

### Summary

- This Practice Note clarifies NZX's expectations on disclosure when an Issuer is added or removed from an index.

### Relevant Listing Rules: 3.1.1

Under Rule 9.15.1 of the NZX Listing Rules (**Rules**), NZX Limited (**NZX**) may act by and through NZX Regulation Limited (**NZ RegCo**) in performing any function or discharging any power set out in the Rules. References in this Practice Note to NZX therefore also include NZ RegCo in relation to any regulatory activity or discretion.

Quoted financial products listed on NZX markets are eligible for inclusion in a number of indices.

The constituent members of each market index are periodically reviewed by NZX's index provider (and others), based on a prescribed methodology. Issuers may be added to, or removed from, a market index following a periodic review. Changes to the constituent members of a market index are announced by the index provider.

An issuer may notice a price movement in its quoted financial products as a result of being added to, or removed from, a market index. Affected issuers are not separately advised of market index changes before they are publicly announced.

Once information of changes to a market index is publicly announced, NZX considers it to be "generally available to the market", which means it is no longer subject to the continuous disclosure regime. There is no separate obligation on affected issuers to release that information to the market under the Rules.

Although there is no Rules obligation, NZX encourages issuers to consider whether information about the issuer's inclusion or removal as a constituent of a market index would be of interest to investors. If so, the issuer may want to announce that information when they become aware of it.

*Practice Notes are not intended to be a definitive statement of the application of the rules in every situation and are only a guide to NZX's policy and practice. This Practice Note does not limit NZX's discretion under the rules. NZX takes no responsibility for any error contained in the Practice Note. NZX may replace Practice Notes at any time.*