



**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 the same commitment from all members and users of the exchange and from DME's directors, committee members and employees. In the course of their professional duties and their relations with one another and with regulators, clients and the public in general, DME's members and users, directors, committee members and employees are expected 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. Their conduct should reflect DME's values and should be in a manner that upholds DME's reputation for integrity, ethical conduct, trust and professionalism.

### **2 Scope**

- 2.1 These Guidelines set out the fundamental ethical principles which all DME members and users, directors, committee members and employees should follow when conducting business.
- 2.2 All DME members and users, directors, committee members and employees are apprised of the contents of these Guidelines and changes to them and will be required to follow the standards in these Guidelines. They are also expected to contribute to their implementation by others, by complying with the procedures provided in Guideline 9.
- 2.3 Any failure to abide by these Guidelines may be seen as conduct detrimental to the best interests of DME and may give rise to the sanctions authorised in Guideline 10.

### **3 Ethical Principles**

The principles which set the standards for the behaviour of DME members and users, directors, committee members and employees are:

- 3.1 Behaving with responsibility and integrity in their professional life and taking into account their wider responsibilities to society as a whole, including (but not limited to):
- (a) Being trustworthy and not putting their personal interests or the interests of others above the legitimate interests of DME.
  - (b) Acting in a courteous, honest, fair and respectful manner towards anyone with whom they deal.
  - (c) Respecting the traditions, culture and religion of individuals with whom they deal.
  - (d) Refraining from:
    - (i) disrespectful language and manners;
    - (ii) adverse comments or complaints regarding an employee's performance of their duties to any other person or body other than through the proper procedures put in place by DME;
    - (iii) offensive or threatening remarks or personal advances to staff; and
    - (iv) attempting to obtain personal favours, advantages or assistance from staff.
- 3.2 Complying with all relevant laws and regulations, including, without limitation, local laws, laws and regulations of the DFSA and other regulatory authorities and self-regulatory rules of DME.
- 3.3 Demonstrating professionalism, honesty and due care, including (but not limited to):
- (a) meeting the technical and professional standards relating to their level of qualification, role and position of responsibility;
  - (b) exercising their duties with due care and diligence;
  - (c) following professional standards in all business dealings and relations;
  - (d) refraining from using DME premises and other resources to conduct personal business; and
  - (e) ensuring that their conduct does not impede the ability of others to perform their duties effectively.
- 3.4 Preserving the confidentiality of information gained by virtue of their service in or access to DME. Confidential information includes, without limitation, advance knowledge of anticipated regulatory action, positions or intentions of market members and users, information which, if disclosed, may have an impact on price or other market conditions, proposed rules, rules amendments, contracts and contracts changes and any other information which is conveyed on a confidential basis in the course of their dealings in or with DME.
- 3.5 Acting in good faith by applying impartiality and objectivity when conducting business, especially in making professional judgments and in giving opinions.

#### **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 who accepts such a position of trust, including (but not limited to):

- (a) placing DME's interests ahead of their own; and
- (b) representing only the interests of DME, when acting in their capacity as a director, especially when discussing business matters publicly.

#### **5 Conflicts of Interest**

5.1 No director, committee members or employee should place himself or herself in a position where his or her actions, personal interests or activities are, or are likely to be, in conflict with the interests of DME and/or with their duties to DME. In addition, directors, committee members and employees should refrain from entering into activities that create the appearance of a conflict of interest in order to avoid a negative impact on DME's reputation.

5.2 Anything that presents a conflict of interest for a director, committee member or employee will also present a conflict of interest if it relates to a close relative.

5.3 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 conflict of interests situations 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) acquiring an ownership or 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 or approved by DME;
- (d) accepting lavish gifts or excessive entertainment from any person or company with which DME has current or prospective business dealings, where such gift or entertainment is made in order to influence business actions and decisions or where such gift or entertainment is able to create the appearance of such influence;
- (e) influencing Board, Committee or other decisions and actions of DME or directing the efforts of others within DME for personal gain and/or favour; and
- (f) conducting business in a manner which serves personal interests and relationships, such as friendships, family relationships or a desire to reciprocate a favour.

#### **6 Disclosing Conflicts of Interest**

6.1 DME directors, committee members and employees have an ethical duty to disclose any situation of potential or actual conflict of interest in which they may be involved by immediately informing the Chief Compliance Officer and by excluding themselves from participating in any business matter, decision or action which may conflict with their personal interests or activities.

- 6.2 On assuming any appointment with DME, directors, committee members and employees should file a Disclosure Form with the Chief Compliance Officer, detailing facts, activities or positions which can present a conflict of interest. Any material change to the information contained in the Disclosure Form should be filed within 30 days of such change occurring.

## **7 Accuracy of business reports and documents**

DME members and users, directors, committee members and employees should take all necessary 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 and/or a particular practice, DME members and users, directors, committee members and employees should discuss the issue openly and in good faith with the Chief Compliance Officer.

## **9 Reporting Illegal or Unethical Behaviour**

- 9.1 DME members and users, directors, committee members and employees should notify the Chief Compliance Officer any conduct or facts which represent a failure to comply with laws, regulations, DME rules and/or the ethical standards set out in these Guidelines.
- 9.2 Following notification, if the Chief Compliance Officer considers it appropriate, an investigation may be conducted to determine whether any unethical or illegal conduct has taken place. Investigations shall be directed in a independent and impartial manner.
- 9.3 All information regarding the investigation is strictly confidential.
- 9.4 Adverse consequences will not flow from any notification made in good faith and pursuant to these Guidelines.

## **10 Enforcement of the Ethics Guidelines**

All DME members and users, directors, committee members and employees are responsible for abiding by these Guidelines. Failure to comply with these Guidelines may constitute grounds for disciplinary action including the removal of a member from a Committee or the Board of Directors. 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.