

## **Disclosure and communication policy**

Pyrolyx AG (the **Company**)

Adopted by the Management Board on 11 July 2017

Approved by the Supervisory Board on 11 July 2017

## Disclosure and communication policy

### Contents

<b>1</b>	<b>Introduction</b> .....	<b>1</b>
1.1	The Company.....	1
1.2	Company's commitment to disclosure and communication.....	1
1.3	Purpose of this policy .....	1
1.4	Application of this policy.....	1
<b>2</b>	<b>Continuous disclosure obligations</b> .....	<b>2</b>
2.1	ASX Listing Rules disclosure requirement: Immediate notification of information which may have a material effect on price or value .....	2
2.2	Exceptions to disclosure of information .....	3
<b>3</b>	<b>Disclosure roles, responsibilities and internal procedures</b> .....	<b>3</b>
3.1	Role of the Management Board in relation to Disclosure .....	3
3.2	Role and responsibilities of the CFO .....	3
3.3	Other employees.....	4
<b>4</b>	<b>Disclosure matters generally</b> .....	<b>4</b>
4.1	Informing ASX and / or the Federal Financial Supervisory Authority .....	4
4.2	Speculation and rumours .....	4
4.3	False market .....	5
4.4	Trading halts .....	5
4.5	Breaches .....	5
<b>5</b>	<b>Market communication</b> .....	<b>5</b>
5.1	Communication of information .....	5
5.2	Analysts and institutional investors .....	5
5.3	Analyst reports .....	5
5.4	Media relations and public statements .....	6
<b>6</b>	<b>Securityholder communication</b> .....	<b>6</b>
6.1	Reports to securityholders .....	6
6.2	The Company's website.....	6
6.3	Use of electronic communication and other technology .....	6
6.4	General meetings.....	7
6.5	Notices of meetings .....	7

6.6	Auditor to attend AGM .....	7
6.7	Shareholder privacy .....	7
<b>7</b>	<b>Review and publication of this policy.....</b>	<b>7</b>

## **1 Introduction**

### **1.1 The Company**

The Company is a German incorporated entity that is registered as a foreign company in Australia. The Company is currently listed on the Frankfurt Stock Exchange, the Munich Stock Exchange, the Düsseldorf Stock Exchange and also the ASX. Accordingly, the Company must therefore comply with the disclosure obligations imposed by these exchanges and applicable law (in each case, as they apply to the Company).

### **1.2 Company's commitment to disclosure and communication**

The Company is committed to the objective of promoting investor confidence and the rights of securityholders by:

- (a) complying with the continuous disclosure obligations imposed by applicable law;
- (b) ensuring that company announcements are presented in a factual, clear and balanced way;
- (c) ensuring that within the limits of applicable law all securityholders have equal and timely access to material information concerning the Company; and
- (d) communicating openly and honestly with securityholders and making it easy for the shareholders to participate in general meetings.

### **1.3 Purpose of this policy**

This policy outlines certain corporate governance measures adopted by the Company to further its commitments. For the purposes of the ASX, it seeks to incorporate:

- (a) Principle 5 (Make timely and balanced disclosure) and Principle 6 (Respect the rights of security holders) of the ASX Corporate Governance Council's: Corporate Governance Principles and Recommendations;
- (b) the principles in Guidance Note 8 - Continuous Disclosure: Listing Rule 3.1 issued by ASX; and
- (c) disclosure obligations in the ASX Listing Rules (**ASX Listing Rules**).

These ASX specific corporate governance measures will be adopted by the Company, in so far as they are applicable to the Company (being a German incorporated entity also listed on the Frankfurt Stock Exchange, the Munich Stock Exchange and the Düsseldorf Stock Exchange) and also consistent with:

- (d) the Company's obligation to release information to the Frankfurt Stock Exchange, the Munich Stock Exchange and the Düsseldorf Stock Exchange; and
- (e) the Company's other disclosure obligations, in particular in accordance with the Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 (**Market Abuse Regulation**).

### **1.4 Application of this policy**

This policy applies to all members of the Management Board of the Company (**Management Board**), members of the Supervisory Board, as well as other officers and employees of the Company.

This policy is a general guide to complex legal provisions and should not be taken as legal advice.

## **2 Continuous disclosure obligations**

### **2.1 ASX Listing Rules disclosure requirement: Immediate notification of information which may have a material effect on price or value**

The Company must immediately (meaning, "promptly and without delay") disclose to the market any information concerning the Company that a reasonable person would expect to have a material effect on the price or value of the Company's securities. Disclosure is made by making an announcement to ASX.

Information will be taken to have a material effect on the price or value of the Company's securities if it would be likely to influence investors in deciding whether to buy, hold or sell the Company's securities if the information became public. This type of information is referred to as "price sensitive" information.

Materiality is assessed using measures appropriate to the Company and having regard to the examples given by ASX in ASX Listing Rule 3.1. Accordingly, the types of information that may need disclosure include:

- (a) a transaction that will lead to a significant change in the nature or scale of the Company's activities, including, a material acquisition or disposal;
- (b) the granting or withdrawal of a material licence;
- (c) the entry into, variation or termination of a material contract;
- (d) takeovers, mergers, de-mergers, restructures, schemes of arrangements, and all other transactions involving a transfer of control or significant change in the nature or scale of the Company's activities;
- (e) becoming a plaintiff or defendant in a material law suit;
- (f) a change in the revenue or profit or loss forecasts that is materially different from market expectations;
- (g) the appointment of a liquidator, administrator or receiver;
- (h) a change in tax or accounting policy;
- (i) equity raisings for the Company;
- (j) a decision of a regulatory authority in relation to the Company's business;
- (k) a relationship with a new or existing significant customer or supplier;
- (l) a formation or termination of a joint venture or strategic alliance; or
- (m) giving or receiving a notice of intention to make a takeover.

There are many other types of information that could give rise to a disclosure obligation.

In addition, if any material information disclosed to the market becomes incorrect, the Company must release an announcement correcting or updating that information.

## **2.2 Exceptions to disclosure of information**

Subject to the Company's disclosure obligations as imposed on it by the Market Abuse Regulation, for the purpose of the ASX Listing Rules, disclosure of price sensitive information is not required while the following paragraphs (a), (b) and (c) are satisfied:

- (a) a reasonable person would not expect the information to be disclosed; and
- (b) the information is confidential and ASX has not formed the view that the information has ceased to be confidential; and
- (c) one or more of the following applies:
  - (i) it would be a breach of a law to disclose the information;
  - (ii) the information concerns an incomplete proposal or negotiation;
  - (iii) the information comprises matters of supposition or is insufficiently definite to warrant disclosure;
  - (iv) the information is generated for the internal management purposes of the Company; or
  - (v) the information is a trade secret.

The Company must disclose the information to ASX as soon as one of paragraphs (a), (b) or (c) is no longer satisfied.

## **3 Disclosure roles, responsibilities and internal procedures**

### **3.1 Role of the Management Board in relation to Disclosure**

The Management Board will manage the Company's compliance with its disclosure obligations as imposed on it in particular by the ASX Listing Rules and by the Market Abuse Regulation and this policy.

This will include:

- (a) ensuring that the Company complies with its disclosure obligations under any applicable law and stock exchange rules;
- (b) assessing the possible materiality of information which is potentially price sensitive;
- (c) making decisions on information to be disclosed to the market, including, matters of key significance;
- (d) seeking to ensure that announcements are made in a timely manner, are not misleading, do not omit material information and are presented in a clear, balanced and objective way;
- (e) reviewing the Company's periodic disclosure documents and media announcements before release to the market; and
- (f) periodically monitoring disclosure processes and reporting.

### **3.2 Role and responsibilities of the CFO**

The CFO will be responsible for communication with ASX in relation to listing rule matters and also for the general administration of this policy.

In this regard, the CFO's responsibilities include:

- (a) seeking to ensure that ASX is appropriately notified of any information which needs to be disclosed;
- (b) reviewing board papers and any other relevant information for events which may give rise to disclosure obligations; and
- (c) maintaining a record of discussions and decisions made about disclosure issues by the Management Board and a register of announcements made to ASX.

For the avoidance of any doubt, the responsibilities of the CFO as set out in this section 3.2, may be delegated by the Management Board (as the Management Board thinks appropriate).

### **3.3 Other employees**

This policy is provided to all officers and relevant employees of the Company on appointment. They must read this policy so as to gain an appreciation of what type of information may potentially be price sensitive for the purpose of the ASX Listing Rules and/or may potentially be an inside information for the purpose of the Market Abuse Regulation and when to immediately refer any matter or event which may need to be disclosed to the CEO.

The Management Board will organise any training which it thinks appropriate for the Company's officers and relevant employees to:

- (a) assist with their understanding of the Company's and their own legal obligations relating to disclosure of price sensitive information for the purpose of the ASX Listing Rules and/or of inside information for the purpose of the Market Abuse Regulation, materiality and confidentiality;
- (b) raise awareness of the internal processes and controls; and
- (c) promote compliance with this policy.

Significant amendments made by the Management Board to this policy will be communicated to officers and relevant employees by the CEO.

## **4 Disclosure matters generally**

### **4.1 Informing ASX and / or the Federal Financial Supervisory Authority**

The Company will not release any information publicly that is required to be disclosed through ASX until the Company has received formal confirmation of its release to the market by ASX. Any other disclosure obligations of the Company, in particular in accordance with the Market Abuse Regulation, remain unaffected.

Information must not be given to the media before it is given to ASX and / or the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht*) (**FFSA**) (as applicable), even on an embargo basis, unless the Company has released this information publicly in accordance with the Company's disclosure obligations, in particular in accordance with the Market Abuse Regulation and the ASX Listing Rules.

### **4.2 Speculation and rumours**

Generally, the Company will not respond to market speculation or rumours unless a response is required by law or ASX for the purposes of section 4.3 of this policy or by the Market Abuse Regulation.

### **4.3 False market**

If ASX considers that there is, or is likely to be, a false market in the Company's securities and asks the Company to give it information to correct or prevent a false market, the Company must give ASX the information needed to correct or prevent the false market.

### **4.4 Trading halts**

If necessary, the Management Board may consider requesting a trading halt from ASX to ensure orderly trading in the Company's securities and to manage disclosure issues.

### **4.5 Breaches**

Failure to comply with the disclosure obligations in this policy may lead to a breach in particular of the Corporations Act or ASX Listing Rules or the Market Abuse Regulation and to personal penalties for members of the Management Board, and potentially other officers of the Company. Breaches of this policy may lead to disciplinary action being taken.

## **5 Market communication**

### **5.1 Communication of information**

The Company will post on its website relevant announcements made to the market and related information after they have been released to ASX following receipt of confirmation from ASX.

Material price sensitive information will be posted as soon as reasonably practicable after its release to ASX.

Information may also be provided from time to time to the media on behalf of the Company but not before disclosure to ASX and / or the FFSA (if required and as applicable), even on an embargo basis unless the Company has released this information publicly in accordance with the Company's other disclosure obligations, in particular in accordance with the Market Abuse Regulation.

### **5.2 Analysts and institutional investors**

The Company may within the limits of applicable law conduct briefings for analysts and institutional investors from time to time to discuss matters concerning the Company. Only the CEO and CFO or approved representatives of the Company are authorised to speak with analysts and institutional investors.

Before each reporting period, the CEO and CFO will formulate guidelines for briefings for that period. The Company's policy at these briefings is that:

- (a) the Company will not comment on price sensitive issues not already disclosed to the market; and
- (b) any questions raised in relation to price sensitive issues not already disclosed to the market will not be answered or will be taken on notice.

If a question is taken on notice and the answer would involve the release of price sensitive information, the information must be released through ASX and / or the FFSA (as applicable to the Company and its disclosure obligations).

### **5.3 Analyst reports**

If requested, the Company may review analyst reports. The Company's policy is that, unless otherwise required by ASX for the purposes of section 4.3 (False market) of this policy or by



any other applicable law, it will only review these reports to clarify historical information and correct factual inaccuracies if this can be achieved using information that has been disclosed to the market generally.

No comment or feedback will be provided on financial forecasts, including profit forecasts prepared by the analyst, or on conclusions or recommendations set out in the report. The Company will communicate this policy whenever asked to review an analyst report.

#### **5.4 Media relations and public statements**

Media relations and communications are the responsibility of the CEO. However, on financial matters, the CFO or the CEO may generally speak.

Other officers or senior employees may be authorised by the Management Board or the CEO to speak to the media on particular issues or matters.

Any inquiry that refers to market share, financials or any matter which the recipient considers may be price sensitive for the purpose of the ASX Listing Rules and/or a potential inside information for the purpose of the Market Abuse Regulation must be referred to the CEO.

No information is to be given to the media on matters which are of general public interest or which may be price sensitive for the purpose of the ASX Listing Rules and/or a potential inside information for the purpose of the Market Abuse Regulation without the approval of the CEO.

The guidelines outlined above are subject to any directions given by the Management Board, either generally or in a particular instance.

### **6 Securityholder communication**

#### **6.1 Reports to securityholders**

The Company produces relevant financial reports with respect to the Company in accordance with applicable law. It also seeks to give balanced and understandable information about the Company in any of its reports to securityholders.

#### **6.2 The Company's website**

The Company's website contains information about the Company including shareholder communications, announcements made to the market and related information. Investor information will be posted in a separate section on the website from other material about the Company.

Relevant press releases, Company financial announcements and financial data and the Company's charters and policies will also be available on the Company's website.

#### **6.3 Use of electronic communication and other technology**

Securityholders may within the limits of applicable law elect to receive information electronically as it is posted on the Company's website. The website provides information about how to make this election. Within the limits of applicable law, the Company will communicate by post with securityholders who have not elected to receive information electronically.

The Company may consider the use of other reliable technologies as they become widely available.

#### **6.4 General meetings**

General meetings are used to communicate with shareholders and allow an opportunity for informed shareholder participation. Shareholders are encouraged to attend or, if unable to attend, to vote on the motions proposed by appointing a proxy or using any other means included in the notice of meeting. The Company conducts its general meetings in accordance with the applicable law, in particular in accordance with the Company's Articles of Association ("**Constitution**") and the German Stock Corporation Act.

#### **6.5 Notices of meetings**

The Company ensures that the form, content and delivery of notices of general meetings will comply with the Constitution and the German Stock Corporations Act. The Company will place notices of general meetings and accompanying explanatory material on the Company's website.

#### **6.6 Auditor to attend AGM**

The external auditor will attend the annual general meeting.

#### **6.7 Shareholder privacy**

The Company recognises that privacy is important and will not disclose registered shareholder details unless required by law. Shareholder details will only be used in accordance with applicable laws.

### **7 Review and publication of this policy**

The Management Board will review this policy from time to time to ensure it remains relevant to the current needs of the Company. The policy may be amended by resolution of the Management Board.

The policy is available on the Company's website.