



Technology Working Group to support evolution of NZ capital markets

27 November 2020 – NZX has today confirmed plans to create an Information Technology (IT) working group that will include leading representatives from across the capital markets' technology ecosystem.

Chief Executive, Mark Peterson, said NZX has been listening to feedback from key stakeholders in the sector and there is clearly value seen in a formal forum to communicate and connect with the wider market ecosystem. The Capital Markets 2029 report released in September last year also identified technology as a key enabler of the future health of our country's capital markets ecosystem.

"We see the working group as helping improve collaboration around technology planning and development, systems integration and industry-wide communication and processes – aimed at strengthening and supporting the evolution of New Zealand's capital markets."

Mr Peterson said the proposed formal industry working group would focus on the development of a collaborative capital markets IT "industry roadmap" to underpin the shared vision and ambitions outlined in the review jointly commissioned by NZX and the Financial Markets Authority.

The working group was expected to have broad involvement from across the industry, and have strong technology representation from market participants and other key stakeholders such as the share registries and software vendors.

Mr Peterson said NZX has begun consulting stakeholders about the proposal, which directly responds to the rapid changes occurring globally with the advancement and adoption of new technology.

The working group will provide direction and feedback on an ongoing basis with regard to:

- Industry systems and network architecture
- Market relevant projects and prioritisation
- Shared services that deliver cost or customer benefits
- Standards and service level delivery
- IT risks and security requirements.

Mr Peterson said steps are underway for development of a Terms of Reference and membership and the working group is expected to meet for the first time in early 2021.

The NZX Board this week announced the permanent establishment of a Technology subcommittee as part of the company's governance framework. The Committee's Charter includes responsibility for ensuring an appropriate industry working group structure, together with the broader remit of addressing IT recommendations from the Capital Markets 2029 report, meeting regulatory requirements and standards and supporting the function of the markets operated by NZX and cleared by NZX Clearing. This Committee will also lead greater interaction and co-operation with the financial community and other external ecosystem partners.

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