



NZX Response to Coronavirus (COVID-19)

16 MARCH 2020 – NZX has considered the Government's announcement on 14 March 2020 of new border controls to protect New Zealanders from COVID-19, and advises that we do not foresee any impact from these measures on the continued full operation of our markets, regulatory function, or services to customers.

NZX has been taking a range of actions across our business to address the current and potential threat of coronavirus (COVID-19), which are aligned with the advice from the New Zealand Government and Ministry of Health.

Given the evolving situation globally, our focus has been on preparing in case of a more widespread prevalence of the coronavirus disease in New Zealand. This includes ensuring the safety of our people and those we work with directly – as an important part of our business continuity planning (BCP) to maintain normal operation of our markets. With significantly increased market volatility, NZX (through our NZX Clearing risk functions and the market supervision role of NZX Regulation) has also continued to monitor and enhance its systems and processes to manage the increased trading volumes and ensure the integrity of our markets.

BUSINESS CONTINUITY PLANNING

The foundation for NZX's business continuity plans is a robust technical capability for all our employees to work remotely for extended periods – with Cloud-based connection to our essential business systems, internal and customer communications networks.

At this time, NZX sees no material risk to our core trading or clearing systems, or the energy markets we run, and has confirmed this to regulators – on the basis that we believe our BCP arrangements will enable our markets to operate effectively during a wider outbreak of COVID-19. Contingency and business recovery plans are regularly verified, and further testing is being carried out to ensure readiness for different scenarios. NZX has already implemented aspects of its BCP procedures for our key operational and technical teams.

We have been closely monitoring market risk in line with our risk management framework. Additionally, NZX Regulation has been closely monitoring issuers – particularly those in sectors or with businesses exposed to COVID-19 – and providing advice to support best-practice disclosure with regard to this situation: <http://bit.ly/NZXRIssuerUpdate-COVID-19>

HEALTH MONITORING AND PREVENTION

NZX is also carefully monitoring and updating staff on the international and local developments around COVID-19 with a view to the health and safety of our people, and containment strategies of health authorities in New Zealand.

Within NZX offices we have introduced additional sanitation and cleaning procedures, together with promoting the New Zealand Ministry of Health's advice on prevention and awareness, along with self-isolation protocols and managing mental wellbeing: <https://www.health.govt.nz/our-work/diseases-and-conditions/covid-19-novel-coronavirus>

All permanent NZX employees have an unlimited sick leave provision and are being encouraged to use this entitlement if they develop possible symptoms, or are not well for other reasons.

MEETINGS AND TRAVEL RESTRICTIONS

NZX and subsidiary company employees are based exclusively in New Zealand, and our offices in Wellington, Auckland and Albany (New Zealand) remain open. Until further notice all visitors are being required to declare whether they believe they may have been in contact with anyone with COVID-19 and that they have not in the past 14 days travelled to "countries and areas of concern" (as defined by the New Zealand Ministry of Health).

NZX is encouraging video-conferencing for meetings, and has cancelled all international travel – with bookings for essential domestic travel requiring specific approval. NZX has also ensured our employees are aware of the Government's Safe Travel guidelines: <https://safetravel.govt.nz/covid-19-coronavirus#overlay-context=covid-19-coronavirus>

With heightened concern about the risk of public events, NZX believes it is prudent to allow the option of online participation and voting at the company's Annual Meeting on 31 March 2020 and therefore we will be moving to a hybrid meeting. Details are being communicated to NZX shareholders.

ENDS

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