Report (GIFR 2018) Kazakhstan holds 24th place out of 48 countries. Moreover, in 2018 the AIFC received three of the most prestigious awards in Islamic Finance at the Global Islamic Finance Awards (GIFA): the award for "Institutional Support for Islamic Finance," an individual nomination for "Policy development in the sphere of Islamic Finance" and "Human Capital Initiative in Islamic finance." Moreover, due to the AIFC's work conducted in this direction in accordance with the report of Thomson Reuters and Dinar Standard 2017, Kazakhstan is recognized as the leader among the CIS countries in the development of the Islamic finance industry.

As part of the development of green finance the AIFC has become a member of the International Network

of Financial Centres for Sustainability (FC4S) and of the Green Finance Committee of the Asian Financial Cooperation Association (AFCA), which aims at exchanging information and sharing experience, as well as combining financial resources, while maintaining regional financial stability.

The AIFC signed a partnership agreement with the Climate Bonds Initiative (CBI), an international non-profit organisation on mobilising the bond market for climate change solutions. This agreement allows AIFC to use CBI's green bond database and analytical materials on green bonds. The AIFC and Eurasian Development Bank signed a memorandum of understanding with the focal points of cooperation determined as promotion and development of the securities market in the Eurasian region, including the development of green financing instruments.

A significant event was the conclusion of a partnership agreement with the Centre for the Fourth Industrial Revolution of the World Economic Forum (WEF C4IR), which brings together governments, business organisations, dynamic start-ups, civil society, academia and international organisations from around the world to work together on new technological areas.

Within the framework of participation in global initiatives of the judicial activity, the AIFC has become a member of the Permanent International Forum of Commercial Courts. This Forum facilitates cooperation between the commercial courts of the world to promote and disseminate best practices, as well as the fair and effective resolution of commercial disputes.

