

## News Release

### NZ RegCo launched as NZX's listed markets regulator

**10 December 2020** – The new regulatory model for NZX's listed markets (NZ RegCo) has been launched today, completing the structural separation of the Exchange's commercial and regulatory roles.

NZ RegCo Chief Executive, Joost van Amelsfort, says the new regulatory operating and governance model is not only independent but less complex and aligned with global best practice.

Signalled by NZX in March this year, the establishment of NZ RegCo (which takes effect from 10 December 2020) is seen as ground-breaking in the 150-year history of New Zealand's capital markets – in terms of the structure, governance and the operating model.

Mr van Amelsfort said the now stand-alone, independently-governed agency would perform all of NZX's frontline regulatory functions, with the NZ RegCo board providing enhanced strategic and real-time support. The independent Board will also act as a point of escalation for key "bright line" regulatory decisions.

NZ RegCo is governed by an independent establishment board chaired by Trevor Janes, with board members Annabel Cotton, Elaine Campbell, John Hawkins and Mike Heron QC.

Mr Janes said the new regulatory model was timely, and represents an important milestone in the continuing evolution of New Zealand's Exchange.

"The Board intends for NZ RegCo to be a strong advocate for best practice and leadership across the listed markets ecosystem."

The required changes to NZX's market rules and the NZCDC settlement system rules, are now in effect and are available here: <https://www.nzx.com/regulation/nzregco>

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## About NZ RegCo

NZ RegCo was established in December 2020 following a full review of NZX's regulatory operating model completed in 2019, which was prompted by the increasing complexity of governance arrangements. The independently governed agency performs all frontline regulatory functions in support of NZX's statutory obligations as a licensed market operator. Principal objectives include ensuring regulatory activity is risk-based and collaborative, and drives compliance focused outcomes.

The NZ RegCo Board is responsible for ongoing oversight of the performance of NZ RegCo's regulatory functions; the adequacy of the conflict management arrangements relevant to NZX's commercial interests and NZ RegCo's regulatory interests.

- NZ RegCo operates under a charter addressing:
- Functional delegation of regulatory decision-making
- Governance and financial delegations
- NZ RegCo board responsibilities
- Performance review of the RegCo board and NZ RegCo
- NZ RegCo board reporting.