



Consultation Paper

Appraisers and Appraisal Reports

5 June 2026



Introduction

The NZX Listing Rules (**Rules**) require an Issuer to prepare an Appraisal Report in certain circumstances to ensure that Financial Product holders have the benefit of an independent assessment of a transaction to make a fully informed decision.

The Approval of Appraisers Guidance Note (**Guidance Note**) provides guidance to candidates seeking approval from NZX to act as an appraiser.

NZX is proposing to amend the Rules so that the appointment of an appraiser for the purposes of the Rules is no longer subject to prior NZX approval, and instead Issuers will be responsible for assessing whether an appraiser meets the requirements of the Rules. In addition, NZX is proposing to provide additional guidance in relation to this assessment, as well as strengthening the requirements in relation to the content of Appraisal Reports.

The proposed amendments are outlined in this Consultation Paper and the following Exposure Drafts:

- NZX Listing Rules Exposure Draft (Rules Exposure Draft)
- Appraisal Reports Guidance Note (Guidance Note Exposure Draft)

As the proposed amendments involve substantial amendments to the scope and content of the Guidance Note, we have renamed the Guidance Note to "Appraisal Reports" and have provided both a clean and mark-up version of the Guidance Note Exposure Draft.

NZX considers that the circumstances and transactions which require an Appraisal Report under the Rules remain appropriate and is not proposing any amendments to these Rules in relation to this review.

Consultation Process

We are interested in hearing general feedback on the proposed amendments, and in addition we have posed specific consultation questions at the end of each section of this Consultation Paper.

We invite interested parties to provide their views on the proposals described in this Consultation Paper and contained in the Exposure Drafts by emailing a written submission to policy@nzx.com. Alternatively, if you would prefer to provide a verbal submission, please email NZX Policy to arrange a time to speak with us.

The closing date for submissions is **5.00pm Thursday, 23 July 2026**.

NZX may publish the submissions it receives, so please clearly indicate in your submission if you do not wish for your submission to be published, or identify any part of your submission which contains confidential information.



Contact information

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1 Background

The Rules currently require an Appraisal Report to be prepared by independent, appropriately qualified person previously approved by NZX, with NZX having the power to refuse to approve such person, or revoke any prior approval if it is not satisfied that the appraiser is independent and appropriately qualified.¹

NZX is proposing to remove the requirement that an appraiser must be previously approved by NZX to prepare an Appraisal Report for the purposes of the Rules. Instead, Issuers will be responsible for ensuring that the appraiser they engage meets the criteria outlined in the Rules. NZX will retain the power to intervene and refuse to allow an appraiser to act if it considers the requirements in the Rules have not been met.

To support this change, NZX is also proposing additional guidance for Issuers assessing the appropriateness of an appraiser, as well as a new requirement for an Issuer's board to certify the basis of which it has determined an appraiser meets the requirements of the Rules. Additionally, NZX is proposing additional content requirements for Appraisal Reports, along with guidance in relation to the "fairness" assessment that must be completed by the appraiser.

NZX considers that removing the current NZX approval requirement mitigates the potential risk of the market misinterpreting an approval made by NZX as an "endorsement" of an Appraisal Report or the quality of an appraiser.

Removing the NZX approval requirement also ensures that NZX's settings align with international practice. Other jurisdictions, including Singapore, Hong Kong and Australia, do not require prior approval of appraisers by the exchange, making NZX's current settings an international outlier.

2 Appraiser Criteria

The proposed changes maintain the requirement that an appraiser be independent and appropriately qualified, and propose a new requirement that an appraiser also have sufficient expertise and resources relevant to the transaction (together referred to as **Appraiser Criteria**).

The proposed removal of NZX's approval of the appraiser places the onus on the Issuer to ensure the Appraiser Criteria are met before appointing an appraiser.

The Guidance Note Exposure Draft provides guidance for Issuers making this assessment.

Certification

To reflect that Issuers will be responsible for ensuring that an appraiser meets the Appraiser Criteria, NZX is proposing a requirement for Directors who are not themselves, and not associated with, Relevant Associated Persons to certify the basis on which they have determined an appraiser meets the Appraiser Criteria. This certification must be provided to

¹ Rule 7.10.1.

NZX, and provided to Financial Product holders alongside the Appraisal Report and notice of meeting.

The proposed requirements for certification align with the standard conditions generally applied to waivers granted by NZ RegCo in relation to Related Party transactions.

NZX considers that certification will support market transparency and confidence in relation to the appointment of appraisers.

Independence

NZX is proposing an additional Rule requirement that an Issuer's terms of engagement with an appraiser do not provide for the appraiser's remuneration to be contingent, directly or indirectly, on the success or implementation of the transaction to which the Appraisal Report relates.² We consider this an appropriate requirement, as contingent fee structures may impact, or be seen to impact, an appraiser's independence.

We have also proposed the following guidance in the Guidance Note Exposure Draft to assist Issuers in assessing the independence of an appraiser. When making an assessment of an appraiser's independence, Issuers should consider the same factors they would otherwise have considered when making an application for NZX approval of an appraiser under the current Rules.

NZX considers that an appraiser should be independent from both the Issuer and the transaction, in order to be regarded as independent under the Rules. This requirement is designed to provide confidence to Financial Product holders that the appraiser can neutrally assess the fairness of the transaction, absent actual or reasonably perceived conflicts of interest.

The Guidance Note Exposure Draft provides the following non-exhaustive list of factors that may impact an appraiser's independence:

- (a) has had an ongoing professional advisory role with the Issuer in the past five years;
- (b) will derive, directly or indirectly, personal financial benefit from the success or otherwise of the relevant transaction;
- (c) has recently provided strategic corporate advisory work to the Issuer or its associates;
- (d) has prepared an Appraisal Report for the Issuer at least once each year in the preceding three year period; or
- (e) has derived 5% or more of their total revenue in the five year period from business connected to the Issuer.

These factors are currently considered by NZX when assessing independence, and should form part of an Issuer's holistic assessment of the appraiser's independence.

² Exposure Draft Rule 7.10.3(a).

The Guidance Note Exposure Draft also provides guidance in relation to maintaining independence throughout the engagement once an appraiser has been appointed.

Appropriate qualifications

The Rules will continue to require that an appraiser have appropriate qualifications to prepare an Appraisal Report. In the Guidance Note Exposure Draft we have included examples of qualifications which may be appropriate, noting that there are a wide range of circumstances where an Appraisal Report is required and alternative qualifications may be appropriate.

These qualifications are also referred to in the NZX Governance Guidance Note as qualifications a member of an audit committee may have to be deemed to have an adequate accounting or financial background.³ We consider similar skills are relevant in relation to providing an assessment of the fairness of a transaction.

Sufficient expertise and resources

We propose introducing a new Rule that an appraiser is required to have sufficient expertise and resources to prepare an Appraisal Report. This requirement aligns with international best practice, including Australia.⁴

NZX considers this is appropriate to ensure that Issuers are able to meet the timeframes in the Rules for providing Appraisal Report alongside documentation relating to the notice of meeting to NZX before it is circulated to Financial Product holders.⁵

The Guidance Note Exposure Draft provides a non-exhaustive list of factors that an Issuer should consider when making an assessment as to whether an appraiser has sufficient expertise and resources.

3 Content of Appraisal Reports

Proposed Rule amendments

As part of these amendments, NZX has proposed the following additional content requirements for Appraisal Reports:

- a statement that the appraiser has no conflict of interest that could affect the appraiser's ability to provide an unbiased Appraisal Report;⁶
- a statement outlining the relevant qualifications and expertise of the appraiser;⁷

³ Page 12, [NZX Governance Guidance Note](#).

⁴ Under [ASIC Regulatory Guide 112.39](#), a commissioning party should consider whether the expert has sufficient expertise and resources to give a thorough opinion on a proposed transaction.

⁵ If an Appraisal Report is required to accompany a notice of meeting, Rule 7.2.4 requires that both documents be provided together to NZX. Under Rule 7.2.1 both documents must be provided to NZX at least 10 Business Days, or other prescribed timeframe by NZX, before the documents are printed, circulated, executed, or otherwise given effect.

⁶ Exposure Draft Rule 7.10.5(c)(i).

⁷ Exposure Draft Rule 7.10.5(c)(ii).

- where relevant, a statement if there has been a material change to the Appraisal Report at the suggestion of the Issuer, including supporting reasons for the material change,⁸ and
- a disclaimer that NZX does not endorse or support any opinion expressed or information contained in the Appraisal Report.⁹

NZX considers that these additional content requirements will promote more consistency in the quality and detail across Appraisal Reports released to market. To support these new content requirements, we have also provided additional supplementary guidance in the Guidance Note Exposure Draft.

Assessment of fairness

NZX continues to consider that an appraiser's assessment as to whether the terms and conditions of the proposed transaction are fair to Financial Product holders that are not associated with Relevant Associated Persons remains a key content requirement for an Appraisal Report.

We have proposed additional guidance in the Guidance Note Exposure Draft on the concept of fairness to support greater consistency in the presentation of the assessment of fairness to Financial Product holders.

The Guidance Note Exposure Draft outlines that it may be beneficial for an appraiser to provide further context for their opinion in their Appraisal Report and refers to the inclusion of a valuation analysis to support the appraiser's assessment of fairness.

Summary of Appraisal Reports

The proposed Rules will continue to permit Issuers to circulate a summary of an Appraisal Report rather than an Appraisal Report in full. We have proposed amendments to the Rules to clearly articulate Issuers' obligations when they elect to circulate a summary, including that such summary should include the information required by Rule 7.10.5.

Technical update to definition of Relevant Associated Person

NZX is proposing a technical change to the definition of Relevant Associated Person for the purposes of Rule 7.10, to ensure that a holder of a Relevant Interest in 10% or more of a Class of Equity Securities carrying Votes (within limb (b) of the Related Party definition) who has triggered the Appraisal Report requirement, is captured as a Relevant Associated Person for the purposes of Rule 7.10.

⁸ Exposure Draft Rule 7.10.5.(i).

⁹ Exposure Draft Rule 7.10.5.(j).



This is a technical clarifying amendment and is not intended to be a change in policy or to change current market practice.

Consultation questions

Removal of NZX Approval

1. Do you consider it appropriate for Issuers to be responsible for assessing whether an appraiser meets the Appraiser Criteria?

Appraiser Criteria

2. Are there any other factors that an Issuer should consider when assessing the appraiser's independence? If so, please explain the factor and why it is relevant to the appraiser's ability to assess the fairness of the transaction.
3. Are there any other criteria that you consider an Issuer should take into account when appointing an appraiser?

Content and guidance for Appraisal Reports

4. If you are a firm that prepares Appraisal Reports for the purposes of the Rules, do any of the content requirements included in the proposed Rules raise any difficulties for the preparation of such reports?

Change to definition of Relevant Associated Person

5. Do you consider there are any unintended consequences of the proposed technical amendment to the definition of Relevant Associated Person?

