



Annual Shareholders' Meeting

Auckland
19 April 2023

▶ New Zealand's Exchange
Te Paehoko O Aotearoa

Today's meeting

- Welcome and strategic overview – James Miller, Chair
- Report on financial and business performance – Mark Peterson, CEO
- Resolutions
 - Audit fees
 - Election of Rachel Walsh
 - Election of Dame Paula Rebstock
 - Re-election of Frank Aldridge
 - Directors' fees
- Voting
- Questions



Voting and asking questions



HELP NUMBER
0800 200 220

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NZX

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Question box



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📄 Notice of meeting

📄 Annual report

Welcome and strategic overview

James Miller, Chair



Innovations



Governance and regulation

- Corporate Governance Institute (CGI) established in 2022
- Founded to ensure the NZX Main Board has settings in place to help improve performance and increase shareholder value, while lowering issuers' cost of capital
- Goal to be a market leader for corporate governance settings appropriate for a leading, innovative, regional stock exchange



Director changes

- On 12 October, the NZX Board announced the resignations of Nigel Babbage and Richard Bodman
- Sadly, Nigel passed away on 20 November before completing his term
- Rob Hamilton and Rachel Walsh were appointed onto the NZX Board effective 12 October 2022
- Dame Paula Rebstock was appointed onto the NZX Board effective 1 February 2023
- Sarah Miller appointed onto the NZX Board effective 1 January as our fifth Future Director



Position of Chair

- On 20 March, the NZX Board announced it had withdrawn its endorsement of the incoming Chair Elect
- James Miller will continue in the role as NZX Board Chair until a new Chair is appointed
- Selection process is well advanced and making good progress
- The new Chair will inherit a company with clear strategy, strong momentum and opportunities to grow the business and the returns to shareholders over time



Leadership continuity

- The NZX Board notes feedback regarding greater transparency of the Chief Executive's remuneration
- We are committed to addressing this in the 2023 Annual Report
- The NZX Board will be guided by the Corporate Governance Institute and the New Zealand Shareholders Association when deciding approach to enhanced remuneration disclosure



Directors' fees

- Fee pool of \$435,000 was last independently benchmarked in 2003 and remained static prior to 2022
- PWC engaged to carry out market benchmarking for non-executive director fees based on a group of 20 peer companies
- Our Director fees were substantially behind market
- Target overall fee pool of approximately \$690,000 to allow for a Chair fee of \$150,000 and Non-Executive Director fee of \$80,000
- The NZX Board proposes second step to increase the fee pool by \$42,000 to \$564,000 – around half what was originally envisaged

NZX Limited

Non-executive directors' fees benchmarking Summary report

10 March 2022



Outlook for 2023

- NZX has today announced guidance* to be in the range of \$36.0 million to \$40.5 million for FY2023
- NZX is focused on rounding out our product offering in capital markets in line with other international exchanges
- Driving scale and operating leverage across the broader business to increase revenue base will be a priority

*The guidance is subject to market outcomes, particularly with respect to market capitalisation, total capital listed and raised, secondary market value and derivatives volumes traded, funds under management and administration growth, acquisition related integration costs and technology costs

Additionally, NZX notes the market volatility in the current year, the lower levels of trading, and a general tightening in financial conditions and this guidance assumes no material adverse events, significant one-off expenses, major accounting adjustments, other unforeseeable circumstances, or acquisitions or divestments during the period



Report on financial and business performance

Mark Peterson, CEO

Performance and results

- The diverse mix of the NZX Group business and the breadth of offerings available to access capital highlighted our resilience through market cycles
- Group revenues were up 8.8% to \$95.7 million for the full year
- NZX's overall revenue growth reflects the strength of our strategy and earnings base
- Smartshares and NZX Wealth Technologies continue to provide a platform for future growth
- Increase of operating expenses largely due to increased headcount and wage inflation

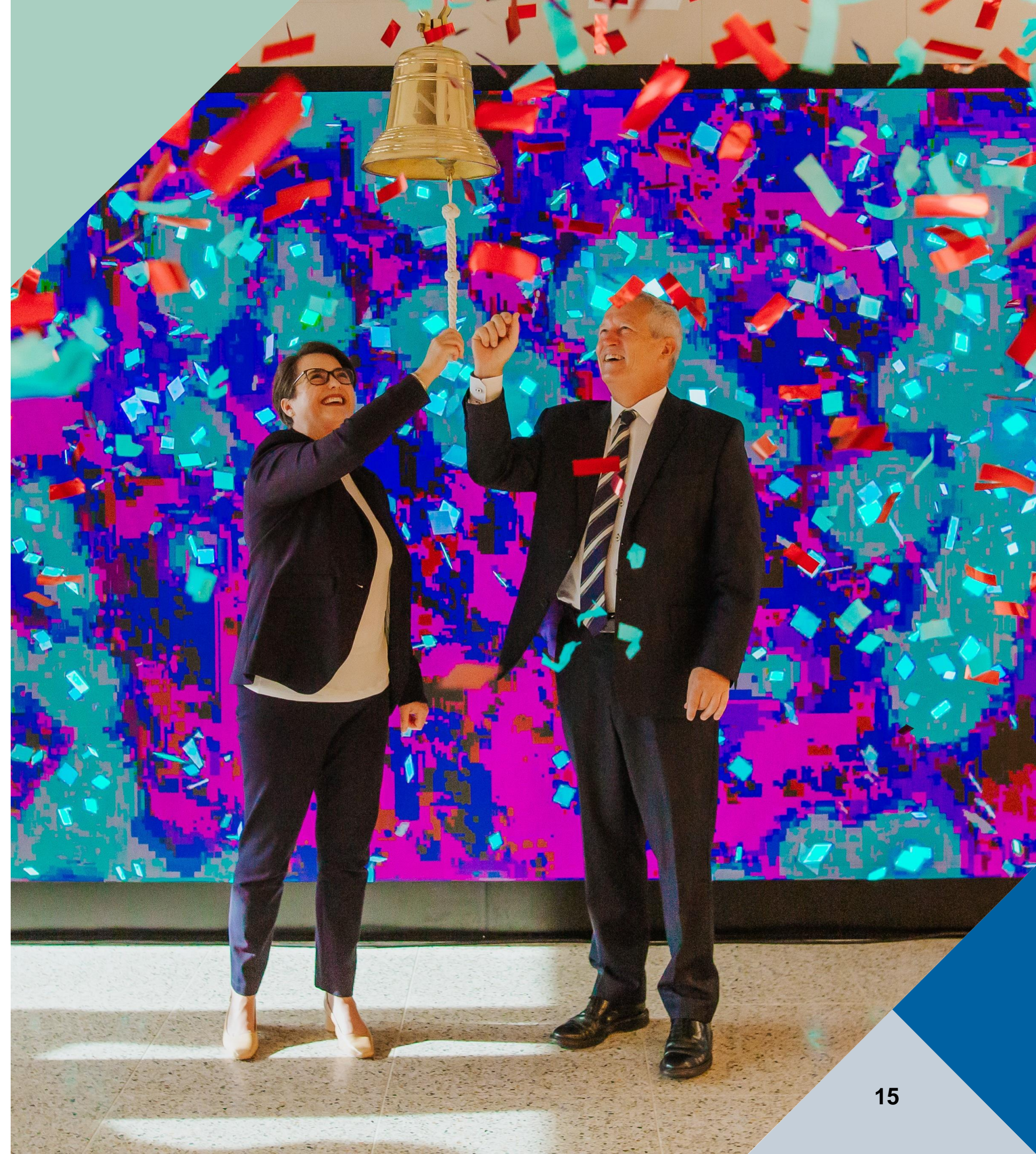
Performance relative to 2022 Targets

	FY22 Targets	FY22 Actual	5 Yr Targets Progress ³	
Operating earnings¹	\$33.5m-\$38.0m	\$36.6m <i>(excluding acquisition / integration costs)</i> <i>(\$35.1m after acquisition / integration costs)</i>	✓	
Capital listed and raised	\$14.8bn	\$20.9bn	✓	\$19.2bn average p.a. ✓
Total value traded	\$52.5bn	\$37.4bn	✗	\$45.3bn average p.a. ✓
Data & insights revenue	6.5% avg. growth	11.6% growth (excl. connectivity)	✓	9.1% CAGR growth (excl. connectivity) ✓
Funds under Mgmt.	14% avg. growth (excl. acquired FUM)	1.5% growth (excl. acquired FUM) (net cash flows +13.0% and market return (11.5%))	✗	22.8% CAGR growth [excl. acquired FUM] ✓
Funds under Admin.	Migrate new clients and OE clients onto the platform	(9.7)% growth (net cash flows +2.2% and market return (11.8%))	✗	49.6% CAGR growth ✗
Dairy derivatives lots traded	0.45m – 0.55m lots	0.43m lots traded	✗	5.5% CAGR growth ✗

NZX Full Year 2022 Results

Capital markets activity remain strong

- In 2022, \$20.9 billion of capital was listed and raised on market – making it one of the strongest years
- Pathways to listing worked well with seven new issuers joining the NZX Main Board
- Shift from equity to debt a reflection of global market conditions
- In 2022 bonds were back with 26 bond deals on market and more than \$11.3 billion listed and raised
- 41 bonds listed on the NZX Debt Market in the ESG category, representing 26% of listed bonds on issue



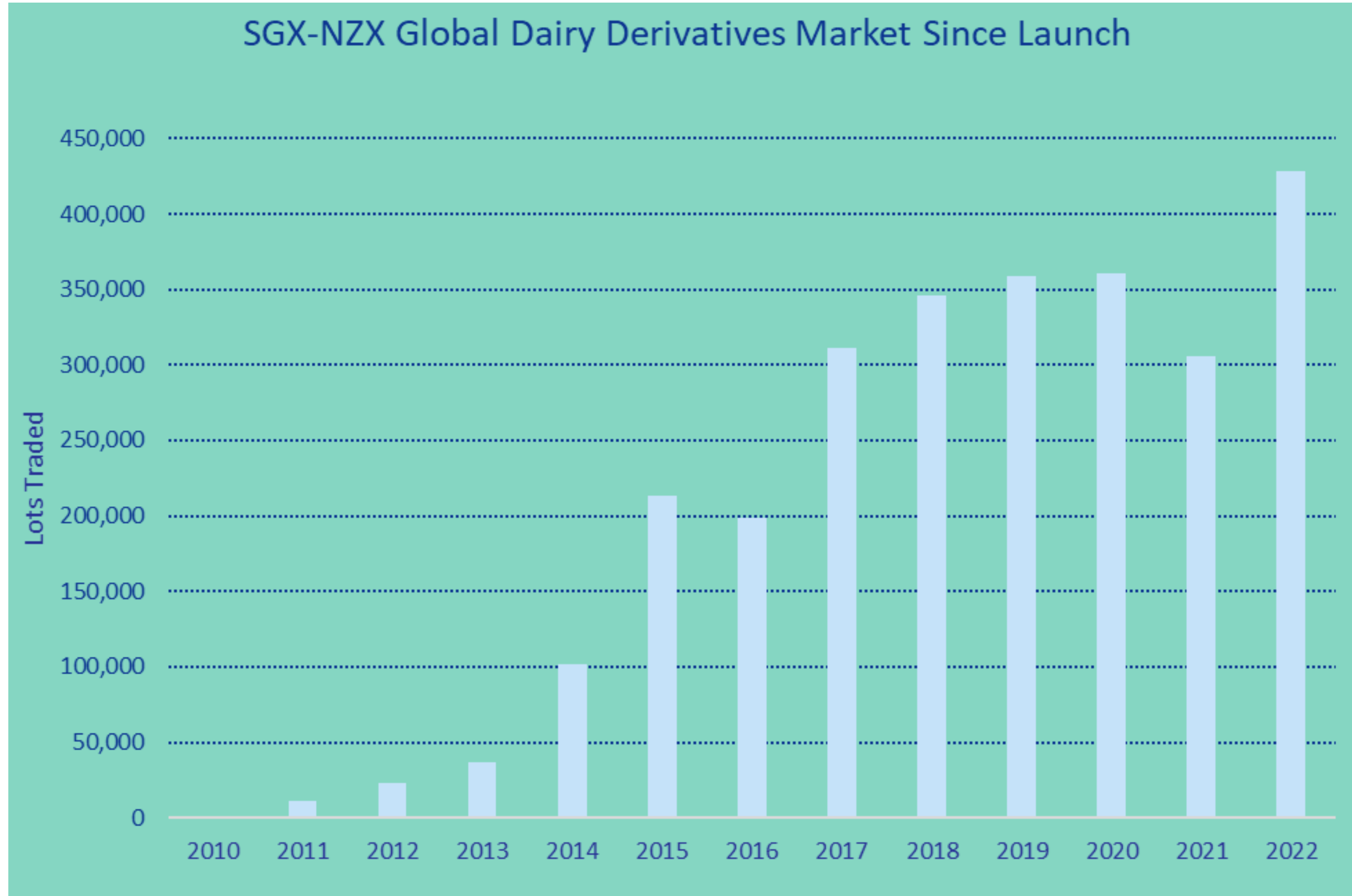
Market development

- In 2022 NZX maintained its on-market liquidity levels of 64%
- Our objective is to reach 80% on-market liquidity in the next five years
- Information Services Revenues continue to grow – up 10.9% to \$19.4 million
- Professional terminal numbers remain steady. Uplift in revenue demonstrates strong interest in our markets from local and global investors

Trade Value And Total Listed Securities



Dairy – exciting area of growth



Energy and carbon

- Delivered the Real Time Pricing project on 1 November 2022 in partnership with Electricity Authority and Transpower
- NZ ETS auctions has 102 fully registered participants, ranging across multiple sectors with New Zealand and abroad
- The secondary carbon market provides opportunities to deepen carbon trading in New Zealand



Smartshares

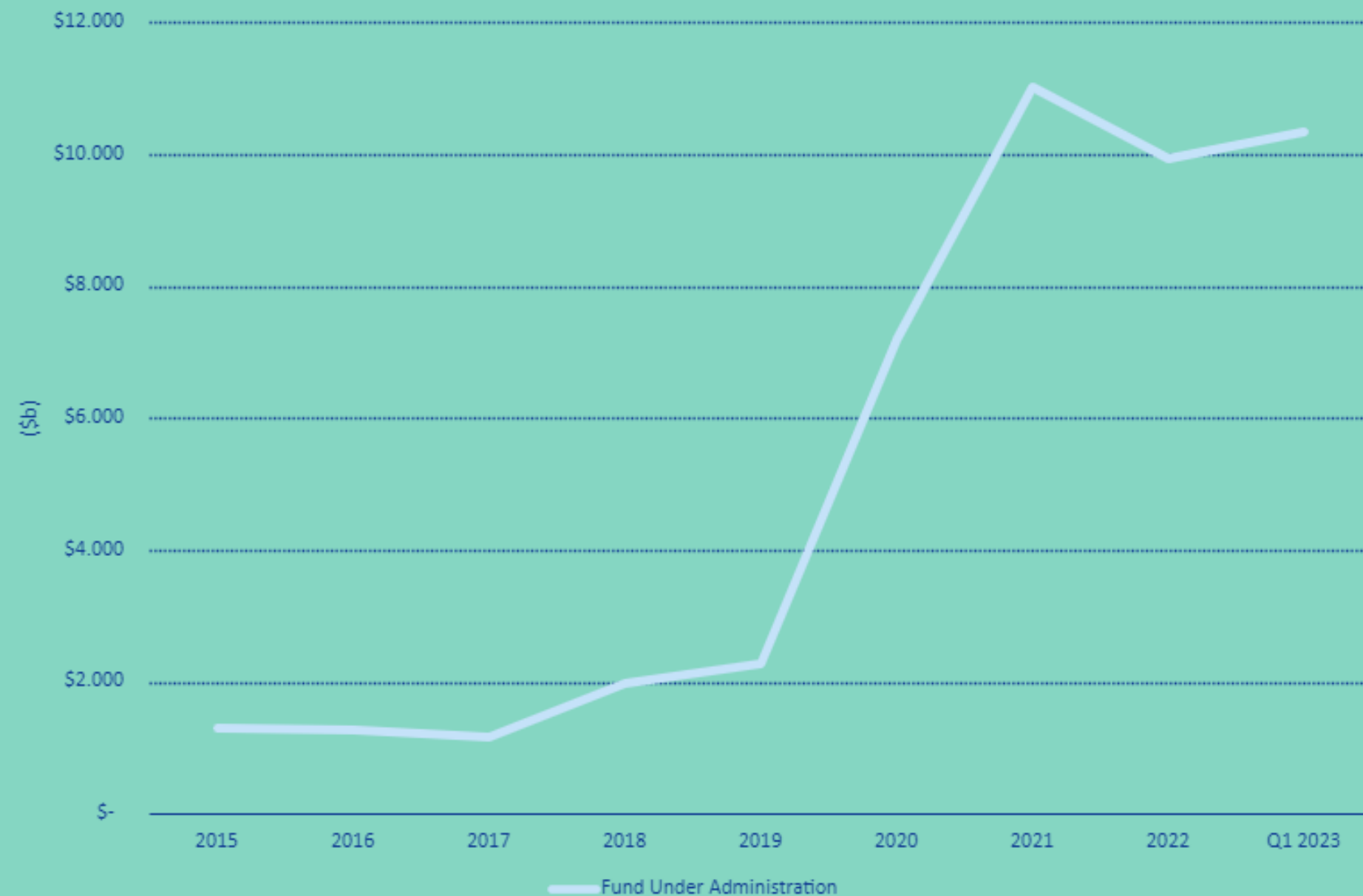
- Strong net cash inflows and the acquisition of the ASB Superannuation Master Trust lifted overall FUM to \$8.26 billion as at 31 December 2022
- Operating earnings including acquisition and integration costs lifted 42.8% to \$11.2 million
- In November 2022, NZX purchased QuayStreet Asset Management from Craigs Investment Partners adding \$1.6 billion of FUM
- QuayStreet provides another opportunity towards achieving scale and operating leverage in Smartshares
- Market analysis indicates \$15 - \$20 billion of FUM is the point when cost bases are at their most efficient for New Zealand fund managers



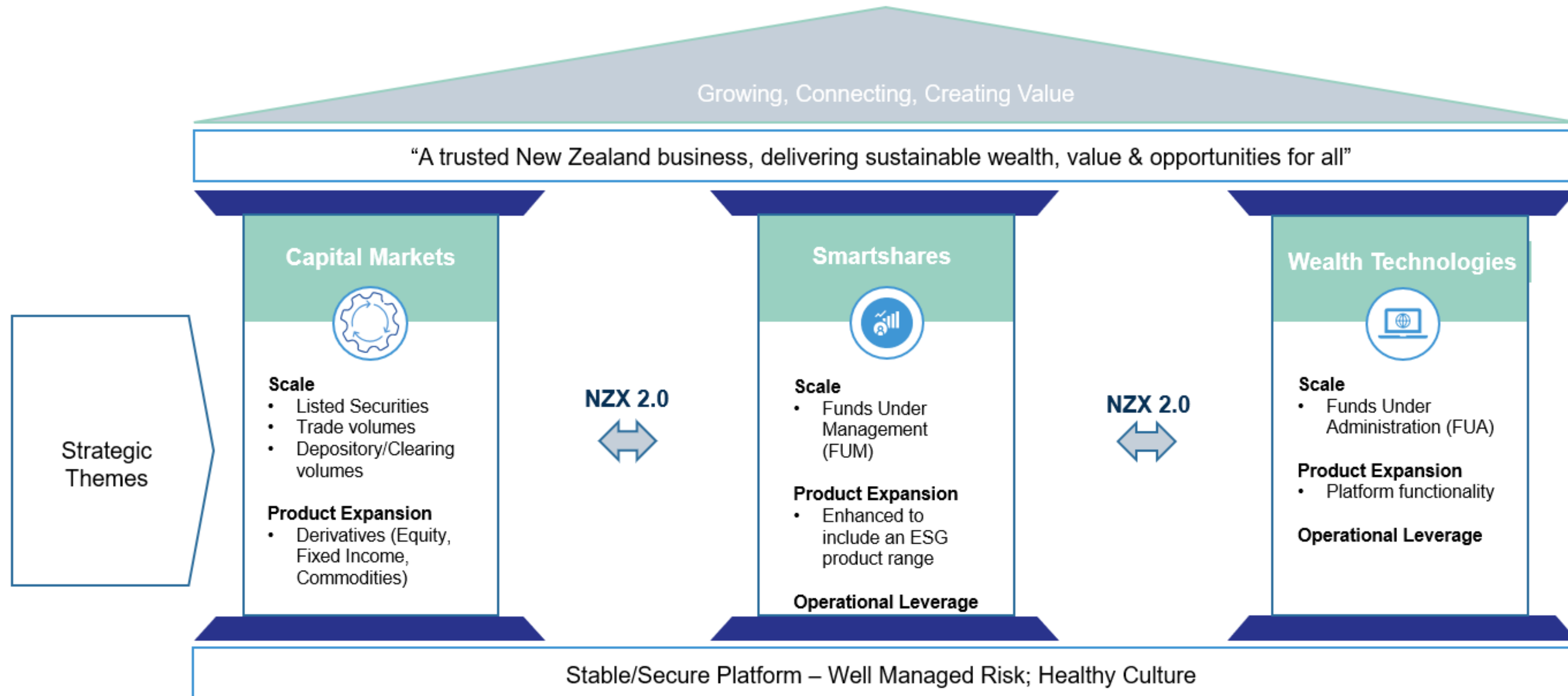
NZX Wealth Technologies

- Funds Under Administration (FUA) was \$9.96 billion as at 31 December 2022
- Revenue reached \$5.99 million - up 36.3% from 2021
- NZX Wealth Technologies pipeline prospects remain strong
- Large, contracted client is being onboarded in early May
- Positive first quarter. FUA lifted to \$10.3 billion and won three new medium-sized advisory clients

Funds Under Administration



Delivering on a growth strategy in trying times



Commitment to ESG

- Achieved net carbon zero certification for the 2021 and 2022 years from Toitū Envirocare
- Continued focus on improving our transparency and communication on environmental and social aspects of ESG and delivering to legislative reporting requirements
- Completed our review of the NZX Corporate Governance Code
- Public markets will continue to play an important role in facilitating the flow of capital towards decarbonising New Zealand's economy



Our people

- 'Committed' and 'customer focused' are words that sum up the collective attitude of the NZX team last year
- Special acknowledgment to NZ RegCo for continuing to grow from strength to strength
- Thank you to shareholders for your continued support and confidence in NZX

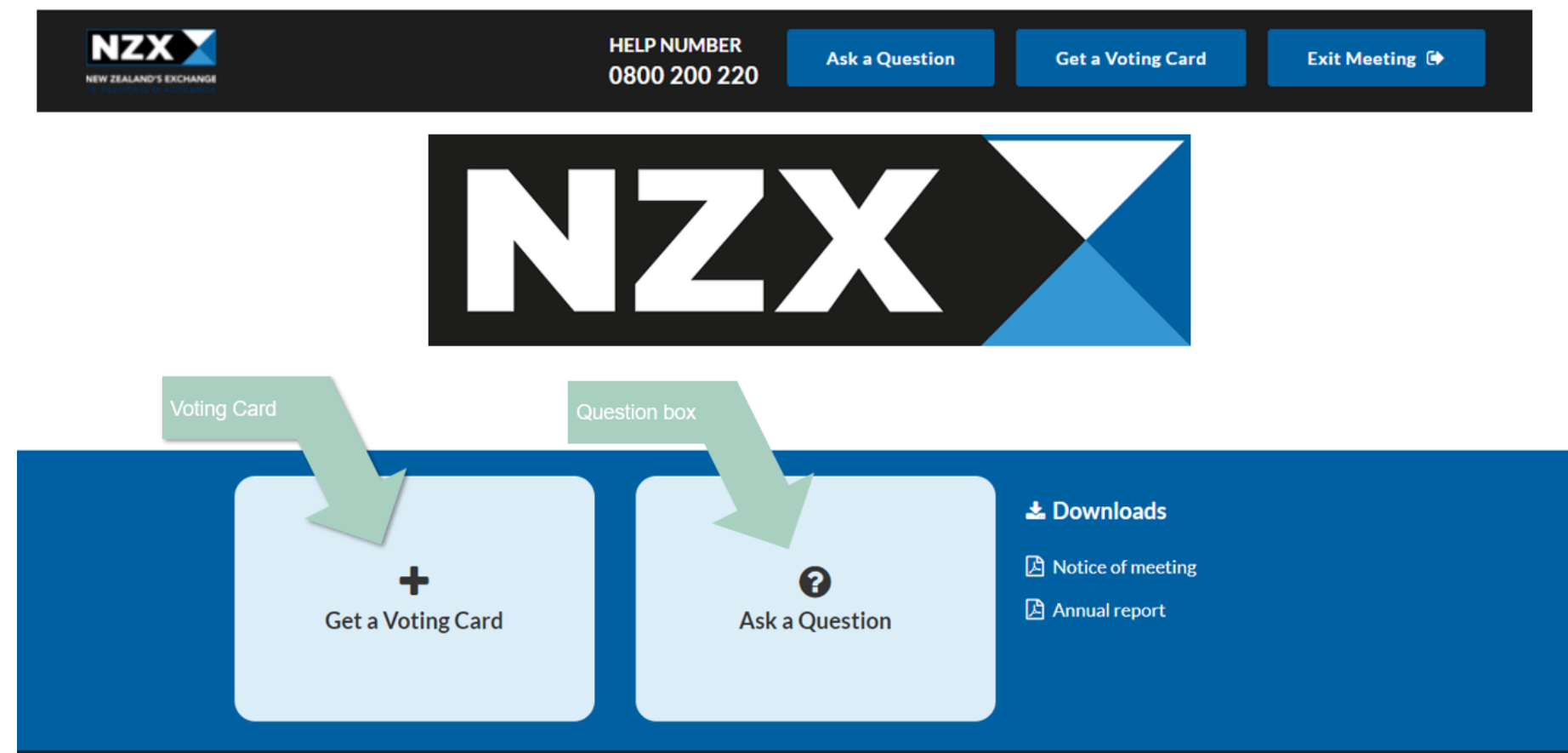


Resolutions

Shareholders voting online

- Shareholders will be able to cast your vote using the electronic voting card received when online registration is validated
- To vote, you will need to click “Get Voting Card” within the meeting platform
- You will be asked to enter your Shareholder or Proxy Number to validate. Please then mark your voting card in the way you wish to vote by clicking “FOR”, “AGAINST” or “ABSTAIN” on the voting card
- Once you have made your selection please click “Submit Vote” on the bottom of the card to lodge your vote
- The meeting and the results of the vote will be announced via a market announcement on nzx.com
- The NZX Board supports each of the resolutions and intends to vote undirected proxies in favour of these five resolutions (noting the voting restrictions in relation to resolution five)
- Link helpline: 0800 200 220

Voting and asking questions



Resolution 1: Auditor

That the Board be authorised to determine the auditor's fees and expenses for the 2023 financial year.



Resolution 2: Election of Rachel Walsh

To elect Rachel Walsh as a Director of NZX Limited.

Rachel was appointed as a Director in October 2022. She is a senior financial executive and a qualified chartered accountant. She is the Chief Financial Officer of Datacom Group and a member of the External Reporting Advisory Panel (XRAP).

Rachel was previously CFO at listed healthcare company Abano Healthcare Group. She has worked at Rank Group Limited where she was involved in private equity acquisitions and divestments, debt raising in the US markets and financial reporting in the US market and under International Financial Reporting Standards.

Ms Walsh has also worked at PricewaterhouseCoopers as a Director in Audit.



Resolution 3: Election of Dame Paula Rebstock

To elect Dame Paula Rebstock as a Director of NZX Limited.

Dame Paula joined the NZX Board in February 2023. She is a leading Auckland-based economist and company director, who was made a Dame Companion of the New Zealand Order of Merit in 2015 for services to the State.

Dame Paula has extensive professional experience in corporate and public services governance. She is Deputy Chair of NZX-listed Vector, and also serves on unlisted entities including AIA Sovereign Insurance New Zealand, Auckland One Rail, Chair of Asia Pacific Healthcare Group, and Sealink New Zealand among others.

Dame Paula is a former Chair of the New Zealand Commerce Commission, and the Accident Compensation Corporation (ACC); was a Deputy Chair of KiwiRail, and a Director of Auckland Transport.



Resolution 4: Re-election of Frank Aldridge

To re-elect Frank Aldridge as a Director of NZX Limited.

Frank was appointed as a director in May 2017. Frank has an extensive understanding of New Zealand's capital markets having spent more than two decades working for Craigs Investments Partners where he led the business for 16 years as Managing Director through a period of significant growth and expansion.

In addition, during this period he was also Chair of Australian-based Wilson's Advisory and Stockbroking, former member and Chair of New Zealand Securities Association, and sat on several of Craigs Investment Partners' subsidiary Boards.

Frank is an accredited NZX Adviser, Financial Adviser (FA), and a Chartered Member of the Institute of Directors. Frank is a Director of Avion Private advising corporates, trusts and individuals.



Resolution 5: Directors' fees

To increase the NZX Director fee pool by \$42,000 to \$564,000 with effect from 1 July 2023



Voting

Questions

Thank you

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