

NZX Limited – Quarterly Regulation Metrics

Q3 2020

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

ISSUERS – KEY METRICS

	Q3 2019	Q3 2020
Total announcements released	4,885	5,035
Trading halts at request of Issuer or NZXR ¹	12	15
Documents approved and waivers ² granted to Issuers	31	20
Complaints received concerning Issuers	6	0
Price enquiries concerning Issuers	2	2
Investigations ³ begun in relation to Issuers	53	10
Investigations ongoing at the end of the quarter/period in relation to Issuers	13	7

PARTICIPANTS – KEY METRICS

Waivers ² , Exemptions and Rulings granted to Participants	1	1
Inspections commenced	6	5
Complaints received concerning Participants	0	0
Investigations ³ begun in relation to Participants	12	9
Investigations ongoing at the end of the quarter/period in relation to Participants	11	11

NZX RULES AND POLICY

Disclosure Requirements for Profile documents

During July 2020, NZX Policy consulted on proposed amendments to the Listing Rules to adjust the disclosure settings for direct listings to:

- remove the requirement for prospective financial information to be included in a Profile, and
- introduce a framework for NZX Foreign Exempt Issuer applicants, to allow NZXR to prescribe the nature and content of Profiles for such applicants, through templates designed on a jurisdictional basis.

The amendments to the Listing Rules were subsequently approved by the FMA and will take effect from Tuesday 3 November 2020. The market announcement with an attached marked-up copy of the Listing Rule amendments can be found [here](#).

NZX will also be releasing updates to the relevant Practice Notes and Guidance Notes to provide market guidance and support these amendments.

Continuous Disclosure Guidance Note

During August 2020, NZX consulted on amendments to the Continuous Disclosure Guidance Note. The amendments are designed to provide further guidance to Issuers on how to manage disclosure obligations in the event that they experience a performance deviation from market expectations.

The amendments clarify that in determining whether a performance deviation is Material Information for the purposes of the Listing Rules, Issuers should consider both the nature of market expectations, and the nature, extent and certainty of the deviation, in accordance with the guidance provided in the Guidance Note.

NZX has now finalised the revisions to sections 3.4 and 3.5 of the guidance note and an updated version of NZX's Continuous Disclosure Guidance Note is available [here](#).

Trading Conduct Guidance Note - Indications of Interest

During August, NZX Policy consulted on proposed amendments to section 4.2 of the Trading Conduct Guidance Note in relation to conduct expectations in respect of advertising indications of interest, including that Participants adopt the AFME/IA framework. We would like to thank those who submitted on the proposed amendments, which are currently being considered.

Listing Rules 'Hygiene Review' Q4 2020

NZX Policy plans to commence the 'Hygiene Review' of the Listing Rules in Q4 2020. The objective of this review is to resolve minor and technical issues that were an unintended consequence of the holistic Listing Rule review. We hope to formally consult on the proposed changes to the Listing Rules in late Q4 2020, in the interim please submit any proposed improvements to us, at policy@nzx.com.

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.

To enquire about any information on this sheet, please email regulation@nzx.com