

NZX announcement – addendum to 2022 Annual Report

NZX provides the following addendum to the NZX Annual Report for the year ended 31 December 2022.

The addendum includes disclosure of the waiver that NZX received from the Special Division of the NZ Markets Disciplinary Tribunal and relied on during the 2022 financial year, in respect of Listing Rule 2.11 as it concerns the directors fees for the independent directors of NZ RegCo.

The addendum is to the matters on page 124 of the Annual Report under the heading "*Waivers from listing rules and independent director certificates.*"

Waiver from listing rules for NZ RegCo director fees

On 15 December 2021, NZX received a waiver from the Special Division of the NZ Markets Disciplinary Tribunal in respect of Listing Rule 2.11 as it concerns the directors fees for the independent directors of NZ RegCo. The waiver effectively provides that, subject to its conditions, the independent directors of NZ RegCo are not within the scope of Listing Rule 2.11, which would otherwise require their director fees to be paid from the NZX shareholder approved NZX director fee pool (as adjusted for the number of directors overall) and require shareholder approval from NZX's shareholders for any increase in their remuneration.

The waiver was sought to increase the separation between NZX's commercial and regulatory arms and support the independence of NZ RegCo and its board, recognising NZ RegCo's unique regulatory function. Going forward, and as a condition of the waiver, the remuneration for the independent directors of NZ RegCo will be set based on remuneration benchmarking advice and subject to approval of the NZ RegCo board in accordance with the Companies Act procedures and also the NZX board (not to be unreasonably withheld). The remuneration of the directors of NZX (including of any NZX directors who are also directors of NZ RegCo) remains subject to NZX shareholder approval in the usual way under Listing Rule 2.11. All remuneration of directors of companies in the NZX group will continue to be disclosed in the annual report of NZX, as is required by the Companies Act. This waiver will also be referred to in notices of meeting and annual reports going forward, where relevant in the context of director remuneration matters.

A copy of the waiver decision was released to the market on 22 December 2021. This waiver was relied upon by NZX during the 2022 financial year.