



Dubai Mercantile Exchange Limited

Ethics Guidelines

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1 Purpose

Dubai Mercantile Exchange Limited ("**DME**") is committed to the highest ethical standards. DME expects each of its board members ("**Directors**"), committee members and employees ("**Covered Persons**") to adhere to the principles and rules set out in these Ethics Guidelines ("**Guidelines**") and to conduct their business in accordance with all applicable laws and regulations. All conduct should reflect DME's values and should uphold DME's reputation for integrity, ethical conduct, trust and professionalism.

2 Scope

- 2.1 These Guidelines set out the fundamental ethical principles which all Covered Persons are expected to follow when conducting business.
- 2.2 All Covered Persons are apprised of these Guidelines when commencing their service with DME and are expected to follow them.
- 2.3 Covered Persons are also expected to contribute to the implementation of these Guidelines by following the procedures provided in Guideline 9.
- 2.4 Any failure to abide by these Guidelines may be seen as conduct detrimental to the best interests of DME and could give rise to the sanctions described in Guideline 10.

3 Ethical Principles

All Covered Persons are expected to behave in a manner which is consistent with the principles contained in the remainder of this Guideline 3. These principles apply to every interaction, regardless of its significance, and they describe the behaviour expected of every Covered Person in the conduct of business.

DME recognises that maintaining the trust and confidence of, employees, customers and other people with whom we do business, as well as the communities in which we work, is crucial to our continued growth and success.

3.1 Respect for the Individual

Covered Persons must:

- (a) Always behave in a courteous, respectful and trustworthy manner;
- (b) Respect the traditions and cultures of all people;
- (c) Never make adverse comments or complaints regarding an employee's performance other than through the appropriate procedures implemented by DME;
- (d) Refrain from:
 - (i) using disrespectful language and manners;
 - (ii) making offensive or threatening remarks or personal advances to staff;
 - (iii) attempting to obtain personal favours or advantages from staff; and
 - (iv) making improper use of their duties, status, power or authority in order to gain, or to seek to gain, a benefit or advantage for the employee or for any other person.

3.2 A Culture of Compliance

Covered Persons are expected to comply with all laws and regulations which are relevant to the conduct of DME business, including DIFC laws, DFSA Rules and DME Policies and Rules.

Covered Persons must always behave with responsibility and integrity.

Covered Persons should consider the spirit of the regulatory environment within which they operate and be mindful of the role of an exchange and its wider responsibilities to society as a whole.

The behaviour of Covered Persons must never impede DME in the execution of its regulatory functions.

3.3 Professionalism, Due Care and Diligence

Covered Persons must demonstrate professionalism, due care and diligence in the execution of their duties.

Covered Persons must comply with any lawful and reasonable direction given by their authorised superiors.

Covered Persons must be honest and fair with all parties and act in good faith when conducting business.

Covered Persons must never place personal interests above the legitimate interests of DME.

Covered Persons should use DME premises and resources in a proper manner, and not to conduct personal business.

3.4 Discretion and Confidentiality

Covered Persons are expected to preserve the confidentiality of information gained by virtue of one's service in, or access to, DME. Confidential information includes, without limitation: advance knowledge of anticipated regulatory action; trading positions or intentions of market members and users, as well as other information which, if disclosed, may have an impact on price or other market conditions; proposed rules; rule amendments; contracts and contract changes; and any other information which is conveyed on a confidential basis in the course of their dealings in or with DME.

Covered Persons must not provide false or misleading information in response to a request for information that is made for official purposes in connection with their employment or connection with the DME.

4 Directors

Directors have a fiduciary duty to ensure that their conduct meets the standards of ethics and professionalism that are reasonably expected of any person in such a position of trust.

Directors should always place DME's interests ahead of their own.

When acting in their capacity as a Director, and especially when discussing business matters publicly, Directors should represent only the interests of DME.

5 Conflicts of Interest

5.1 For the purpose of this Guideline 5, a conflict of interest exists when an individual's private interests conflict with business related responsibilities. Examples of conflicts of interest may include, but are not limited to:

- (a) engaging in a similar business or competing in any way with the current or prospective business of DME;
- (b) ownership or a financial interest in any business which competes or demonstrates an intent to compete with DME;
- (c) accepting personal, financial or business rewards (either potential or actual) other than as provided for, or approved by, DME;
- (d) accepting lavish gifts or excessive entertainment from any person or company with whom DME has current or prospective business dealings; especially where such gift or entertainment is provided with the specific intent of inappropriately influencing

business decisions, or where the gift or entertainment may create the appearance of inappropriate influence;

- (e) influencing the conduct of DME for the purposes of personal gain; or
- (f) conducting business in a manner which benefits friends or family.

5.2 Covered Persons should not place themselves in a situation where their actions or personal interests are likely to be in conflict with the interests of DME or their duties to DME. In addition, in order to avoid any potential negative impact on the reputation of DME, Covered Persons should refrain from entering into activities that may create the appearance of a conflict of interest.

5.3 Covered Persons should consider, also, whether a conflict would or could arise between duties owed to DME and the activities of close relatives.

6 Disclosing Conflicts of Interest

6.1 Covered Persons have an ethical duty to notify the Chief Compliance Officer (“**CCO**”) of any situation where they are subject to a real or perceived conflict of interest. Where a real or perceived conflict of interest exists, careful consideration should be given to the means by which the conflict can be managed. In some cases, the Covered Person may be required to recuse themselves from the activities which give rise to the conflict.

6.2 Upon commencing appointment with DME, a Covered Person should file a DME Conflict of Interest Questionnaire (“**COIQ**”) with the CCO, detailing any material information which could present a conflict of interest. Any substantive change to the information contained in the COIQ should be notified to the CCO as soon as possible, but no later than 30 days after such change has occurred.

7 Accuracy of business reports and documents

Covered Persons must take all necessary, reasonable measures to ensure the clarity and accuracy of communications and reports.

8 Questions and Issues

In case of any doubts regarding the application and interpretation of these Guidelines or a particular practice, Covered Persons should discuss the issue openly and in good faith with the CCO.

9 Reporting Illegal or Unethical Behaviour

9.1 Covered Persons should notify the Head of Human Resources of any information which suggests there has been a failure to comply with regulations regarding health, safety, the environment or DME’s assets as well as violations regarding section 3 of these guidelines.

9.2 Covered Persons should notify the CCO of any information which suggests there has been a failure to comply with laws, regulations, DME rules or the ethical standards regarding business conduct, as set out in these Guidelines.

- 9.3 In the event of a concern regarding the conduct of any member of DME senior management, the matter may be reported by the individual raising the concern, as appropriate, to the Chair of the DME Compliance, Risk & Audit Committee or the Chair of the DME Human Resources & Managed Services Committee.
- 9.4 Following notification, should the CCO, the Head of Human Resources or another appointed individual who receives such notification consider it appropriate, an investigation may be conducted to determine whether any unethical or illegal conduct has taken place. Investigations shall be conducted in an independent and impartial manner.
- 9.5 All information regarding the investigation shall be treated on a strictly confidential basis.
- 9.6 Adverse consequences will not flow from any notification made in good faith pursuant to these Guidelines.

10 Enforcement of the Ethics Guidelines

Failure to comply with these Guidelines may constitute grounds for disciplinary action, termination of employment or removal from the relevant Committee or Board. Actions shall be determined based upon the facts of each particular case, taking into account all relevant information, including the nature and severity of the violation, whether the violation appears to have been intentional or inadvertent and the impact of the violation on DME's reputation.