

## **CONSULTATION PAPER – 24-02**

### **CONSULTATION ON PROPOSED AMENDMENTS TO RULES AND ADVISORY REGIME FOR THE REGULATED MARKET OPERATED BY EURONEXT DUBLIN**

#### **BACKGROUND TO THE PROPOSED CHANGES**

As previously indicated, it has been a long-term objective of Euronext Dublin to streamline and harmonise our local rule book to be in line with our other continental European rule books. We undertook a similar process for our more junior SME Growth market in 2022 and have now taken the opportunity to review the upcoming Listing Act that is going through its final stages which will ultimately update European Securities' law.

Given the orientation of trading in Irish securities towards Europe, the imminent launch of the new Irish Corporate Governance Code, the recent UK listing review and the desire to enable Irish issuers to access other Euronext markets, we believe that now is an opportune time for Euronext Dublin to significantly simplify and align the applicable rule book to ensure that it is fit for purpose and delivers to our current and future issuers.

#### **EURONEXT REGULATED MARKETS AND RULE BOOKS**

Euronext operates seven Regulated Markets in Amsterdam, Brussels, Dublin, Lisbon, Oslo, Milan and Paris.

From a regulatory perspective, each Regulated Market is governed by a harmonised rule book (Book I) that is applicable to all issuers, in addition to specific admission conditions and ongoing obligations for each jurisdiction (Book II). Amendments have been made to both Book I and the Book II applicable to the Irish market.

#### **OBJECTIVES OF THE REVIEW**

Our overarching objective was to carry out an extensive review of the listing regime in place for the Regulated Market operated by Euronext Dublin, and to embed the new Irish Corporate Governance Code into Book II. You will have recently received the finalized version of the Irish Code, which should be read in conjunction with Book II.

When reviewing Book II for the Irish market we had a number of objectives as set out below:

- (i) to have reasonably consistent regimes across the Euronext Regulated Markets to enable current and future issuers to access one or more markets easily;
- (ii) to align the advisory regime with the regime in place across other Euronext Regulated Markets;
- (iii) to enable international issuers to connect to the Irish market;
- (iv) to ensure that the proposed changes will not negatively impact any existing or future issuers that are dual-listed on the Main Market of the London Stock Exchange on the basis that the new Euronext Dublin regime will be no more onerous; and

- (v) to streamline and align the existing rules with those of other Euronext jurisdictions, including the removal of rules that are covered in legislation and certain anomalies vis-à-vis other European exchanges, e.g. the Class Tests.

It is worth noting that the proposed regime is one that is tried and tested in other Euronext jurisdictions and is delivering to issuers, in addition to meeting investor protection requirements which are paramount.

## SUMMARY OF KEY PROPOSED AMENDMENTS

The changes to Book I are minor, with the exception of LR 6302/1(i) and LR 6302/3, both of which alter the free float requirements for Euronext's Regulated Markets. However, our review of Book II was more comprehensive and led to a number of proposed amendments, in order to deliver to the objectives set out above. The most significant changes to Book II are as follows:

- The alignment of equity admission conditions and application procedures with those of other Euronext Regulated Markets, in order to foster a more harmonized equity regime;
- Alignment of the administrative measures applicable to issuers of all securities with the measures available in other Euronext jurisdictions;
- Simplification of the continuing obligation requirements applicable to equity issuers;
- Replacement of the existing equity sponsor regime with the regime in place in other Euronext jurisdictions;
- Removal of the following chapters:
  - Chapter 7: Listing Principles
  - Chapter 9: Dealing in Own Securities and Treasury Shares
  - Chapter 10: Significant Transactions (with the exception of reverse takeovers)
  - Chapter 11: Related Party Transactions
  - Chapter 12: Contents of Circulars;
  - Chapter 13: Secondary Listings
- Alignment of our existing reverse takeover regime with the reverse listing regime to be rolled out across all Euronext markets;
- Application of the new Irish Corporate Governance Code to certain issuers.

The above highlight some of the proposed changes. Please review the marked up version of Book II to see all changes.

Additionally, please note that Euronext Dublin's *Equity Sponsors Eligibility Criteria, Application Process and Other Regulations and Notification Requirements and Notice Periods* will be replaced in full by Book II: Member Firm Rules ( [Euronext Regulated Markets | euronext.com](https://www.euronext.com) ) in respect of equity listing agents. For the avoidance of doubt, these documents will continue to apply to sponsors of closed-ended and open-ended investment funds seeking admission on the Regulated Market of Euronext Dublin. We have also attached the following ancillary documents, referenced in Book II:

- Euronext Notice – Documentation to be provided in view of an admission of Equity Securities on a Euronext market
- Euronext Notice 6-01 – Euronext policy with respect to Listing Agents
- Euronext Notice – Reverse Listing
- Euronext Notice – Procedure and documentation for a block listing of equity securities on Euronext Dublin

## **CONSULTATION**

We have included as attachments marked up and clean versions of Book I and Book II together with the ancillary documents referenced in the above paragraph . We invite stakeholders to provide written feedback. The consultation is open for your views until Friday, 1<sup>st</sup> November 2024.

If you would like to respond please send your comments and views by email to [equity@euronext.com](mailto:equity@euronext.com)

A copy of the Consultation Paper will also be available on our website at the following link:  
<https://www.euronext.com/en/markets/dublin>

Kind Regards,

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