

## NZX publishes final NZX Corporate

10/5/2017, 8:37 am GENERAL

NZX today published its final NZX Corporate Governance Code (NZX Code). This is the first substantial update to the NZX Code since 2003 and represents a significant step forward for corporate governance reporting requirements in New Zealand.

The NZX Code covers eight principles that reflect internationally accepted corporate governance practices, which are intended to protect the interests of and provide long term value to shareholders while also seeking to reduce the cost of capital for issuers. Each principle contains specific recommendations and explanatory commentary that NZX listed issuers are encouraged to adopt.

The NZX Code was subject to extensive market consultation. NZX received more than 80 high quality submissions throughout the consultation process from major governance groups, issuers, corporate firms and investors in New Zealand and overseas. Feedback received as part of this review was extremely extensive and exceeded expectations, and NZX thanks everyone who took the time to make a submission. NZX acknowledges that not all of the ideas raised in submissions were reflected in the final NZX Code published today, but did contribute to the quality of the final result.

NZX considers that the final NZX Code will result in a significant improvement to corporate governance standards among its Main Board listed issuers. The final NZX Code reflects the broad stakeholder views in New Zealand's capital markets and reduces fragmentation between NZX's Code and other existing corporate governance frameworks.

NZX Chairman James Miller commented: "I am a strong supporter of organisations demonstrating sound corporate governance practices, which can lead to a lower cost of capital and higher valuations for NZX listed companies, offsetting any additional regulatory burden. The streamlined NZX Code will result in improved transparency for investors, driving increased confidence in our capital markets."

NZX General Counsel and Head of Policy Hamish Macdonald commented: "The NZX Code seeks to promote good corporate governance and ensure a single source of recommendations for New Zealand listed issuers. The extensive engagement NZX received as part of this review reflects the industry's desire for strong corporate governance and the key leadership role NZX plays in encouraging these improved practices."

The updated NZX Code will take effect from 1 October 2017 so that it must be reported against for reporting periods ending 31 December 2017 and beyond. Issuers are encouraged to adopt the recommendations on a voluntary basis earlier if they wish. NZX will engage with issuers on the recommended changes before the NZX Code takes effect.

The final NZX Code, which includes an explanatory paper about the changes, can be found at the link below:

<https://www.nzx.com/regulation/consultation>

For further information please contact:

For media enquires please contact:

Hannah Lynch  
Communications Manager  
T: 09 308 3710  
M: 021 252 8990  
E: [hannah.lynch@nzx.com](mailto:hannah.lynch@nzx.com)

For policy enquires please contact:

Hamish Macdonald  
T: 09 308 3701

M: 027 704 6377

E: hamish.macdonald@nzx.com

#### About NZX Limited

NZX builds and operates capital, risk and commodity markets and the infrastructure required to support them. We provide high quality information, data and tools to support business decision making. We aim to make a meaningful difference to wealth creation for our shareholders and the individuals, businesses and economies in the countries in which we operate. To learn more about NZX please visit: [www.nzxgroup.com](http://www.nzxgroup.com)

## Downloads

---

[!\[\]\(339a16584d5da0f0a3ca4e9ec17bf6a1\_img.jpg\) Announcement: NZX publishes final NZX Corporate Governance Code](#)

[!\[\]\(a870788d6ed9b8fd294b7654a8c8526b\_img.jpg\) NZX Corporate Governance Code](#)