

DRPR Guideline on Proper Ad Hoc Publicity

Preamble

The legislator has obliged every issuer of financial instruments traded on an organised market to publish insider information that directly affects it without delay. Insider information is defined as specific information about circumstances which, if they were made public, would be likely to have a significant influence on the price of insider papers. These circumstances must be published if they have occurred or if it can be assumed with sufficient probability that they will occur in the future. Significant price relevance must be considered in terms of whether a reasonable investor would take the information into account when making an investment decision.

Publication in the form prescribed by the legislator serves to avoid insider trading by creating the best possible market transparency for circumstances that are highly relevant to the share price. This is essential for investor confidence in reliable and credible financial reporting and in the integrity of the capital market.

In the interests of the public, this legal obligation must not be misused for advertising purposes. It is inadmissible to publish any content under the heading of ad hoc announcements - be it from marketing or PR or from regular company reporting. To suggest that there is significant price-sensitive news that is not actually news misleads the public and is therefore a gross violation of common decency in financial communication.

Violations of the ad hoc publicity obligation are publicly reprimanded in accordance with the rules of the German Council for Public Relations.

The four precepts of honest ad hoc publicity

1. The precept to limit oneself to the relevant information

An ad hoc publication must only contain specific information about circumstances that are materially relevant to the share price and not publicly known (both facts and well-founded, sufficiently specific forecasts, value judgements or intentions) and must be disclosed immediately. This does not include information from regular financial reporting, marketing or public relations that does not fulfil these requirements. This applies above all:

- 1.1 Periodic regular reports (quarterly, interim or annual reports) may not be misused as ad hoc disclosures. If significant new information of relevance to the share price emerges during the preparation of the report, this must be published immediately and not only after the report has been finalised.
- 1.2 An ad hoc announcement may not be misused for other, far-reaching messages from advertising texts, PR brochures or marketing concepts.
- 1.3 What is new and relevant to the share price should only be presented with those characteristics that are necessary for a proper understanding of its significance. In the case of a company acquisition, for example, these are the sector, turnover and earnings situation, but not the entire marketing strategy. In the case of a supply agreement, it is only the volume of the agreed deliveries and services, but not the detailed product description.

2. The precept to observe the novelty value

It is not permissible to present as new what is not news. This maliciously misleads the press and investors. This applies above all:

- 2.1 Information can only be considered new to the extent that it has not already been announced or deviates from announcements or published forecasts. In order not to mislead investors, it must be indicated to what extent the share price-relevant information has already been published.
- 2.2 The unchanged result of a company can only be new information relevant to the share price if it deviates significantly from the industry trend or from previously published forecasts or market expectations.
- 2.3 A published forecast must be corrected as soon as the issuer recognises that it is significantly incorrect.

3. The precept for transparency

Ad hoc announcements must fulfil the requirement of being transparent and comprehensible in all statements. This applies above all:

- 3.1 In the event of new circumstances or events, background information may constitute share price-relevant information. They must then be included in the publication with due brevity.

- 3.2 It is not permitted to move necessary components of a mandatory ad hoc announcement to separate publications. The ad hoc announcement must be a self-contained, independent piece of information.
- 3.3 To ensure the comparability of figures, the comparative figures for the corresponding previous period must always be included. A change in the scope of consolidation or a change in the accounting method must also be indicated.
- 3.4 If the significantly share price-relevant news is mainly due to the special development of a segment or a product, this special development must be cited as an explanation.

4. The precept to avoid misleading information

It is inadmissible to conceal unfortunate share price-relevant new developments with editorial tricks. This applies above all:

- 4.1 Ad hoc announcements must not distract from a new circumstance that is considered share price-relevant by providing irrelevant content or interpretations.
- 4.2 For circumstances that have not yet been realised as share price-relevant facts, there is only an ad hoc publicity obligation or an ad hoc publicity right if their realisation can be expected with sufficient probability.
- 4.3 Untrue information published as mandatory disclosures must be corrected immediately, even if it was not new and/or share price-relevant.
- 4.4 Postponed mandatory disclosures are subject to mandatory disclosure if they are important for the proper understanding of other new information whose publication is not postponed.
- 4.5 Negative developments must not be concealed by changing key figures or using fantasy key figures.
- 4.6 Headings must not distract from or reinterpret the main content.

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