

Being supervised by RBNZ

NBDTs' webinar

26 March 2026

Our purpose

Our purpose is to protect and promote the stability of New Zealand's financial system and to enable the economic wellbeing and prosperity of all New Zealanders.



Economic objective

Achieving and maintaining price stability



Financial stability objective

Protecting and promoting the stability of New Zealand's financial system

Section 9,
RBNZ Act 2021



Central bank objective

Otherwise acting as New Zealand's central bank

Financial Stability Group leadership



Dr Anna Breman
Governor



Angus McGregor
Acting Assistant
Governor Financial
Stability



Kerry Beaumont
Director Enforcement &
Resolution



Jess Rowe
Director Prudential Policy



Kerry Watt
Director Financial System
Assessment



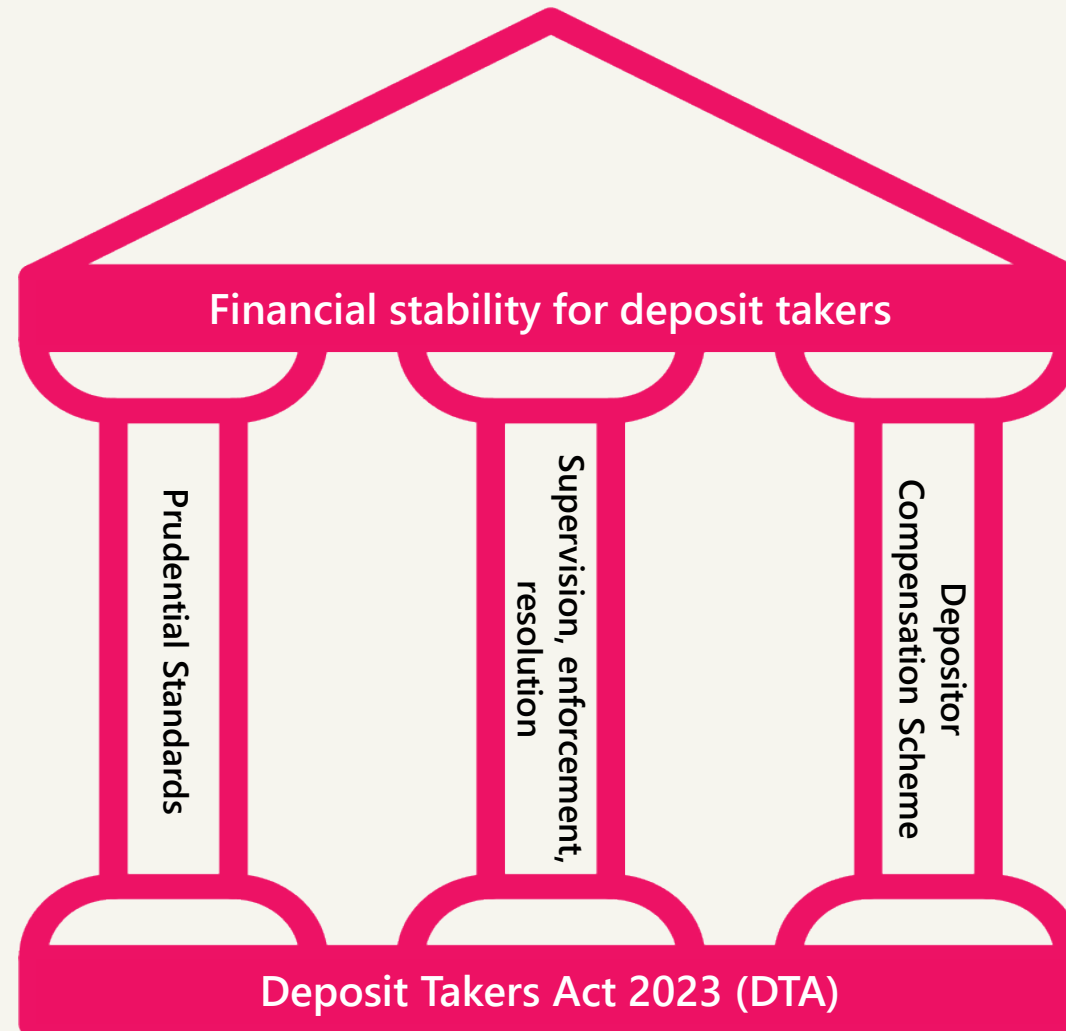
Scott McKinnon
Director of Specialist
Supervision



Stan Christian
Acting Director Prudential
Supervision

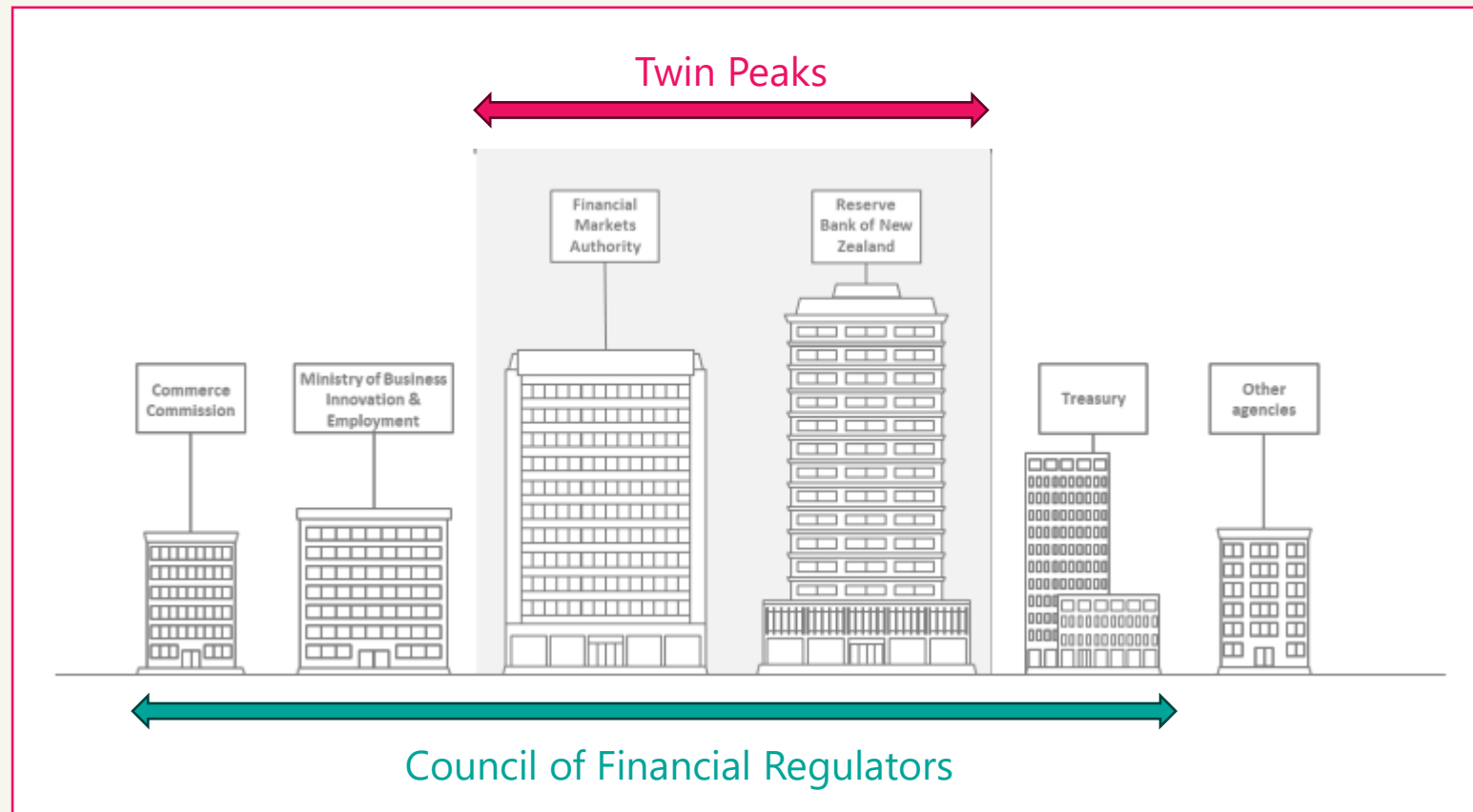


Foundations for the deposit taking sector



'Twin peaks' model

- **Prudential regulation** is undertaken by the Reserve Bank of New Zealand
- **Conduct regulation** is undertaken by the Financial Markets Authority



High level regulatory approach

Our approach to supervision is:

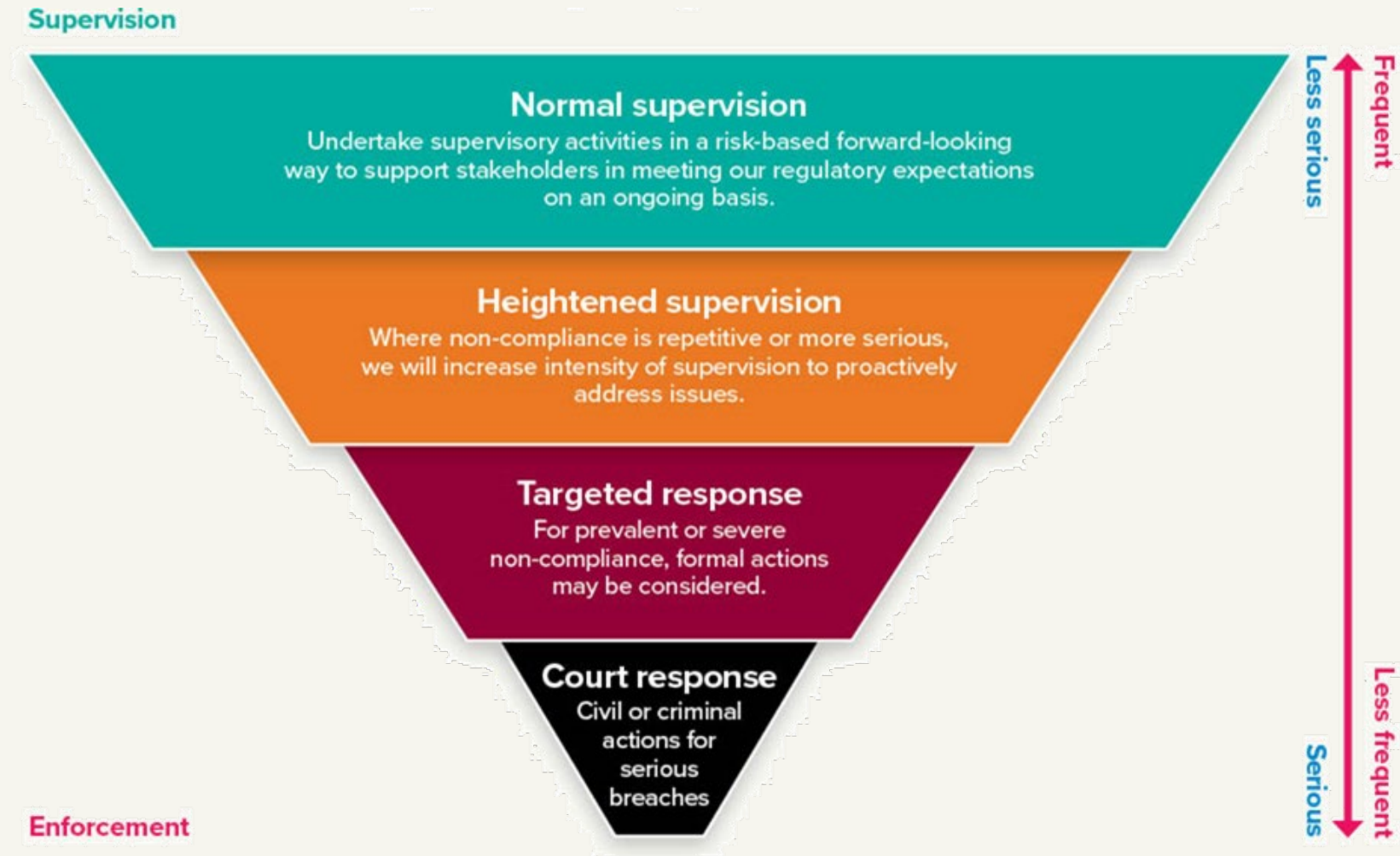
- Outcomes-focused
- Risk-based
- Data-insight led
- Proactive & forward looking

We do this through :

- Being proportionate
- Trust & verify processes
- Having sound judgement
- Transparency
- Strong entity relationships
- Being collaborative



Our regulatory response model



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Our regulatory philosophy

Our regulatory philosophy is to implement effective regulations that help to mitigate market failures and negative externalities. It is through our regulatory philosophy we are able to achieve our financial stability objective of protecting and promoting the stability of New Zealand's financial system.

A sound and well-functioning financial system – financial markets, financial institutions, payments systems – provides a public good shared by society.

Sound financial institutions and a sound financial system are core responsibilities for the Reserve Bank and the organisations we regulate. Through our three pillars of prudential regulation we ensure that the financial system continues to provide the financial services that all New Zealanders rely on.

Our prudential regulation pillars

For a prosperous financial system we rely on three inter-dependent disciplines – **self**, **market** and **regulatory**- which together make for a strong financial system that meets the needs of New Zealanders.

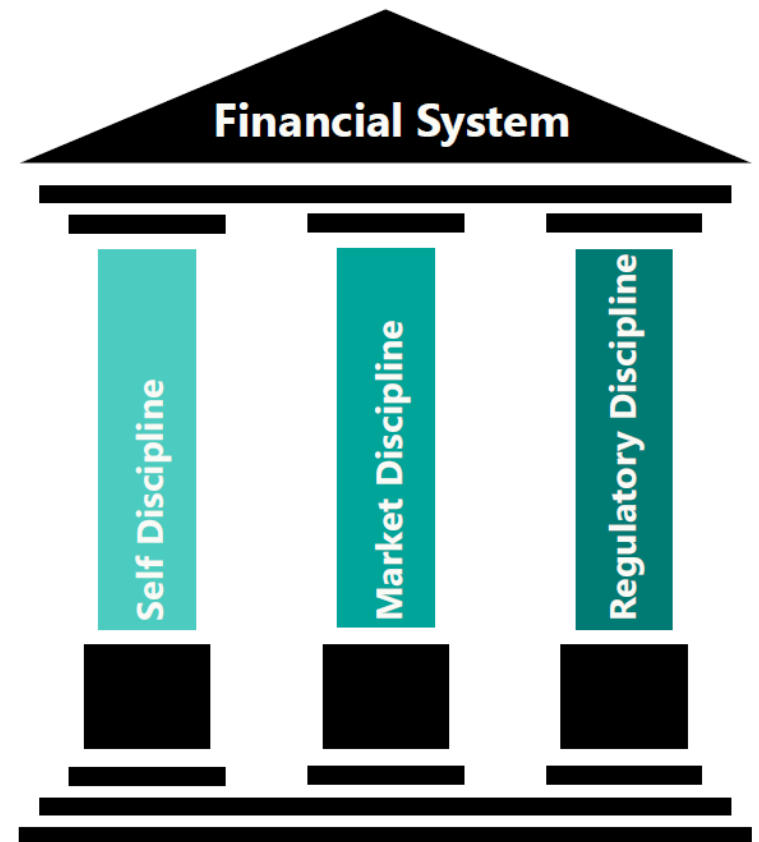
To keep each of the pillars strong and effective we apply the following principles.

- **Self discipline:** Creates incentives for regulated entities to have effective internal processes, controls, systems, frameworks and practices.
- **Market discipline:** Requires regulated entities to complete disclosures to reduce information asymmetry between firms and market participants so that they can effectively monitor and influence financial institutions.
- **Regulatory discipline:** Reflects RBNZ's role as a regulator that sets, rules and requirements that enhance the effectiveness of the other two pillars, and minimise the costs of financial instability.

Our regulatory approach outlines how we propose to use our rules, powers and tools to balance the three pillars of prudential regulation to achieve optimal outcomes for New Zealanders.

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Three pillars of prudential regulation



Relationship charter

The Reserve Bank aspires to build and maintain the best 'regulator/regulated' supervisory relationships possible, with all the different regulated entities. This Charter represents a mutual undertaking of how the parties will work together to achieve this aspiration. We will regularly measure our performance against the commitments set out in the Charter and share the lessons.

Our mutual commitments

Our behaviours will be

Honest

positions are openly stated, constructively, freely and frankly

Diligent

provide clear expectations and deliver on them

Achievement focused

work together to achieve sound and efficient outcomes

Open-minded

each other's perspective is constructively sought and understood

Professional

disagreements can happen on issues, not people

Our communication will be

Clear

easily understood, with decisions explained

Targeted

made to the right people in governance and management

Consistent

one organisation, one message, one tone

Timely

communication with no surprises

*Relationships built on mutual respect, ethical behaviour, and te whakatōpū.
Stewardship for a healthy and efficient financial system that benefits all New Zealanders.*



Questions?

