

NZ RegCo – Quarterly Regulation Metrics

Q4 2021

These Regulation Metrics represent the key features of NZ RegCo's activities in regulating NZX's markets. The metrics focus on key activities so as to provide transparency and a means of comparison across periods.

ISSUERS – KEY METRICS

	Q4 2020	Q4 2021
Total announcements released	4,953	5,307
Trading halts at request of Issuer or NZ RegCo ¹	18	15
Documents approved and waivers ² granted to Issuers	22	27
Complaints received concerning Issuers	0	1
Price enquiries concerning Issuers	3	1
Investigations ³ begun in relation to Issuers	22	3
Investigations ongoing at the end of the quarter/period in relation to Issuers	11	4

PARTICIPANTS – KEY METRICS

Waivers ² , Exemptions and Rulings granted to Participants	7	16
Inspections commenced	3	2
Complaints received concerning Participants	0	0
Investigations ³ begun in relation to Participants	21	9
Investigations ongoing at the end of the quarter/period in relation to Participants	14	2

NOTES

The metrics are derived from NZX's internal records.

1. Trading halts imposed routinely, for example on release of price-sensitive information or in the context of corporate actions are excluded.
2. Details of waivers granted by NZX are released to the Market, and available on <https://nzx.com/> and through i-search except where the decisions are confidential.
3. NZX will commence an investigation when it identifies a possible breach of rules.

NZX Limited – Quarterly Policy Update

Q4 2021

This section outlines the key NZX rules and policy activity over the preceding quarter.

NZX RULES AND POLICY

Corporate Governance Code 2021 Review

NZX's consultation on certain settings within the NZX Corporate Governance Code concluded at the end of January 2022. There has been good engagement in relation to this review, and NZX has received a number of submissions from issuers, investors, industry groups and law firms. NZX will be engaging with those who expressed an interest in making a verbal submission in the coming weeks. NZX would like to thank those who have provided submissions, which NZX will be considering over the coming months.

NZMDT Rules review – consultation open

In November 2021, NZX commenced consultation on proposed amendments to the NZ Markets Disciplinary Tribunal (NZMDT) Rules. These amendments are designed to ensure that the NZMDT Rules remain fit for purpose by providing appropriate support to the regulatory and enforcement outcomes sought by NZ RegCo as a market regulator. The consultation contains proposals to the following areas of the NZMDT Rules:

- Membership of the Tribunal (Membership Proposal);
- the Tribunal appeals' provisions (Appeals Proposal); and
- the Tribunal penalties assessment process and framework (Penalties Regime Proposal).

The full consultation document is available on our website [here](#). We invite interested parties to provide their views on the proposed amendments by emailing a written submission to policy@nzx.com before 25 February, 2022.

NZX Participant Rule amendments: Mid-Point Order Book

NZX received strong feedback in relation to its second round of consultation in relation to the proposed settings for the Mid-Point Order Book that closed in October 2021, with most submitters supporting the introduction of the Mid-Point Order Book but strongly opposing the proposed volume/time priority setting. NZX is therefore redesigning the settings for the Mid-Point Order Book on the basis of time priority.

Debt instrument conventions protocol

In June 2021, NZX consulted on a suite of proposals relating to the treatment of debt instruments that are designed to provide greater clarity to the market and standardise the treatment of certain types of debt instrument. NZX has now considered the feedback received through the consultation process, and has published a suite of conventions relating to the quotation of debt instruments which are available [here](#).

Listing Rules 'Hygiene Review'

NZX has now completed its review of the feedback received through its consultation in relation to hygiene amendments to the NZX Listing Rules. NZX will be submitting its application to the FMA for the approval of these amendments in February 2022.