

Response of Deutsche Börse Group

Have your Say – EU Listing Act

Deutsche Börse Group (DBG) welcomes the opportunity to respond to EC's proposal on the Listing Act. A strong European capital market is more necessary than ever. EU capital markets underperform compared to other jurisdictions. This reduces the EU's role as a financial centre and will weaken the European economy. Lower barriers for going public and increased incentives for staying public would be the right answer. Therefore, DBG highly welcomes the new Listing Act but would like to elaborate on the following points:

- DBG supports the new **prospectus regime**, which will reduce administrative burdens for SMEs, but also for companies on regulated markets. The new EU follow-on prospectus, the EU Growth issuance document, the extended exemptions from the prospectus requirement as well as the possibility to draw up the prospectus in English are highly welcomed.
- The concept under Art. 7, 17 MAR in relation to a final event in a **protracted process** needs further clarification. It should be clarified that the **disclosure obligation** relates to the actual occurrence of the final event, but not when the final event is reasonably expected to occur. All **intermediate steps** should be excluded from the disclosure obligation. Whether legal certainty is increased will also depend on how much clarification the delegated act with the non-exhaustive list will bring.
- Regarding the timing of the submission of the **notification of a decision to delay to the NCA** it should be clarified that no multiple notifications are needed and that an advanced notification is not necessary.
- The new permanent **insider lists** would include persons who do not have access to a specific inside information but, at the same time, exclude persons with access to specific inside information. A reduction of the amount of personal data might be a more effective alleviation.
- DBG supports effective **market surveillance in a cross-border context** and welcomes close cooperation mechanism among competent authorities (including but not limited to exchange of order book data). However, we are concerned that the EC's legislative proposal on establishing an automated and unsolicited **exchange of order book data** will not contribute to make the current well-established regime more efficient and fit for purpose but will come with significant efforts, costs and uncertainties. The current regime of order book data exchange under MiFIR is sufficient and well tried and tested. We are not aware of any supervisory gaps in the investigation of market abuse under the previous regime.
- DBG supports the reduction of the **free float requirement to 10%**. It should be clarified how market operator can ensure that at least 10% of the subscribed capital after the admission to trading is held by the public **at any time**. Moreover, it would be helpful to clarify which legal consequences are associated with falling below the minimum free float.
- We support the **minimum harmonisation framework for multiple-vote shares**, which allows Member States to implement class shares that meet the specifications of the domestic market. However, we believe dual share classes should also be open to companies on regulated markets.

- DBG is in line with the proposal to **increase the threshold for research unbundling to EUR 10 billion**, but we would like to note that only a few large companies will be covered by the new regime. The Commission should consider a full unbundling to avoid two different use cases. Besides this, we support the proposal on “issuer-sponsored research” as it increases visibility for research reports.