

KAZAKHSTAN STOCK EXCHANGE JSC

A p p r o v e d

by decision of the Management Board of
Kazakhstan Stock Exchange JSC

(minutes of the meeting
dated January 8, 2016 No. 2)

E f f e c t i v e

from January 8, 2016

RULES **of Annual Encouragement** **for Listed Companies**

Almaty City

2016

A M E N D M E N T S H E E T

1. Change and additions No. 1:

- approved by decision of the Management Board of Kazakhstan Stock Exchange JSC (minutes of the meeting dated June 1, 2016 No. 55);
- effective from June 2, 2016.

These Rules determine the terms and conditions and procedure for annual bonuses of the listed companies (organizations where their issued international securities are included in the official list of Kazakhstan Stock Exchange JSC (hereinafter referred to as the Exchange)) that demonstrate the best examples of business behavior on the securities market in terms of disclosing information about itself and its activities.

1. These Rules use concepts defined by the Listing Rules.
2. Annual incentives for listed companies (hereinafter referred to as the incentives) shall be carried out based on results of the completed calendar year by awarding the best of them, in the opinion of the Exchange, with diplomas "For pursuit of transparency", design and content of which shall be determined by the Exchange.
3. Encouragement shall be provided in the following groups of the listed companies:
 - 1) listed companies in the financial sector of the economy¹;
 - 2) listed companies in the non-financial sector of the economy¹.
4. In each group specified in these Rules, no more than two listed companies shall be encouraged.
5. Identification of the listed companies for their encouragement shall be carried out by a structural division of the Exchange, one of the main functions of which is to monitor disclosure of information of the listed companies (with a subsequent approval by the Management Board of the Exchange) using an expert method based on data about:
 - 1) compliance with the listing conditions of the Listing Rules and listing agreements in terms of:
 - completeness of preparation and timely submission of periodic reports to the Exchange – annual and quarterly reports (including financial statements and audit reports on them);
 - correctness and completeness of disclosure of information about its current activities;
 - timeliness and completeness of disclosure of information about events which significantly affect interests of investors;
 - 2) presence (absence) to listed companies of sanctions for non-fulfillment or late fulfillment of the requirements of the Listing Rules and listing agreements for disclosure of information about themselves and their activities;
 - 3) initiative of the listed companies to disclose information about themselves and their activities *(this sub-clause is changed by decision of the Management Board of the Exchange dated June 1, 2016)*;
 - 4) information content of an annual report of the listed company *(this sub-item is included by decision of the Management Board of the Exchange dated June 1, 2016)*;
 - 5) implementation of the listing strategy of the Exchange in the field of economic management and information disclosure *(this sub-clause is included by decision of the Management Board of the Exchange dated June 1, 2016)*.
6. Listing companies awarded with diplomas "For ensuring transparency" subject to these Rules shall use their images and links to them in their publications and advertising materials.

Chairman of the Management Board

Birtanov E.A.

¹ According to the classifier Global Industry Classification Standard (GICS®).