



OPERATIONAL EXCELLENCE

GOVERNANCE AND LEADERSHIP

Our operations and sustainability objectives are governed by various organisations’ bodies, each serving a critical role in the stakeholders and our progress. Our governing bodies establish protocols and standards for business operations. We participate in the Dubai Free Zone Council, World Diamond Council, Kimberley Process, UAE Gender Balance Council, OECD Multi-Stakeholder Group, and the World Federation of Diamond Bourses to stay updated on best practices and standards, share insights, and provide first-rate services.

In line with the new law issued in 2020 by His Highness Sheik Mohammed bin Rashid Al Maktoum, Ruler of Dubai, Vice President and Prime Minister of the UAE, the Board of Directors was established this year, which serves as the highest governing body responsible for supervising DMCC. This law establishes a structure and procedure to uphold strong governance at DMCC and further the ease of trade in the UAE.

DMCC BOARD OF DIRECTORS

Name	Designation	Executive/Non-executive
Hamad Mubarak Buamim	Chair	Non-executive
Abdulwahid Abdul Rahim Alulama	Vice-Chair	Non-executive
Ahmed Bin Sulayem	Member	Executive
Abdullah Saif Al Shamsi	Member	Non-executive
Charles George Webb	Member	Non-executive
Roger Alfred Bernstein	Member	Non-executive
Thierry Jean Louis Gimonnet	Member	Non-executive

The Board of Directors’ age range is 30-50 (71%), over 50 (29%). At present, there is no female representation in the Board of Directors or its subcommittees. The current tenure of the members is open-ended.

The Board members, including the Chairman, are appointed by the Ruler, and their roles and duties are in line with Decree No. 28 of 2015 Concerning the Governance of the Boards and Committees Affiliated to the Government of Dubai and the DMCC Law.

The DMCC Board of Directors approves all policies and procedures across DMCC. The Board conducts annual reviews to evaluate the performance of the DMCC, and necessary actions are taken. The Board is also involved in reviewing the DMCC sustainability report post-publication, which could change in the future, provided that it decides to be more involved in the process conducted by the sustainability team and the SDG Steering Committee. To ensure its impartiality, the conflict-of-interest declaration is signed during the onboarding of the board members, who are required to abstain from voting in decisions where conflict may arise. Such instances are documented internally but not disclosed publicly due to confidentiality constraints.

The Board brings diverse skill sets and expertise to the organisation across property, finance, free zone, and commodities. The board also serves to develop, approve, and support DMCC’s value proposition, strategy and policies related to sustainability. To date, we have not yet taken measures to advance the collective knowledge, skills, and experience of the highest governance body on sustainable development, which we plan to do in 2022 by reviewing the data of this report in collaboration with the Board of Directors.

The Board of Directors has two subcommittees: the Audit Subcommittee and the Remuneration Subcommittee. The members of the subcommittees are selected by the Chairman of the Board of

Directors in line with the BoD Charter. The tenure of the members is undefined and subject to the decision of the Chairman of the Board.

The Audit Subcommittee is responsible for monitoring the integrity of the financial statements, reviewing internal financial and operational controls, monitoring and reviewing the effectiveness of the internal audit function, recommending the appointment of external auditors and reviewing the independence, objectivity and effectiveness of the audit process. Its members include Thierry Jean Louis Gimonnet (Chairman), Abdulwahid Abdul Rahim Alulama, Abdulla Saif Al Shamsi and Justin Manala, DMCC Director of Internal Audit & Risk Management, who is acting as Subcommittee Secretary. Any violations, misconduct, and issues are reported to the Committee in line with our Corporate Whistleblowing Policy.

The Remuneration Subcommittee is primarily responsible for determining and agreeing with the Board of Directors on the framework or broad policy for the remuneration of the Executive Committee and the Executive Chairman and CEO, including establishing annual performance measures for the management (scorecard and variable pay pool). Its members include Abdulwahid Abdul Rahim Alulama (Chairman), Abdulla Saif Al Shamsi, Thierry Jean Louis Gimonnet and Ahmad Al Shareef, DMCC Director of Human Resources, who is acting as Subcommittee Secretary. The Remuneration Subcommittee also reviews and assesses proposals for long-term incentive plans where appropriate. The HR department works with an independent third-party remuneration consultant to propose changes and maintain the organisation’s structure’s effectiveness.

Violations, misconduct, and issues are reported to the respective Audit Committee and Board in line with our Corporate Whistleblowing Policy.

to uphold high ethical standards across social and environmental issues while enhancing policies and procedures through risk-based objectives.

The Internal Audit Committee at DMCC is independently managed. Its responsibility is

EXECUTIVE COMMITTEE

The Executive Committee's role is to ensure the organisation's strategic objectives are followed and managed appropriately. The members of this committee are the primary decision-makers of the organisation and directors of DMCC's business units. The Executive Committee oversees our sustainability strategy through its work with the SDG Steering Committee.

SDG STEERING COMMITTEE

The SDG Steering Committee is led by our Chief Operating Officer and has six more members from the Executive Management representing core services of DMCC's operations. The committee manages the implementation of the sustainability strategy and ensures collaboration across the organisation to help meet our commitments to the UNGC, WEPs, and SDGs. DMCC's sustainability team is responsible for reviewing and analysing sustainable impact initiatives. At the same time, key departments manage the implementation of changes to ensure best practices are being followed and positive impacts are increasing. The progress is overseen by the SDG Steering Committee, which reports annually to the Executive Committee on impacts on the economy, environment, and people across the organisation.

POLICY COMMITMENTS

We maintain our commitment to responsible business conduct and respect for human rights through our Code of Conduct, Fraud Control Policy, and Sustainability Policy. The Fraud Control Policy establishes the practice of conducting thorough due diligence and taking precautionary action when conducting business across all our services.

Our policies align with our commitment and membership in the UN Global Compact. DMCC is committed to 10 Principles of the Global Compact, including Principles 8 and 9 on environmental stewardship. Practical efforts can be seen in the adoption of innovative partnerships and new technologies and projects featured in the Sustainable City section of this Report.

The policy commitments are available to all

DMCC workers through the Employee Portal and are communicated to all new employees through the induction process. External stakeholders can access other publicly available policies through the DMCC website. In addition, case-specific policies are shared with specific external stakeholders on a need basis.

These commitments are integrated into the existing and future operations through the annual review of the departmental strategies, objectives, KPIs and results. Provided that each employee and department undergo an annual performance review, the organisation can track the compliance of each business unit with this requirement. The organisation provides its employees training on the DMCC Code of Conduct, other policies, and sustainability.

ECONOMIC PERFORMANCE

DMCC has a significant direct and indirect economic impact on Dubai and the broader economy. Our free zone accounts for more than 2% of total Dubai's employment, while the residents of Jumeirah Lakes Towers district account for ~3% of Dubai's population. DMCC plays a crucial role in facilitating the set-up of companies within its borders. This contributes to GDP via additional profits, wages, and rents.

DMCC supports a high concentration of economic activity and acts as a platform for FDI. This facilitates the sharing of technologies, innovations, and ideas, making the productivity of Dubai and the UAE higher.

We are currently going through the rigorous quantitative assessment of our contribution to Dubai's GDP by calculating the direct economic contribution that uses sectoral employee data from DMCC businesses and national accounts data from the Dubai Statistics Centre.

In addition to that, DMCC's presence makes Dubai and the UAE more productive through the following mechanisms:

- Economic density spill-over benefits
- FDI spill-over benefits
- Indirect supply chain benefits

These mechanisms are estimated using economic data and elasticities from official statistics centres and academic research. They will be added to the study's core and broader economic contribution.

Commodities such as diamonds, coffee, and tea are at the core of the economic contribution of DMCC. The diamond sector is a clear example of DMCC and its member companies' success in the global commodities market, where 92% of rough diamond import shipments, a total value of over \$9bn for the whole of the UAE, went via DMCC companies in 2021.

The rare mix of residential and commercial property in DMCC means that people can live close to where they work, resulting in a vibrant atmosphere during and after working hours. Furthermore, digitisation initiatives such as solar shading, smart meters, smart bins, and movement sensors have improved the sustainability of DMCC property.

The member companies registered in our free zone contribute to the economy further through their supply chain. As a government of Dubai entity, we cannot share the financial data publicly; however, it is not as relevant as if we were a publicly traded business. In this case, DMCC's core focus is to facilitate and grow business in Dubai.

The indirect economic impact is highly significant in the context of external benchmarks and the UAE's national strategy, which DMCC is aligned with. DMCC works with all relevant industry stakeholders and organisations to advance further in this direction. For example, it aligned all its operations with GDPR even though the UAE is not part of the rule's jurisdiction. It works closely with FATF to improve the transparency and compliance of its businesses with international regulations.

CUSTOMER EXCELLENCE

DMCC is committed to and constantly engages with its customers and stakeholders from the wider community to collect feedback and information material for our business operations to enhance the experience of living and working in our community.

DMCC has dedicated member success and satisfaction teams to attend to our customers and address their concerns. We continued to build on our existing processes and focused on collecting as much feedback as possible from our members. In addition to annual satisfaction surveys, we introduced transactional surveys, which are meant to collect feedback from all members when they acquire any type of service from us.

As it is a new initiative, we are slowly adding more and more services into the system with a target to reach at least 90% of our services being evaluated by our stakeholders. In 2021, we received 4,794 responses out of 52,315 surveys with an average satisfaction rate of 94%. The surveys are conducted in Salesforce, and our dedicated call centre team conducts service recovery. DMCC collects feedback from dissatisfied clients, takes corrective actions by creating action plans and KPIs, and tracks their implementation until completion. We have also collected 616 responses out of 3960 on new company setup services.

DMCC Dispute Centre achieved an 81% satisfaction rate, which is in line with our target - the complexity of the tasks and cases is very high. While we deal with

stakeholders from all around the world, sometimes it is not easy to consistently achieve a positive outcome.

While we had a significant increase in registered member companies, we admit that it could have affected our customer service, simply due to the increased time required to attend to all customers. We are developing a long-term vision and constantly undertake measures to ensure our customers' experience is excellent. We started offering self-help channels and improved our membership portal with more than 160 online services. We also have a mystery shopping programme that helps us to acquire independent feedback.

From a more high-level perspective, DMCC has an internal audit department that is responsible for the development and maintenance of the risk management framework. Through its ongoing work with each department, the internal audit can identify negative impacts, risks, and opportunities and log them into the system for the departments to remediate. This process is documented, and the Board of Directors reviews the progress.

As DMCC is a government entity, we don't have significant negative impacts on our stakeholders. We issue the rules and regulations and oversee these to ensure that the members of our community implement them. We act in line with the UAE law and grievance mechanisms that apply to Dubai government entities.

LABOUR PRACTICES

We prioritise our diverse workforce because we know it leads to innovation, creativity, and well-being. We offer a range of benefits to our employees to ensure they have a healthy work-life balance. All our full-time colleagues have access to life and health insurance, various types of leaves, remote working, and wide range of additional benefits that include educational allowance for children, full family insurance coverage along with visa processing. These benefits allow us to be a top-tier employer that attracts talent from all around the globe and promote diversity and inclusion.

As DMCC is a government entity, full-time employment is often a complex process that is not feasible for the jobs that constantly change based on the required workload and company operations. Temporary employees include administration staff, IT personnel and customer service representatives working in the DMCC call centre. Our temporary staff are entitled to benefits by their direct employers following the provisions of the UAE Labour Law; these include annual paid leave, sick leave, health insurance, flight allowance, and maternity leave.

OUR EMPLOYEES¹³



	Total	Female	Male
2021	300 (71)	111 (35)	189 (36)
2020	294 (65)	109 (29)	185 (36)
2019	313 (127)	113 (25)	200 (102)

¹³ Employees are only located in the UAE, which is considered the only significant location of our operations. The data is presented in headcount at the end of the reporting period. Temporary employees are presented in brackets. Permanent employees comprise total employees minus temporary employees.

When employees returned to the office after COVID-19, we conducted 15 webinars on wellness; since then, we have conducted 23 wellness events and webinars for our staff. This year we had a total of 828 attendees. Throughout the year, HR invites subject matter experts and professionals to share knowledge, train and raise awareness on different subjects that serve the employees' wellbeing, including physical, mental, and financial wellbeing.

We understand that the world's commodities business of tea, coffee, diamond, and gold trade has historically been known for violations of human and labour rights. Therefore, we are strictly committed to respecting human rights articulated by the UNGC and the UN Guiding Principles on Business and Human Rights. Our commitment to human rights is integrated into our business ecosystem.

DMCC employees' salary is broken down into the following elements: basic salary (60%), housing allowance (28%) and transportation (12%). Emirati employees also receive a national allowance on top of the salary in line with the local rules and regulations. The ratio of the basic salary and remuneration of women to men for each employee category in DMCC is 1:1.

In line with the UAE law, only local citizens are eligible for pension; therefore, DMCC contributes 5% of the employee's basic salary, housing and national allowances to the pension fund.¹⁴ The Dubai government then adds 15% more of the initial amount used to calculate the contribution.

DMCC had no reported incidents of any discrimination in the reporting period.

	Total number of new employee hires entering employment during the reporting period	Total number of employees leaving employment during the reporting period
Total	29	25 ¹⁵
Breakdown by gender		
Male	14	12
Female	15	13
Breakdown by age		
Under 30 years old	22	3
30-50 years old	7	20
Over 50 years old	0	2

¹⁴ DMCC acts in line with the UAE Pensions and Social Security Law. More information can be found at <https://gpssa.gov.ae/>.
¹⁵ Total turnover rate in 2021 was 8.3%.

DIVERSITY AND INCLUSION

Diversity is embedded in our business as we cater to international customers, residents, and visitors. Our staff proudly represents 42 nationalities with 23% of executive and senior management hired from the local community¹⁶. DMCC provides a safe and encouraging environment to share and broaden their understanding of other cultures. Additionally, no incidents of discrimination were reported during 2021.

GENDER EQUALITY

We were the first free zone in the country to become a WEPs signatory and have made a concerted effort toward a 'top to bottom' gender balance in our workforce. This year we signed up for a pledge by the UAE Gender Balance Council (GBC) and committed to reporting the data and collaborating with the UAE GBC on enhancing women empowerment in the UAE. As a signatory to the WEPs, we continually integrate SDG 5 as part of our corporate strategy.

	2020	2021
Employees entitled to parental leave	293	300
Male	185	189
Female	109	111
Employees entitled to parental leave	15	6
Male	5	5
Female	10	1
Employees that returned to work in the reporting period after parental leave ended	15	7
Male	5	5
Female	9	2
Employees that returned to work after parental leave ended that were still employed 12 months after their return to work	8	15
Male	7	5
Female	1	10
Retention rates of employees that took parental leave		
Male	88%	100%
Female	100%	111%

¹⁶ DMCC defines local community as citizens of the United Arab Emirates.

TALENT ATTRACTION, DEVELOPMENT AND RETENTION

Our services are diverse and require various skill sets and expertise. We know that to stay competitive and offer the best quality to our customers, we must invest in our staff's development and happiness.

Therefore, we continue to offer significant learning and growth opportunities for our colleagues and a healthy working environment. During the year, employees could engage in online learning anytime, anywhere, through any device.

We use the Learning Management System (LMS) as a digital solution for all learning and development needs. The solution acts as a learning gate for employees to access all training and development courses and materials in different formats. We also offer our employees four DMCC Academies: Leadership for non-supervisory roles, Leadership for Managers, Customer Excellence for client-facing roles and Sales Academy for employees working in the sales sector.

KEY ACHIEVEMENTS OF 2021 INCLUDE:

- 5,131 training hours (2,407 male and 2,724 female)
- 17 hours of training per employee (25 on average among female employees, 13 on average among male employees)
- Participation in a diverse set of career fairs across the region to ensure equal opportunities are given to fresh graduates
- Developed a recruitment satisfaction survey for hiring managers and candidates

	Executive and Senior Management ¹⁷	Middle Management	Staff	Total
Total number of training hours	734	1,319	3,078	5,131
Employees received regular performance and career development reviews	47	47	206	300 (100%)
Breakdown by gender				
Male	72%	53%	64%	188
Female	28%	47%	36%	111
Breakdown by age				
Under 30 years old	0%	4%	18%	45
30-50 years old	74%	83%	73%	225
Over 50 years old	26%	10%	9%	30

¹⁷ Executive and senior management includes department heads, directors and c-level employees. Middle management includes managers and senior managers. Staff includes all other employees.