



NEW ZEALAND'S EXCHANGE
TE PAEHOKO O AOTEAROA

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2 May 2024

Economic Development, Science and Innovation Committee
Parliament Buildings
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NZX Submission: Companies (Address Information) Amendment Bill

1. NZX Limited (**NZX**) submits this response to the Economic Development, Science and Innovation Committee's (**Committee**) consultation on the Companies (Address Information) Amendment Bill (the **Bill**). We thank the Committee for the opportunity to provide this submission.
2. NZX is a licensed market operator under the Financial Markets Conduct Act 2013 with 203 unique listed issuers and a total market cap of \$223bn across the markets it operates¹. As a business, NZX is driven by our purpose which establishes an organisational commitment to 'connecting people, businesses and capital every day'.
3. Nothing in this submission is confidential.

Response to Consultation

4. We support the aim of the Bill to allow directors who have serious concerns for their personal safety to request that their publicly available residential address be replaced with a substitute address. The current requirement for directors to provide the Companies Office with their residential address, which is then publicly available and easily accessible on the register with a simple internet search, creates the risk that addresses may be used for malicious purposes.
5. The Bill proposes to require a director who wishes to have their residential address taken off the public register, to provide a statutory declaration verifying that the address being public is likely to result in physical or mental harm to the director, or someone else residing at the same address. We understand that this requirement is endeavouring to find a balance between protecting the safety of directors, and the transparency and accountability provided by the public register, however we consider this to be a high threshold for directors to have to meet in order to use a substitute address for service.

¹ [NZX Shareholder Metrics – March 2024](#).

We also note that listed companies are subject to additional requirements which further supports transparency as to the identity of directors, including requirements around appointment and rotation, and disclosure in relation to the independence of directors.

6. We consider a more nuanced two-fold approach than that proposed by the Bill may be preferable, which aligns with the current approach taken by ASIC in Australia, involving:
 - (a) the introduction of unique director identification numbers, which removes the need for director addresses to differentiate between directors with the same name, and supports the detection of phoenix companies; and
 - (b) removing the residential addresses of directors from the easily searchable online register, and instead offering company extracts to be purchased where this information is required (for example, by creditors).
7. Point (b) above would add a barrier to stakeholders accessing director residential addresses, which may deter malicious actors in some instances, but still allow for directors to be located and held accountable where appropriate.
8. In addition to the above, we would suggest overlaying the above approach with the statutory declaration process proposed in the Bill for directors who have safety concerns. This would allow such directors to have an alternative address held by the registrar for public release (i.e., for a company extract to have an alternative address for these directors, preventing public release of their residential address).
9. We also note that the Committee should consider the broader settings relating to the public availability of directors' residential addresses to ensure that a consistent approach is taken, for example in relation to the requirements for a director's address to be registered on the Financial Service Provider's Register.
10. We support the Bill's intention to protect the privacy and safety of directors in New Zealand, and hope that the Committee considers additional approaches to protect the privacy of all directors.

Yours sincerely,



Kristin Brandon
Head of Policy and Regulatory Affairs
NZX Limited