

## NZ RegCo – Quarterly Regulation Metrics

### Q4 2020

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 2019	Q4 2020
Total announcements released	4666	4953
Trading halts at request of Issuer or NZXR <sup>1</sup>	25	18
Documents approved and waivers <sup>2</sup> granted to Issuers	19	22
Complaints received concerning Issuers	0	0
Price enquiries concerning Issuers	4	3
Investigations <sup>3</sup> begun in relation to Issuers	88	22
Investigations ongoing at the end of the quarter/period in relation to Issuers	4	11

#### PARTICIPANTS – KEY METRICS

Waivers <sup>2</sup> , Exemptions and Rulings granted to Participants	5	7
Inspections commenced	4	3
Complaints received concerning Participants	0	0
Investigations <sup>3</sup> begun in relation to Participants	16	21
Investigations ongoing at the end of the quarter/period in relation to Participants	5	14

#### 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 2020

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

### NZX RULES AND POLICY

#### **Disclosure settings for direct listings**

On 3 November 2020, amendments to the Listing Rules became effective that adjust the disclosure settings for direct listings by:

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

Updates to the Practice Note – Listing and Quotation of Equity Securities and Guidance Note on Backdoor and Reverse Listings supporting these amendments have also been released. The updated Rules, Guidance Notes and Practice Notes can be found on our website [here](#).

#### **Listing Rules ‘Hygiene Review’ Q1 2021**

NZX Policy plans to commence the ‘Hygiene Review’ of the Listing Rules in Q1 2021. 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 Q1 2021, in the interim please submit any proposed improvements to us, at [policy@nzx.com](mailto:policy@nzx.com).

#### **Trading Conduct Guidance Note - Indications of Interest**

During August 2020, 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. We are currently considering the submissions received, and expect to release revised guidance in this area, in Q1 2021.

#### **Derivatives Rules ‘Conformance Amendments’**

In April 2020, NZX consulted on proposed amendments to the NZX Derivatives Rules that were designed to reflect the updates that were made to the Participant Rules through the Participant Rules Review. NZX submitted the application for approval of those amendments to the FMA in December 2020.