

DMCC

2017 SUSTAINABILITY REPORT

Shaping the
Future of Trade

**MADE
FOR
TRADE**

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"DMCC is committed to the UN's 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals that outline a vision aimed at targeting the urgent environmental, political and economic challenges facing our world."

Ahmed Bin Sulayem
Executive Chairman, DMCC



"We are signatories to the UN Global Compact and its 10 principles that aim to meet fundamental responsibilities in the areas of human rights, labour, environment and anti-corruption."

Gautam Sashittal
Chief Executive Officer, DMCC

LEADERSHIP'S STATEMENT

The leaders of the UAE are dedicated to supporting a corporate culture of accountability and transparency and guiding a country that contributes to a sustainable and inclusive global economy. The UAE increasingly plays a part on the global stage, exhibiting a leadership role for the region and joining major players in the international drive to take responsibility and work for a sustainable future for generations to come.

DMCC is committed to the UN's 2030 Agenda for Sustainable Development and its 17 Sustainable Development Goals (SDGs) that outline a vision aimed at targeting the urgent environmental, political and economic challenges facing our world. Locally, we are fully behind the government's initiatives and align our activities with the UAE's Vision 2021. Being aligned to these high-level global sustainability initiatives makes sound business sense; through them we can create value for both business and society; by revitalising partnerships and co-operation; by building our reputation and brand equity; by identifying operational efficiencies and improvements; by innovating new products and services and by building stronger relationships with our stakeholders.

We are committed to building partnerships that contribute to the UN agenda. We have identified the most important global goals in

relation to our contribution. These are the goals in which we believe we can make the greatest difference through our business activities and they are highlighted in the relevant sections throughout this report.

Our first sustainability report covers our growth, journey and footprint for 2017 and highlights our contribution to the UAE's economy. As a government entity, a preeminent free zone and a unique commodities eco-system, we aim to lead the field in sustainability, demonstrating a leadership role and strong influence for progressive growth and positive change.

We aware of the critical significance of embedding sustainability through everything we do, and we look forward to collaborating with our stakeholders in delivering our sustainability journey.

Ahmed Bin Sulayem
Executive Chairman, DMCC

Gautam Sashittal,
Chief Executive Officer, DMCC

ABOUT THIS REPORT

Welcome to the first DMCC Sustainability Report. This report has been prepared in accordance with the GRI Standards: Core option.

Reporting period

The report presents the sustainability performance of DMCC from 1 January to 31 December 2017. Activity conducted outside the reporting timeframe is also referenced in the report where relevant.

The report was developed by DMCC with support from a global consultancy, which also conducted the assurance readiness exercise.

Information covered

The report details DMCC's approach and performance in managing its environmental, social and economic impact. The report registers progress under four pillars: Marketplace, People, Community and Environment.

DMCC reporting topic boundaries²

The report topic boundaries include entities over which DMCC has direct control as disclosed in Chapter 4 'About DMCC - Sphere of influence'. This report does not include disclosures on DMCC subsidiaries: Concordia, a facility management service provider, and Dubai Gold and Commodities Exchange (DGCX), which will be included in the 2018 sustainability report.

Reporting frameworks

This report has been prepared in accordance with the GRI Standards: Core option. It includes DMCC's Communication on Progress (CoP) on the United Nations Global Compact (UNGC) Principles. The report also outlines DMCC's contribution to the United Nation's 17 Sustainable Development Goals (SDGs) within the context of the UAE, UAE Vision 2021, and Dubai Plan 2021.

Feedback

DMCC welcomes your feedback in regards to this report at DMCC.sdgs2030@dmcc.ae

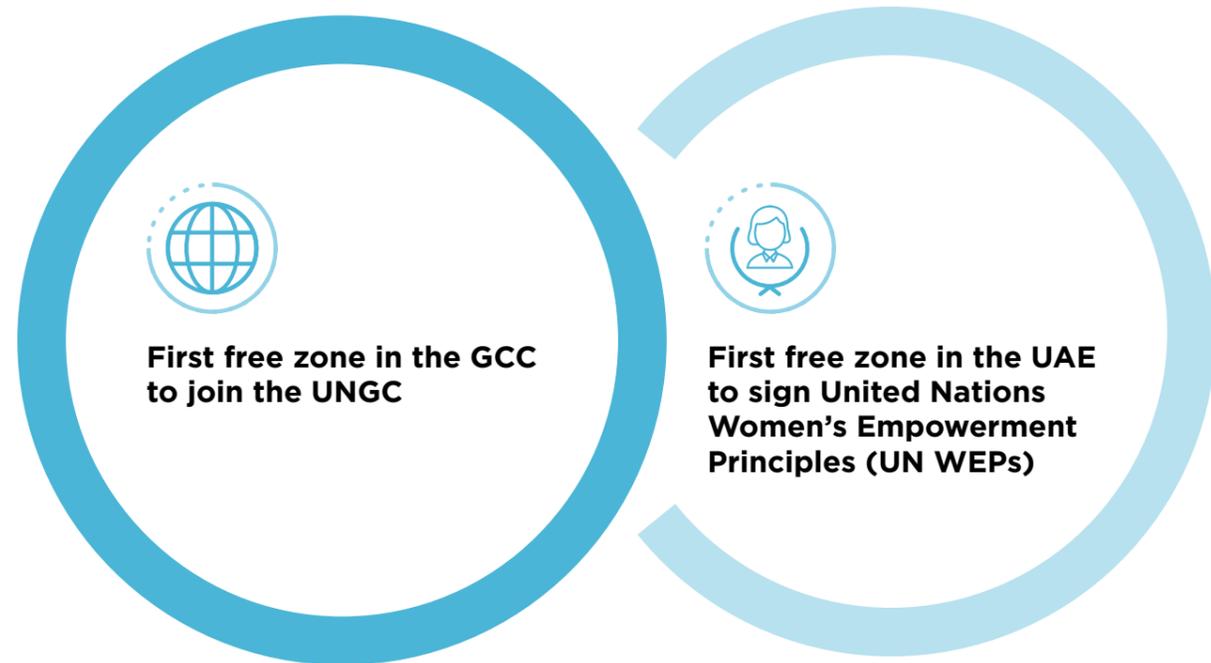
Material topics

Internal and external stakeholders were consulted during the DMCC materiality assessment workshops and interviews to help identify DMCC's environmental, social, and economic topics impact.¹

¹Refer to Chapter 5 'Driving Sustainability - What Matters Most' for further information

²DMCC follows GRI's definition of topic boundary, which is to describe where the organisation's environmental, social and economic impacts occur and the organisation's involvement across its supply chain.

KEY HIGHLIGHTS



People

- **333** - Permanent employees of 44 nationalities
- **37** - Average number of training hours per employee per year, a 42% increase from 2016
- **zero** - Employee fatalities
- **zero** - Employee lost time injury
- **87%** - Overall employee satisfaction rate
- **24%** - Emirati representation in the senior management team
- **12%** - Emirati representation in the total workforce
- **18** - Employees received the certificate of attendance of the GRI certified training programme across 8 departments



Marketplace

- **The DMCC Innovation Hub** - Launched in 2017
- **The DMCC Sustainability Knowledge Series** - Launched in 2018
- **The SDG Awareness campaign** - Launched in 2018 to promote the UN SDGs to DMCC employees and member companies
- **Policy updates** - Published in the areas of Anti-Money Laundering (AML) and Combating the Financing of Terrorism (CFT)
- **Zero** reported incidents of corruption
- **Zero** fines for non-compliance with social and economic laws or regulations
- **Participation** in the OECD Alignment Assessment on the implementation of the DMCC Responsible Sourcing Programme
- **88%** of total procurement budget spent by DMCC on local suppliers, up from 81% in 2016
- **New Fraud Control policy** - Launched in 2018 to target the prevention, deterrence, detection and investigation of all forms of fraud
- **Membership** in the UAE WEPs Taskforce and gap analysis on WEPs Assessment



Environment

- **Construction standards** - The Uptown Dubai district is currently under construction and aims for Leadership in Energy and Environmental Design (LEED) green building standard Gold (BD+C)
- **Power saving** - 25 parking structures within the DMCC master community are fitted with power saving LED lights
- **Water usage** - Prohibition of pressure washing car services within the DMCC master community led to a 75% decrease in water consumption compared to 2016



Community

- **DMCC Smart and Sustainable District Strategy** - Launched in 2018
- **Zero** major safety incidents in the DMCC master community reported
- **Volunteering policy** - Day for Dubai internal programme launched in 2018. DMCC provides opportunities for its employees to participate in volunteering activities three days per year



ABOUT DMCC

Headquartered in Dubai, DMCC is a Government of Dubai entity, the world's flagship free zone, and the leading trade and enterprise hub for commodities.

Whether developing vibrant neighbourhoods with a community of over 100,000 people and world-class property like Jumeirah Lakes Towers (JLT) and its much anticipated Uptown Dubai district, or delivering high performance business services to over 15,000 companies from over 170 countries, DMCC provides everything its dynamic community needs to live, work and thrive. Made for Trade, DMCC is proud to sustain and grow Dubai's position as the place to be for global trade and enterprise today and long into the future.

Our vision

Our vision is to consolidate Dubai's position as the centre of global trade by growing, and empowering the world's most innovative and interconnected free zone and by becoming the indispensable partner and preferred destination for progressive businesses and their employees.

Our mission

MADE FOR TRADE - As a Government of Dubai entity, we are dedicated to enhancing Dubai's position as the global gateway for trade. We help our members connect and trade with businesses across Dubai, the UAE and the world. We draw on our resources to help shape and grow key industries, commodities and drive the future of trade.

DMCC Values

HIGH PERFORMANCE

We deliver consistent HIGH PERFORMANCE through the services we offer and the partnerships we forge.

COMMITTED

We are COMMITTED to all our stakeholders, employees, members, partners and residents - and to our own success. We bring the energy, focus and resources required to achieve our goals and bring our mission to life.

BOUNDLESS

Our ambition is BOUNDLESS. It redefines world trade, constantly seeking new opportunities through bold and visionary ideas.

COLLABORATIVE

We are COLLABORATIVE in the way we work. Pulling together as a diverse team and working with our members and partners to understand each other's needs.

CLARITY

We are CLEAR on direction, stand by our decisions, and take responsibility for our actions.

WHAT DMCC DOES

DMCC is a free zone and one of the world's leading hubs for commodities, trade and enterprise that successfully attracts industry participants throughout the entire value chain of a wide range of commodity sectors along with a range of businesses from shipping to trade, recruitment to IT and advertising, through to restaurants, retail stores, gyms, nurseries, luxury brands, universities and more.

Facilitating the responsible trade of commodities, DMCC provides the necessary platforms, regulatory frameworks and standards for the trade of gold, diamonds, tea and coffee among others.

Companies licenced by DMCC, member companies, enjoy access to physical and financial infrastructure such as gold and diamond vaults, trading platforms like the DGCX, the Dubai Commodities Clearing Corporation (DCCC), Dubai Diamond Exchange (DDE), DMCC Tradeflow, an online platform for registering possession and ownership of commodities and the DMCC Tea Centre.

DMCC is home to some of the world's leading brands from start-ups, to SMEs to large corporates including globally renowned corporations such as Alcatel Lucent, American Express, Carrera Y Carrera, Colgate-Palmolive, Dyson, Eurofin, John West Foods, Lukoil, LVMH, Nutricia Danone, Oddfjell, TAG Worldwide.

DMCC manages the sale and lease of the property it owns as well as the maintenance of infrastructure and facilities within the its Jumeirah Lakes Towers (JLT) community.

DMCC encourages green building practices across its community. DMCC is building its upcoming Uptown Dubai district in accordance with the Leadership in Energy and Environmental Design (LEED) green building Gold standard set by the United States Green Building Council (USGBC). DMCC is also committed to supporting the Government of Dubai's Smart Dubai initiative³.

DMCC was awarded global free zone of the year by the Financial Times fDi Magazine in 2017 for the third year running

³ Refer to Chapter 7 'Marketplace' for further information.

SPHERE OF INFLUENCE

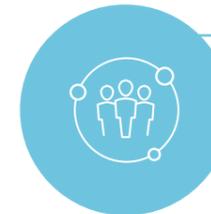
DMCC has many stakeholders with varying levels of influence over each

Indirect influence



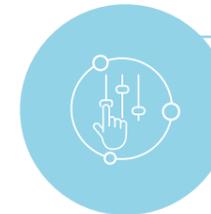
- Industry and trade associations
- Tower owner associations
- Academic institutions
- Government institutions
- Financial institutions
- NGOs

Direct influence



- Free zone member companies
- Suppliers, contractors and sub-developers
- Members of DGD and members of Kimberly Process certification
- JLT community

Direct control



- Free zone regulatory activities
- DMCC's owned and leased properties
- DMCC permanent employees
- DMCC assets and infrastructure
- Subsidiaries (Concordia, DGCX and DCCC)

CREATING VALUE

DMCC supplies its member companies with the services, infrastructure, regulatory framework and expertise required to grow.

- Creating, nurturing and growing unique marketplaces



- Constant innovation and world-class infrastructure

- Robust governance and regulatory model

15K

Member companies

- Over 15,000 member companies with more than 60,000 employees
- Regulation and compliance practices

Resources and assets

Talent

A skilled and diverse workforce comprised of over 44 nationalities

Infrastructure and property

A business and residential community spread across 200 hectares and 68 towers. An inspiring property environment with aspirations to become a smart and sustainable JLT district.

Partnership and suppliers

Industry and trade associations, financial institutions, government institutions and international connectivity.

Financial capital

Stable financial standing to ensure investment in future growth

Offering

A unique combination of free zone status, residential and commercial property, commodity exchanges and legal and regulatory frameworks.

Free Zone

- Licensing and company formation
- 0% corporate and income tax
- 100% company ownership
- No capital repatriation restrictions
- Online solutions
- Portfolio of services such as: legal clinics; insurance and recruitment services; dependent visa applications; medical fitness applications; and property brokerage

Commodities

Facilitator and standards setter for key commodities sectors: regulatory activities to bring confidence to trade. Industry participants and DMCC member companies have access to a variety of trading platforms such as DGCX, DDE, and DMCC Tradeflow, and the DMCC Tea Centre.

Value adding activities

Better connectivity

An interconnected free zone and a strategic gateway linking businesses to the fast-growing markets of the Middle East and beyond.

World-class customer experience

Development of services and support for customers, ranging from multinational corporations to start-ups, where the majority of DMCC end-to-end business solutions are digital self-service solutions.

Connect market and people

Stakeholder engagement is central to DMCC's mission to connect markets, businesses and people.

Value creation

Building awareness

As a leading free zone, DMCC builds partnerships to positively contribute to the UN SDG 2030 agenda. Through its Sustainability Knowledge Series, DMCC raises awareness about key sustainability topics. The seminars provide a platform to share knowledge and expertise among the business community and are designed to inspire change.

Dubai as global gateway for trade

With the combined revenue of its member companies, DMCC contributes 9.8% to Dubai's GDP.

Constant innovation and world-class infrastructure

Innovation is at the heart of DMCC's strategy to developing new business solutions and transform the JLT community into a smart and sustainable district. Uptown Dubai, The Dubai Design Academy (DDA) and DMCC Coffee Centre are currently under development and examples of this approach.

Wellbeing and happiness

The JLT community is a family friendly community with over 100,000 people living and working across 68 towers, complete with a 55,000m² central park and a network of promenades along its lakes. With multiple choices for leisure, sporting and recreational facilities, JLT is a vibrant community that promotes healthy living.



DRIVING SUSTAINABILITY

SUPPORTING THE NATIONAL SUSTAINABILITY EFFORT

The commitment of the UAE to sustainable development is at the heart of the country's vision for its future.

The 17 SDGs were unanimously adopted by 193 UN member states in September 2015 as a universal call to action to end poverty, protect the planet and ensure that all people enjoy peace and prosperity. The SDGs will guide DMCC policy until 2030 and beyond.

DMCC is committed to building partnerships that contribute to the SDGs agenda and as such, has identified the most pertinent global goals to its status as a global free zone.



Role in society

DMCC plays an important role for its customers, the economy and society at large, and therefore has a responsibility to create long-term value for all stakeholders.

Sustainability is an integral part of DMCC's DNA and its future success.

DMCC is committed to the UAE Vision 2021. As a leading free zone authority, DMCC has the responsibility to facilitate and drive the agenda to its member companies and the wider JLT community.

Partnership building, awareness and education on topics such as responsible sourcing, gender equality, employee welfare and climate are part of DMCC's mission. DMCC's membership to the Global Compact reflects this vision. In August 2017, DMCC became signatory of UNGC. In September 2017 the Executive Chairman and CEO attended the UN Private Sector Forum in New York.

DMCC has worked closely with the UAE Global Compact Local Network to increase awareness about the Global Compact principles and the 17 SDGs.

UAE Leadership

The UAE led the 22-strong Arab countries group in the SDGs negotiations and, in January 2017, formed a National Committee on SDGs to facilitate the UAE National Implementation plan for SDGs.

The UAE has made remarkable achievements based on federal and local strategies and initiatives, including the UAE Vision 2021, the UAE Centennial 2071, and the UAE Energy Strategy 2050 among others.

In addition, the UAE Ministry of Economy announced a Corporate Social Responsibility (CSR) programme in June 2017, which consists of 11 initiatives to increase charitable activities across the UAE such as volunteering alongside social and environmental initiatives.





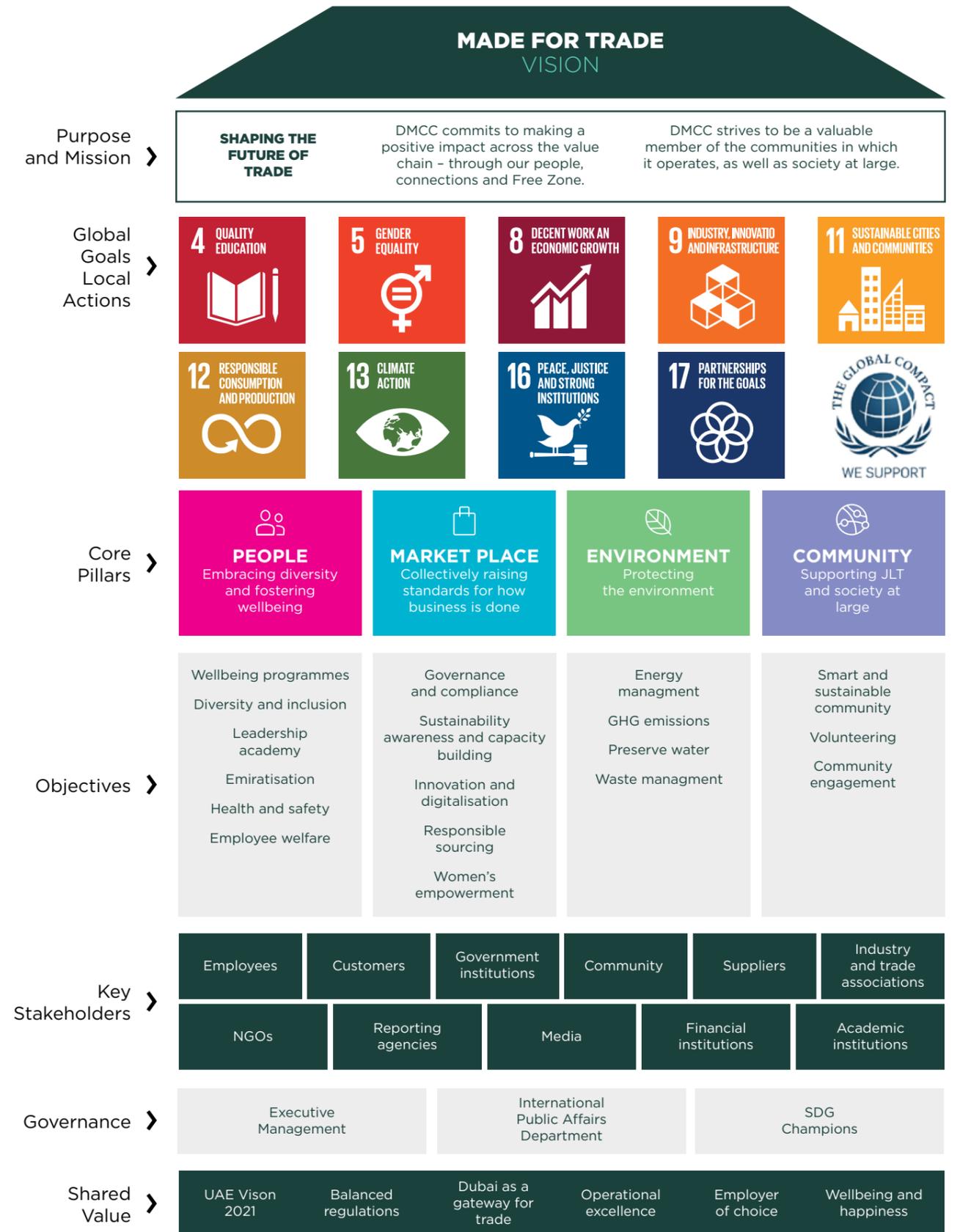
	UAE Vision 2021	Dubai Plan 2021	DMCC Initiatives
People	<p>Cohesive society and preserved identity</p> <p>Competitive knowledge economy</p>	<p>City of happy, creative and empowered people</p> <p>Inclusive and cohesive society</p>	<p>Wellbeing programme</p> <p>Diversity and inclusion</p> <p>Leadership academy</p> <p>Emiratization</p> <p>Health and safety</p> <p>Employee welfare</p>
Marketplace	<p>Competitive knowledge economy</p> <p>Safe public and fair judiciary</p>	<p>Preferred place to live, work and visit</p> <p>Pivotal hub in the global economy</p> <p>Pioneering and excellent government</p>	<p>Governance and compliance</p> <p>Customer excellence</p> <p>Sustainability awareness and capacity building</p> <p>Innovation and digitalisation</p> <p>Responsible sourcing</p>
Environment	<p>Sustainable environment and infrastructure</p>	<p>Smart and sustainable city</p>	<p>Energy and emissions management</p> <p>Water preservation</p> <p>Waste management</p>
Community	<p>Sustainable environment and infrastructure</p> <p>Safe public and fair judiciary</p> <p>Cohesive society and preserved identity</p>	<p>Smart and sustainable city</p> <p>Inclusive and cohesive society</p>	<p>Smart and sustainable community</p> <p>Volunteering</p> <p>Community engagement</p>

BUILDING A LONG-TERM VISION

DMCC's sustainability strategy is anchored by four key pillars:

<p>People Embracing diversity and fostering well-being</p>	<p>Marketplace Collectively raising standards for how business is done</p>	<p>Environment Protecting the environment</p>	<p>Community Supporting JLT and society at large</p>
<p>DMCC is committed to providing a safe and rewarding environment that promotes equality, happiness, health and wellbeing.</p>	<p>DMCC is committed to strong ethics and governance standards whilst growing a global trade hub as a reliable partner for business to thrive.</p>	<p>DMCC is committed to working with its members to build responsible interaction with the environment and reduce the combined ecological footprint.</p>	<p>DMCC is committed to working closely with its member companies and stakeholders to create awareness and drive sustainable development.</p>

Each pillar of the DMCC sustainability strategy is supported by a range of initiatives. While significant progress has been made, DMCC acknowledges that the full integration of sustainable practices across the organisation and the free zone is a process of gradual and continuous improvement.





Commitment from the top

Sustainable practice is firmly on the agenda of the DMCC leadership, ensuring strategic alignment and integration across the organisation.

The DMCC Executive Committee has identified the organisation's material economic, social and environmental topics. These will form part of the organisation's sustainability strategy.

The International Public Affairs department is responsible for developing and ensuring the implementation of the sustainability strategy, supported by the 'SDG Champions'.

SDG Champions

Engaging and uniting the DMCC employees is an essential first step to integrating sustainability across the organisation.

To drive alignment with the SDGs and Global Reporting Initiative (GRI), DMCC appointed and trained 18 employees from across departments to become 'SDG Champions' - a dedicated team tasked with implementing the sustainability strategy and raising awareness across the organisation.

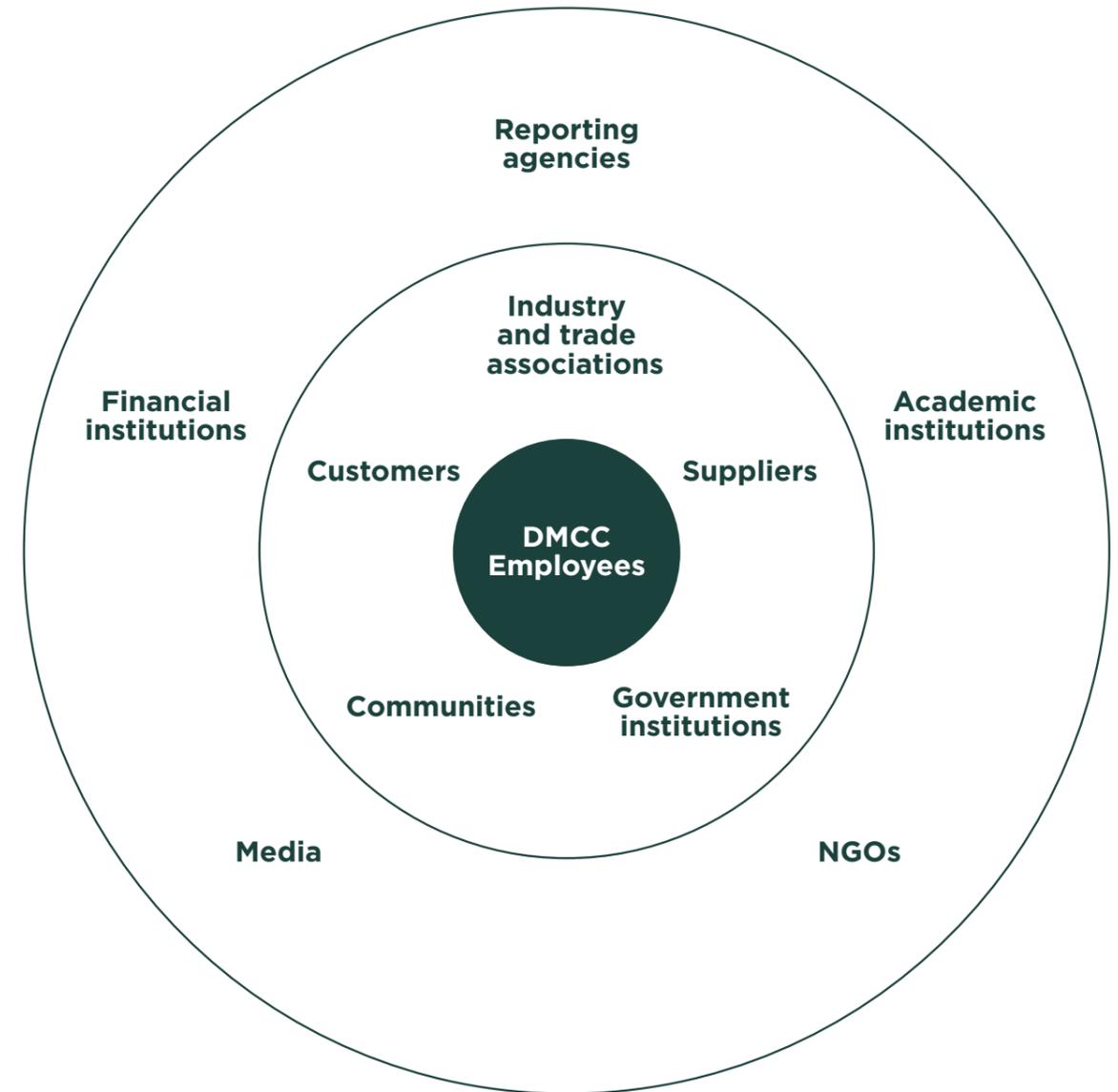
ENGAGING STAKEHOLDERS

Every day, at every level of the business, DMCC engages with a large variety of stakeholders, both formally and informally.

These interactions are crucial to DMCC, in that they enable it to respond effectively to business opportunities and challenges. The engagement also helps DMCC to better understand, prioritise and manage its sustainability impact and evolve its business model accordingly. The key stakeholder groups on the next page were identified through a DMCC stakeholder mapping exercise.

DMCC engages with stakeholders through a variety of mechanisms, including direct dialogue, roadshows, surveys, professional and industry forums, knowledge series, internal communications and reporting.

Feedback collected from DMCC's stakeholders helps to understand and communicate our goals, progress and performance more closely with stakeholder expectations.



“ Stakeholder engagement is central to our mission to connect markets and people. In the realm of precious metals, we engage and collaborate with stakeholders around the world to discuss pertinent market developments, create new standards and platforms, and share best practice. As a result DMCC is considered a centre of excellence in the UAE on the gold, precious metals and diamond industries. ”

Ajay Mathur – Director of Precious Metals, DMCC

DMCC stakeholder engagement model

In 2018, DMCC started to engage with internal and external stakeholders on sustainability materiality. The process served as the foundation for the DMCC Sustainability Strategy and reporting mechanism.

Who	Objectives	How	Who	Objectives	How
Customers (e.g. member companies, property owners, associations, commodity traders)	<ul style="list-style-type: none"> • Provide diverse innovative solutions • Enhance industry insights and awareness of leading practice • Support member companies in their sustainability journey through knowledge sharing and collaboration on key sustainability initiatives 	<ul style="list-style-type: none"> • Customer satisfaction surveys • Events (Knowledge Series, seminars, workshops, training, panel discussions) • Industry clubs • Publications (e.g. DMCC Thought Leadership reports) • Rules and regulations • Members' portal • Social media 	Communities	<ul style="list-style-type: none"> • Create economic and social value for our community while minimising environmental impact • Ensure a safe and healthy community 	<ul style="list-style-type: none"> • Events • Publications • Social media • Community engagement initiatives
Suppliers, contractors, sub-developers	<ul style="list-style-type: none"> • Transparent procurement process • Digitalisation of tendering process • Supporting the development of local suppliers • Employee welfare • Health and safety • Environmental performance 	<ul style="list-style-type: none"> • Procurement processes • Suppliers portal • Inspections • HSE (health, safety and environment) policy and construction manual 	Industry and trade associations	<ul style="list-style-type: none"> • Knowledge-sharing and exchange of expertise • Partner to research new technologies and solutions 	<ul style="list-style-type: none"> • Meetings • MoUs • Ongoing dialogue
Government institutions (local and international)	<ul style="list-style-type: none"> • Partner to address global and local challenges • Comply with laws, regulations and policies 	<ul style="list-style-type: none"> • Meetings • Member of governmental committees • Government relations team • Events • Audits and inspections 	Financial institutions	<ul style="list-style-type: none"> • Facilitate trade through the creation of digital platforms • Identification of investment opportunities 	<ul style="list-style-type: none"> • Meetings • Contracts • Digital platforms • Ongoing dialogue
International organisations	<ul style="list-style-type: none"> • Address global challenges through partnership • Collaborate to enhance certification standards 	<ul style="list-style-type: none"> • MoUs • Events • Meetings • Ongoing dialogue 	Non-governmental organisations	<ul style="list-style-type: none"> • Partner for employee volunteering and community engagement initiatives • Collaborate to drive best practices and enhance awareness of sustainability related topics 	<ul style="list-style-type: none"> • Meetings • MoUs
DMCC employees and representatives	<ul style="list-style-type: none"> • Attract and retain the best talent by being an employer of choice • Support the development and growth of our employees • Employee welfare • Health and safety 	<ul style="list-style-type: none"> • Satisfaction surveys • Internal communication channels • Social media • Training • Events • Policies • Employees internal portal • Social activities 	Media	<ul style="list-style-type: none"> • Ensure DMCC is represented accurately with up-to-date information 	<ul style="list-style-type: none"> • Industry events • Media campaigns
			Academic institutions	<ul style="list-style-type: none"> • Engage with universities to support local graduates • Partner with universities to incubate innovative solutions and develop Thought Leadership reports 	<ul style="list-style-type: none"> • Career fairs • Research and development projects • MoUs

Driving best practice through stakeholder engagement and knowledge transfer

Stakeholder engagement is central to DMCC's mission to connect markets and people, and its events are internationally recognised for their ability to convene industry leaders.

Dubai Diamond Conference

16 - 17 October 2017

Held under the theme 'Destination Next - Shaping the future of an interconnected marketplace', the conference gathered leaders of the global diamond industry for two days of debate on the challenges and opportunities ahead.

378 Attendees



Dubai Precious Metals Conference

9 - 10 April 2018

Held under the theme 'Connecting Markets - the New Era of Global Trade', the conference is an important gathering in the international precious metals industry calendar.

A key topic in the 2018 programme was "Responsible Sourcing - Expectations and Reality". During this session, industry experts discussed the challenges and opportunities in integrating and driving responsible business practices. Experts explained that responsible practices should be embedded in the business model in order to reduce risks such as compliance and reputational.

278 Attendees



The Global Dubai Tea Forum

24 - 26 April 2018

The Global Dubai Tea Forum addressed every aspect of the tea supply chain, bringing together producers, merchant exporters, buyers, blenders, machine manufacturers, raw materials suppliers and the relevant government organisations to discuss the opportunities and challenges facing the industry.

A key topic in the 2018 programme was Climate Change and its impact on the tea industry. Industry experts discussed the key challenges affecting the tea industry across regions, including climate change, deforestation, biodiversity loss, tea workers' livelihoods, lack of organisation and capacity of smallholders to access land and services.

413 Attendees



DMCC Sustainability Knowledge Series 1

How SDGs Make Strategic Business Sense



DMCC Sustainability Knowledge Series 2

Gender Equality - Equality means business



The aim of the Knowledge Series is to raise awareness of sustainability among DMCC member companies. In 2018, DMCC organised two events in collaboration with the UNGC. The events focused on the UN's 2030 Agenda for Sustainable Development with a focus on SDG 5 - Gender Equality.

WHAT MATTERS MOST

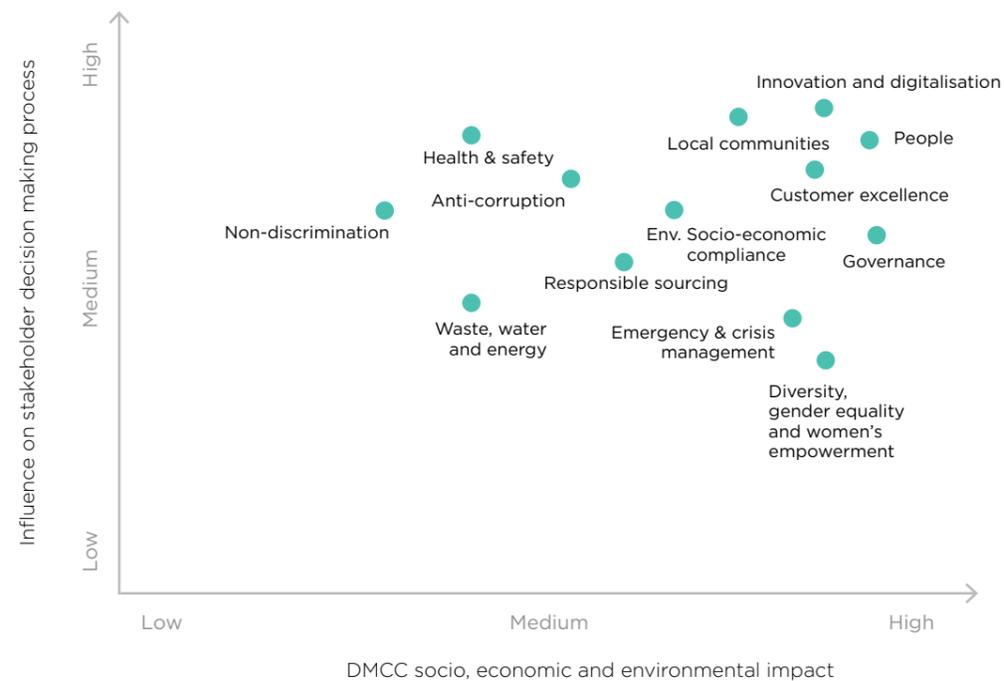
DMCC has identified the sustainability topics that are most material and relevant to its business.

As defined by the GRI's latest framework, the GRI Standards, material topics are those that reflect an organisation's significant economic, environmental and social impact and those that substantively influence the assessment and decisions of stakeholders.

by DMCC through an internal engagement process with its Executive Management and SDG Champions who rated the topics based on DMCC's potential impact.

DMCC's materiality assessment is a systematic process that combines insight and analysis from internal and external stakeholders and global trends. The below material topics were identified

In addition, DMCC conducted 24 one-to-one interviews with key external stakeholders. This group rated the sustainability topics that are material in regards to their relationship with DMCC. From 38 topics identified, 13 were evaluated as most relevant, which defined the content of this report.



Key Material topics	SDGs	Topic boundary	Page
Innovation and digitalisation		DMCC customers and services	77
People		DMCC employees	38
Customer excellence		DMCC customers (e.g. member companies)	72
Governance		Member companies, suppliers and DMCC employees	64
Anti-corruption		Member companies and suppliers	70
Environmental and socio-economic compliance		DMCC operations, member companies and suppliers	94
Health and safety		DMCC employees and areas of operation	54

Key Material topics	SDGs	Topic boundary	Page
Local communities and community engagement	 	DMCC employees and areas of operation	104
Responsible sourcing		Suppliers and members of certification initiatives	78
Diversity, gender equality and women's empowerment		DMCC employees and member companies	45, 87
Emergency crisis and management	 	JLT community and DMCC employees	56
Non-discrimination	 	Member companies, suppliers and DMCC employees	45
Waste, water and energy	  	DMCC areas of operation	101

“ DMCC is proud to report its progress towards the United Nations’ SDGs, and make public its commitment to pursuing environmental progress. This will result in meaningful action and strengthen DMCC’s position as the preeminent global trade and enterprise hub for commodities. ”

Sanjeev Dutta - Executive Director, Commodities, DMCC





PEOPLE

PEOPLE

DMCC places people at the forefront, actively cultivating and developing roles, strengthening skills, promoting diversity and ensuring health and safety of all employees.

DMCC offers extensive training and development opportunities for its employees as well as leadership programmes. DMCC also intends to further expand its wellbeing programme, increase the number of UAE Nationals and women in its workforce.

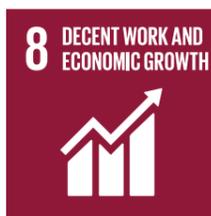
SDGs covered in this section



DMCC fosters an inclusive environment of learning and development and offers opportunities for its employees for continued education.



DMCC is committed to the UN's WEPs and provides equal rights and opportunities to women and men.



DMCC provides job opportunities for all. 17% of DMCC's employees are less than 30 years of age. DMCC is committed to protecting labour rights and providing a safe and secure working environment.

Alignment to the UNGC

HUMAN RIGHTS

Principle 1 *Businesses should support and respect the protection of internationally proclaimed human rights; and*

Principle 2 *make sure that they are not complicit in human rights abuses.*

LABOUR

Principle 3 *Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;*

Principle 4 *the elimination of all forms of forced and compulsory labour;*

Principle 5 *the effective abolition of child labour; and*

Principle 6 *the elimination of discrimination in respect of employment and occupation.*



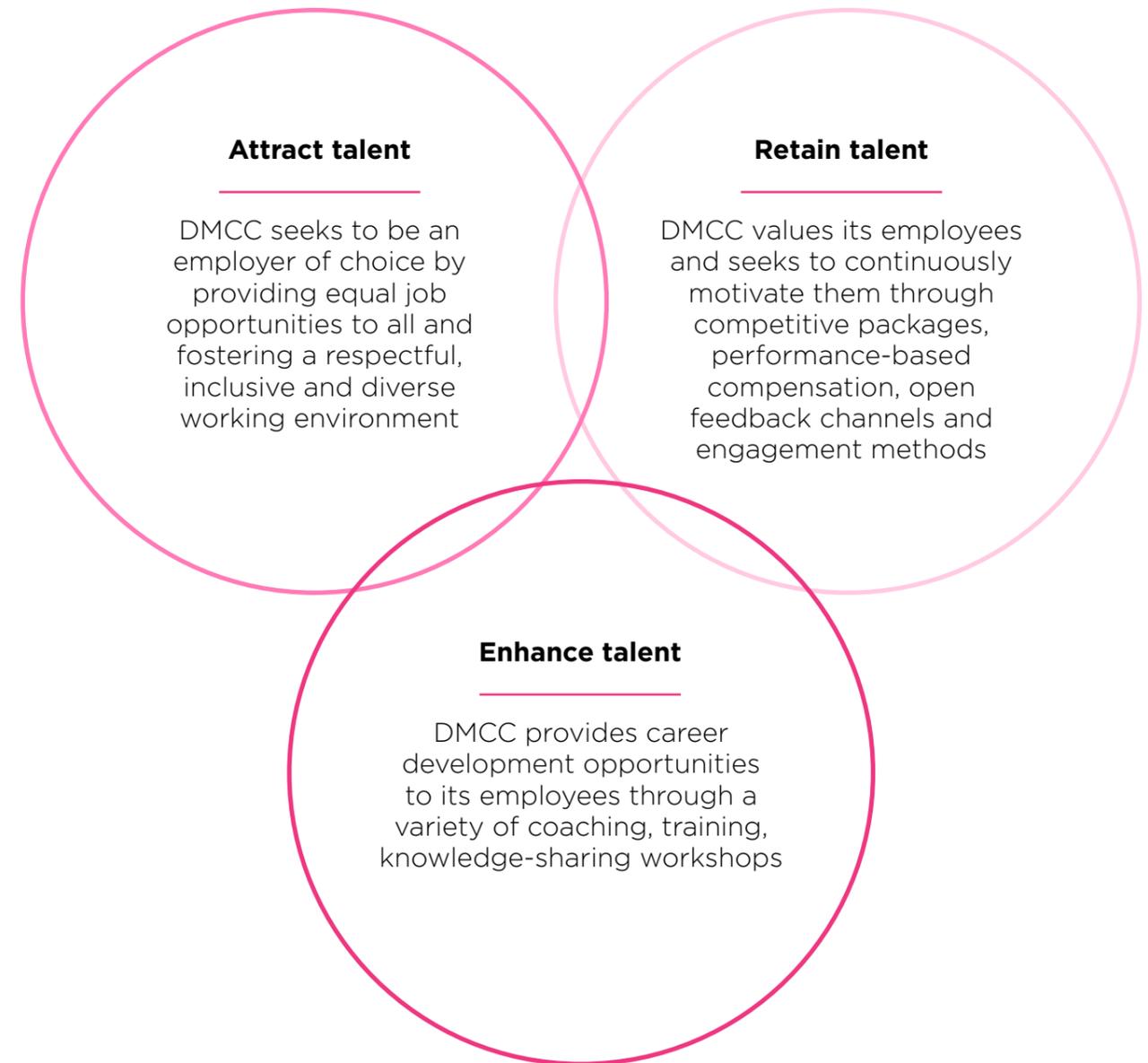
“By investing in our employees, we not only build careers but also drive progress and growth. Our corporate culture is based on respect, fairness and performance-based compensation, through which we aim to increase employees’ innovation, engagement, productivity, and satisfaction.”

Suzanne Gandy – Talent Management, Director, DMCC

Key objectives	Key achievements	Future objectives
Wellbeing programme	<ul style="list-style-type: none"> Initiatives around sports, fitness, health and wellbeing launched 	<ul style="list-style-type: none"> Implement a corporate wide policy Deliver regular events (based on the UN calendar) to promote health and well-being among our employees as well as member companies Introduce annual health programmes and checks
Leadership Academy	<ul style="list-style-type: none"> Established in 2016 to develop leadership skills required for future succession planning 5,823 training hours provided to 99 employees 81 hours of coaching sessions provided to 68 employees 	<ul style="list-style-type: none"> Expand Leadership Academy to include supervisors Introduce a new leadership course focused on ethics and purpose Integrate sustainability into the Leadership Academy to create company wide embrace
Diversity and inclusion	<ul style="list-style-type: none"> 44 nationalities 37.5% female employees among permanent employees 38% females in DMCC Senior Management 	<ul style="list-style-type: none"> Increase the number of female employees and increase women's representation in senior management positions Provide work placements for individuals with special needs
Emiratisation	<ul style="list-style-type: none"> 24% of DMCC executives and senior management are UAE Nationals 12% of total workforce are Emiratis 9 new graduates enrolled in DMCC's Emirati Graduate Development Programme 	<ul style="list-style-type: none"> Increase Emirati workforce by 10% on yearly basis Support UAE nationals with career plans upon completing the DMCC Graduate Programme Collaborate with local universities and develop an Emirati students mentorship programme
Employee welfare	<ul style="list-style-type: none"> DMCC code of conduct and whistleblowing policy launched 	<ul style="list-style-type: none"> Promote ethical recruitment practices and fair wages for outsourced employees Collaborate with international organisations and NGOs to advance human rights
Health and Safety	<ul style="list-style-type: none"> Revised HSE policy 1.7 million man hours with zero lost time injuries, a zero lost time injury frequency rate, zero fatalities and zero major incidents 	<ul style="list-style-type: none"> Restructure our HSE governance under one corporate umbrella and establish a DMCC HSE working committee Introduce a recognition programme for HSE Performance Increase H&S awareness training with member companies, contractors and tower owners associations Reduce the number of minor incidents by 10%

The DMCC Code of Conduct reflects its core values of accountability, honesty and reliability and governs the way in which the organisation conducts its business. DMCC's Human Resources (HR) policies are designed to attract, retain and enhance the talented employees required to meet the organisation's ambitious growth targets.

Human Resources Vision



WORKPLACE

The DMCC recruitment policy ensures equal employment opportunities by selecting candidates based on competence, experience and qualifications.

The DMCC workforce comprises 87% permanent employees and 13% outsourced personnel. Outsourced personnel are contracted for a variety of roles in

departments such as the call centre, delivery service and the DMCC Tea Centre. Companies that supply DMCC with personnel are required to comply with UAE Labour Law and DMCC contractual terms and conditions. Outsourced personnel receive all the necessary technical training to perform in their role. They are encouraged to participate in DMCC's employee engagement initiatives.

DMCC provides its employees with competitive employment packages as well as non-wage employee recognition. Permanent employees are provided a range of benefits including, but not limited to, a comprehensive medical insurance plan, life insurance, disability coverage, annual paid flights to home country, education sponsorship, end of service packages and professional qualification membership coverage.

Permanent employees are also entitled to paid annual leave, study leave, sick leave,

charitable leave, Hajj leave, maternity leave, paternity leave, marriage leave, bereavement and Iddah leave.

Permanent female employees are entitled to enhanced paid maternity above the requirement mandated in UAE Labour Law. Employees are also entitled to daily nursing breaks for up to 18 months after birth. Permanent male employees are entitled to three working days of paid paternal leave.

Employee profile

		2016	2017	
TOTAL NUMBER OF EMPLOYEES 44 Nationalities				
GENDER	Male	248	265	
	Female	140	154	
PERMANENT EMPLOYEES		329	333	
GENDER	Male	205	208	
	Female	124	125	
NATIONALITY	UAE Nationals	39	40	
	Others	290	293	
AGE GROUP	Under 30	75	55	
	Between 30-50	238	260	
	Over 50	16	18	
OUTSOURCED		59	86	
		Male	43	57
		Female	16	29

Parental leave entitlement

		2016	2017	
EMPLOYEES ENTITLED TO PARENTAL LEAVE		207	228	
		Male	144	155
		Female	63	73
TOTAL NUMBER OF EMPLOYEES THAT AVAILED PARENTAL LEAVE		17	20	
		Male	12	9
		Female	5	11
TOTAL NUMBER OF EMPLOYEES RETURNING TO WORK IN THE REPORTING PERIOD AFTER PARENTAL LEAVE ENDED		17	20	
		Male	12	9
		Female	5	11

Overall employee satisfaction at DMCC is reflected in the turnover rate which in 2017 stood at 10%⁴. DMCC conducts exit interviews for departing employees to understand the reasons behind the decision to leave.

Employee hires and turnover	2016	2017
TOTAL NUMBER OF EMPLOYEE HIRES	56	36
Male	31	19
Female	25	17
Under 30	25	11
Between 30-50	30	22
Over 50	1	3
TOTAL NUMBER OF EMPLOYEE DEPARTURE	44	32
Male	23	16
Female	21	16
Under 30	9	10
Between 30-50	27	19
Over 50	8	3

TURNOVER RATE



⁴ DMCC defines its turnover rate as the number of employees that leave DMCC due to termination, change of jobs, change of country, or retirement divided by the total number of its permanent employees.

Human rights

DMCC's commitment to human rights is anchored in its adherence with UAE Labour laws, its HR Policies and Procedures and Code of Conduct. DMCC seeks to uphold the basic human rights of its employees and does not discriminate on the basis of race, colour, nationality, religion, gender, age, social and marital status and physical or mental disability.

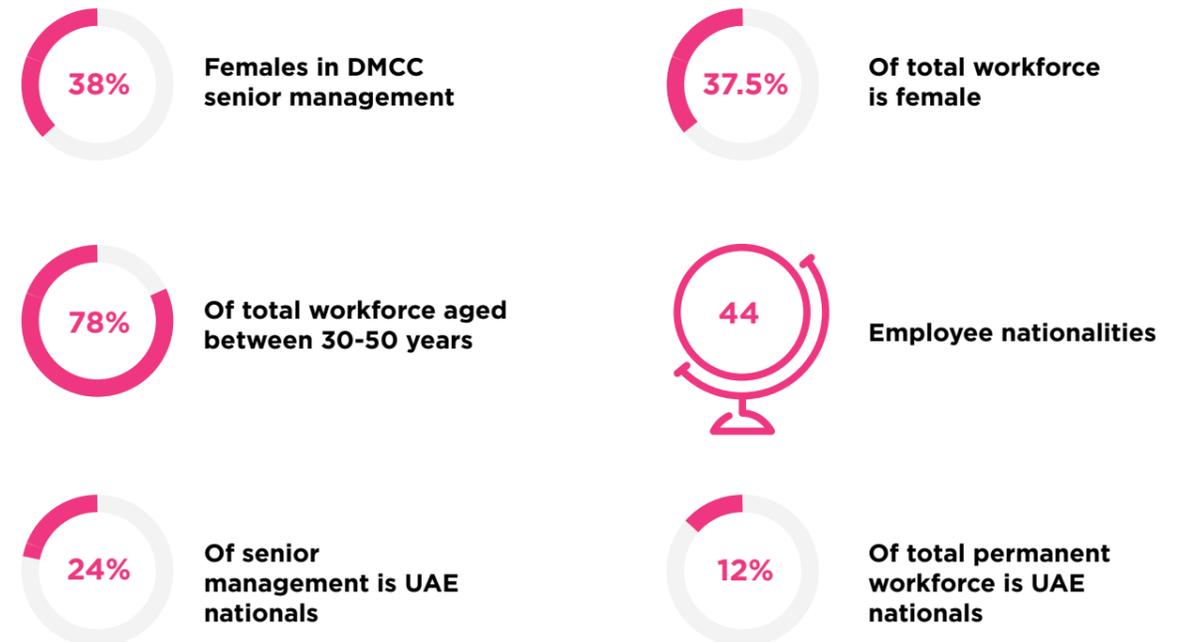
Every employee is mandated to abide by DMCC's HR Policies and Procedures and Code of Conduct and remain committed to DMCC corporate culture. The DMCC corporate whistleblowing policy and grievance procedure enable employees to file grievances and concerns without risk of reprisal.

DMCC will conduct a human rights impact assessment, which will further support the implementation of its policy and become the basis for future due diligence procedures.

In 2017, DMCC did not face any legal action or any reported formal complaints related to discrimination within the organisation.

Embracing diversity and inclusion

Diversity and inclusion are central to DMCC's culture and a fundamental element of its growth strategy. DMCC has made a conscious decision to foster a diverse workforce.



Promoting local employment

DMCC endorses the UAE Vision 2021 to build a competitive, knowledge-based economy. To support the nationalisation efforts, DMCC has introduced a series of programmes and initiatives to attract and nurture local talent and to support UAE nationals' progress into senior positions.

Attracting UAE Nationals



Internships and Work Placements

DMCC offers opportunities for internships and work placements to UAE nationals studying in UAE colleges and universities.

Through internships and tailored work placements, students gain industry relevant work experience which allows them to help resolve real business challenges.



College and University Careers Fairs

DMCC participates in career fairs and recruitment events at universities and colleges across the UAE.

New graduates seek challenging, creative and flexible working opportunities.

Participation in these events helps DMCC connect with students to discuss internship and entry-level employment opportunities within the organisation.



Emirati Graduate Development Programme

DMCC provides work opportunities for UAE university graduates through the Almas graduate trainee programme, DMCC's Emirati Graduate Development Programme.

High potential graduates are enrolled as graduate trainees and allocated to relevant departments of DMCC based on their interests, skill set and qualifications. Throughout the 12-month programme, graduates are provided with training courses including accredited Leadership and Management courses and structured work experience in their allocated departments.

During the programme, the performance, technical competency and work commitment of Graduate Trainees is continuously assessed. Upon completion, candidates are given priority for suitable vacant roles within DMCC.

67% of the UAE nationals who completed the programme in 2017 have assumed permanent roles at DMCC.

Nine new UAE national graduates enrolled in the second phase in July 2017.



“As soon as I graduated, I was excited to join DMCC. The combination of training, work experience and leadership and management coaching prepared me very well for gaining a position in the organisation. It is an inspiring place to work.”

Zuhair Iskandarani - Executive Partnerships, DMCC

“The Almas graduate trainee programme was a comprehensive, year-long scheme that allowed me to realise my potential and to develop my professional and interpersonal skills before applying for a permanent position. As an Emirati, I am proud to work for an organisation that is as innovative and forward thinking as DMCC.”

Amna Makki - CRM Executive - Precious Metals and Stones, DMCC

Driving inclusion through engagement

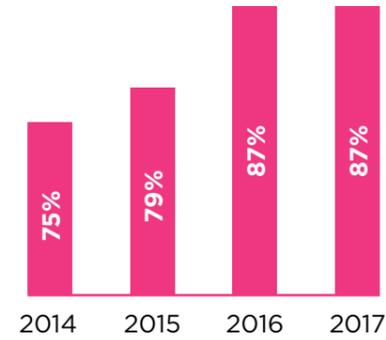
Employee surveys

DMCC has gathered employee feedback on the performance of its HR function on an annual basis since 2012.

In 2017, DMCC distributed a human resources satisfaction survey to assess and improve the organisation's culture, policies and procedures, recruitment and resourcing, benefits, performance reviews and career development opportunities.

2017 HR performance satisfaction survey

The survey was sent to 275⁵ employees with an 82% response rate.



Areas of strength

Organisational culture and communications.

Areas for improvement

Career development and training. In response, DMCC will implement a new learning management system in 2018.

Employee recognition

The DMCC Employee Recognition Scheme is a communications tool that rewards employees who deliver outstanding results.

Encouraging high performance, DMCC deploys recognition opportunities for small and big achievements such as instant recognition toolkits, individual quarterly awards, biannual project team awards, and employee and project team of the year awards.



⁵ Excluding HR employees



LEADERSHIP WITH PURPOSE

DMCC is committed to driving the career progression of its employees through a structured performance management process underpinned by relevant training opportunities.

The performance management process at DMCC involves an annual review that assesses employee potential for development and promotion. The review also identifies the professional training required to achieve respective career goals.

In 2017, 100% of DMCC permanent employees received regular performance and career development reviews as part of their annual performance management cycle.



Facilitating career development

DMCC employees are entitled to various avenues for career growth within the organisation.

Training programmes

DMCC runs various programmes to upgrade the skills of its employees including specialised training courses, mandatory training courses (including anti-money laundering and H&S), seminars and workshops, sponsorships of degrees and membership of professional bodies.

Leadership development

DMCC enrolls employees from senior and middle management teams in a leadership development programme that is aligned to their business requirements and tailored to meet their leadership goals.

Coaching

Employees are coached by line managers on their day-to-day responsibilities and provided with continuous support and feedback on performance.

Transfers

Employees are eligible for transfers within DMCC if they meet the minimum requirements of the role, have completed 12 months in their current position, and have approval from their line manager.

Job rotation

Employees can be rotated for a certain period from one department to another within the organisation. The rotation period (limited to six months) is followed by a performance review.

Succession planning

High performing employees are identified as potential successors to fill critical positions, and are provided with a detailed development plan to outline specific activities and training to develop the required competencies for the role.

Alternative development opportunities

Employees are offered the opportunity to take on the temporary responsibility of a vacant position for a minimum of two months in preparation of taking on senior positions in the future.



Employee training

To ensure effective training for employees, and as part of the annual performance management cycle, DMCC regularly conducts a detailed Training Needs Analysis (TNA) exercise at the corporate, departmental and individual levels. Based on the TNA result, every employee is eligible to apply for training courses (leadership, administrative and specialised) as per the annual overall corporate training calendar.

DMCC made significant investment in the training of its employees across the organisation during the reporting period. In 2017, DMCC conducted 12,309 hours of training, a 42% increase from 2016.

Employee training performance



increase in average hours of training delivered per employee in 2017

	2016	2017
ANNUAL AVERAGE HOURS OF TRAINING RECEIVED	26	37
GENDER		
Male	23	34
Female	32	41
EMPLOYEE CATEGORY		
Executive and Senior Management	39	80
Middle Management	35	79
All staff (professional, operational and administrative)	23	19



CASE STUDY:

Accelerating leadership development

The DMCC Leadership Academy is a comprehensive leadership development programme designed for senior and middle management and preparing supervisors at DMCC. The programme seeks to address skill gaps and prepare managers for further progression. The programme consists of instructor-led training, ongoing coaching, an online platform, growth assignment projects, on-the-job activities and train-the-trainer sessions.

In 2017, 99 senior employees attended modules accounting for a total of 5,823 training hours. Coaching sessions were conducted for 68 employees totalling 81 hours.

OCCUPATIONAL HEALTH AND SAFETY

Health and Safety (H&S) is a key priority for DMCC and the organisation supports the Government of Dubai's vision to provide a safe and resilient built environment.

DMCC's commitment to managing its H&S risks covers the organisation's permanent employees (over which DMCC has direct control), and extends to its contractors and sub-developers, the JLT community, member companies, towers and owners associations.

DMCC aims for a zero accidents record. One of the core objectives in this regard is to develop a safety culture that pervades the entire

H&S challenges

The number of construction projects within the JLT community poses significant H&S risks, particularly from lifting operations, heavy equipment and working at heights. DMCC has developed an extensive construction manual for contractors that details the H&S principles that must be adhered to on all sites in line with DMCC policy and international best practice.

DMCC monitors H&S performance during inspections and requests the training records

Developing employee awareness

All new DMCC employees receive mandatory H&S training as part of the HR on-boarding process. The training covers the importance of H&S in the workplace and a review of relevant local laws and regulations.

organisation and promotes accountability.

DMCC's HSE policy covers all its operations including offices, construction sites, subsidiaries, management assets, consultants, outsourced staff and the free zone community. The policy is in accordance with local and federal H&S requirements such as The Federal Law No (8) of 1980, and the Local Order No (61) of 1991 among others as part of DMCC's regular review.

DMCC conducts annual health and safety risk assessments of its own internal activities and guides external parties operating in its free zone.

of contractors and sub-developers required. In addition, DMCC conducts regular inspections to ensure standards are maintained and employs specialist consultants to assist DMCC in maintaining standards and compliance in line with local and federal H&S law.

A further challenge is the variety in the size of businesses and industries that DMCC member companies operate in, and the differing H&S factors involved.

DMCC hosted an Institution of Occupational Safety and Health (IOSH) course for all staff connected to the delivery of the HSE policy in 2017. Participants including DMCC Executive Management discussed the value to an organisation of having a comprehensive and cohesive HSE policy.

“

At DMCC we consider Health and Safety at the core of everything we do; the health, safety and well-being of our employees and the wider community being a top priority for us. We are proud of our 'zero' record – zero fatalities and zero lost time injuries in our own operations during 2017 as well as zero major safety incidents within our master community.

”

Paul Sumner – Senior HSE Manager, DMCC

Protecting the wider community

DMCC adopts a multi-level H&S approach to cover its contractors and sub-developers, the JLT community, member companies, and towers and owners associations. DMCC has a dedicated H&S corner⁶ on its official website to raise awareness of H&S related issues among its stakeholders. In 2017, some of the key H&S topics addressed by DMCC online included: LPG gas and carbon monoxide detection; H&S inspections of the workplace; working with hazardous substances and UAE HSE legislation, among others.

Contractors and sub-developers

All contractors are bound by DMCC's HSE policy and vetted to ensure compliance with the appropriate laws and regulations. Regular H&S site inspections conducted by DMCC reinforce this. Should violations occur, DMCC issues official warnings, fines and depending on the violation, immediately suspends construction work.

DMCC contractors logged a zero violation record in 2017 and throughout the year. In terms of sub-developers, violations recorded in 2017 ranged from repeated noncompliance to regulations and minor fire incidents. By educating and changing the culture amongst its sub-developers, DMCC achieved a 50% reduction in violations compared to 2016.



JLT master community

Overseen and monitored by DMCC, the wider JLT community is managed by Concordia, a subsidiary of DMCC. DMCC undertakes regular inspections of the master community to monitor H&S compliance and provide guidance to Concordia. DMCC also investigates accidents, incidents and dangerous occurrences, which have the potential to cause loss of life or harm within the JLT master community.

DMCC holds monthly safety meetings with Concordia to maintain HSE standards and review statistical performance reports. As for road safety, all traffic safety signs and signals used within DMCC comply with Road and Transport Authority of Dubai (RTA) regulations⁷.

Towers and owners associations

Towers located in the JLT community are required to work with owners associations, and identify all H&S hazards and risks. DMCC conducts periodic inspections to ensure that all towers and their facilities comply not only with DMCC requirements but also with local and federal law. If necessary, DMCC provides advice on preventative action required. In addition, DMCC observes fire drills, reviews safety certificates of equipment and machinery, inspects incident reports and undertakes incident investigations when necessary. Should violations or repeated incidents occur, DMCC has the authority to issue fines and cease any dangerous activity.

⁶ <https://www.dmcc.ae/blog>

⁷ Executive Council Resolution No. (23) of 2013 on organizing roads signage in the Emirate of Dubai. <https://bit.ly/2x5Nclu>

2017 overall health and safety performance

The boundary for which DMCC measures H&S data performance in the reporting year covers DMCC permanent employees, the Uptown district project, other projects⁸ and the JLT master community.

DMCC recorded strong health and safety performance in 2017. In over 1.7 million man hours undertaken, DMCC had zero lost time injuries or major incidents recorded⁹. Minor incidents¹⁰ amounted to 161. Over 700 safety inspections were carried out during the course of 2017.

The minor incidents that occurred in 2017 were minor injuries and near misses. Through its awareness programme, DMCC expects minor injuries to decrease. Throughout 2017, DMCC encouraged the reporting of near misses as a measure to prevent incidents from occurring.

H&S record of DMCC permanent employees¹¹

Number of total hours worked	564,000
Number of lost time injury	0
Lost time injury frequency	0
Work-related fatalities	0
Minor incidents	4
Major incidents	0
Inspections	12

DMCC contractors and sub-developers HSE performance¹³

Number of total hours worked	782,837
Number of lost time injury	0
Lost time injury frequency	0
Work-related fatalities	0
Minor incidents	29
Major incidents	0
Inspections	188

DMCC JLT master community managing agent HSE performance¹²

Number of total hours worked	383,832
Number of lost time injury	0
Lost time injury frequency	0
Work-related fatalities	0
Minor incidents	138
Major incidents	0
Inspections	546

⁸ Other projects include: DMCC coffee centre, car park repairs, offices fit out, Silver Tower gantry, R6 Business Centre, mosque plot enabling works, central park infrastructure works, and diamond cutting and polishing plant.

⁹ Major incident: an incident, including a security incident, involving any of the following: fatality or permanent total disability; multiple permanent partial disabilities; extensive damages; serious impact on company reputation; extensive adverse attention; significant adverse reactions from authorities, media or the general public.

¹⁰ Minor incident: a recordable incident, including a security incident, involving any of but not limited to the following: Minor injuries, which cannot be treated by first aid; any near miss; damages in excess of AED 10,000; external medical attention for less than 24 hours.

¹¹ DMCC permanent employees fall under our direct control.

¹² The master community managing agent falls under our direct influence.

¹³ Contractors and sub-developers fall under our direct influence.



MARKETPLACE

MARKETPLACE

Based on the DMCC materiality analysis, digitalisation, governance, customer excellence, and innovation are among its most material sustainability topics.

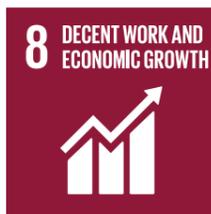
The DMCC governance framework mandates the highest standards of integrity, transparency and honesty. Whilst committed to meeting all corporate governance requirements, DMCC constantly seeks to identify new and more efficient ways to improve service offerings with a focus on innovation, entrepreneurship and smart city technologies.

As a world leading commodities and trade hub, DMCC will continue to drive responsible sourcing and supply chain management of gold and diamonds, by adopting international best practices such as the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas¹⁴ and the Kimberley Process¹⁵.

SDGs covered in this section



DMCC's operation is based on integrity and accountability through strong governance and a policy commitment to anti-corruption and anti-money laundering.



DMCC promotes an inclusive and sustainable economic growth plan by driving the diversification of the UAE economy by facilitating the trade of commodities.



DMCC fosters innovation through several platforms and generates impactful services and solutions by engaging with both internal and external stakeholders.

Alignment to the UNGC

ANTI-CORRUPTION

Principle 10 *Businesses should work against corruption in all its forms, including extortion and bribery.*

¹⁴ <http://www.oecd.org/corporate/mne/mining.htm>

¹⁵ <https://www.kimberleyprocess.com/en/kimberley-process-kp-0>

“

To position Dubai as the global gateway for trade, requires us to continuously excel, innovate, and ensure we have a robust regulatory framework. We are home to more than 15,000 companies and recognise our responsibility to drive responsible, innovative, and sustainable business practices.”

Feryal Ahmadi,
Executive Director,
Corporate Services,
DMCC



Key objectives	Key achievements	Future objectives
Governance and compliance	<ul style="list-style-type: none"> Revised Anti-Money Laundering and Combating the Financing of Terrorism (AML and CFT) policy A new Fraud Control policy that applies to DMCC employees, member companies, and affiliates 	<ul style="list-style-type: none"> Support the UAE's Government policy to align with international initiatives such as the Financial Action Task Force (FATF) assessment Conduct training on AML/CFT and the new Fraud Control policies Integrate the SDG Steering Committee as part of DMCC's sustainability governance structure Integrate sustainability into DMCC Code of Conduct for employees Continue holding workshops and training sessions for member companies on the content of DMCC's regulatory framework, international and domestic regulations, laws and best practice

Customer excellence	<ul style="list-style-type: none"> Recorded an overall satisfaction rating of 84% Introduced four new services 	<ul style="list-style-type: none"> Provide world class services to customers by leveraging technology and digitalisation Continuously introduce new services supporting the lifecycle of member companies Continue implementing improvements based on member companies satisfaction surveys Introduce programmes to support SMEs and entrepreneurs with training and skills development Increase the number of sustainable solutions/ services provided to member companies
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Sustainability awareness and capacity building	<ul style="list-style-type: none"> Introduced DMCC Sustainability Knowledge Series Integrated sustainability related topics as part of existing industry events GRI training of 18 employees 	<ul style="list-style-type: none"> Continue supporting the UAE in achieving its sustainability goals in partnership with key stakeholders Promote the UNGC principles and WEPs throughout member companies and key stakeholders Integrate sustainability into the agenda of DMCC outreach programme Promote sustainability reporting among member companies
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Key objectives	Key achievements	Future objectives
Innovation and digitalisation	<ul style="list-style-type: none"> Launched a new innovation hub 95% of services for member companies made accessible online Introduced online membership for commodity services Implemented key employee initiatives generated by the idea management programme 	<ul style="list-style-type: none"> Launch of DMCC Coffee Centre and Dubai Design Academy Continue supporting and facilitating start-up enterprises in our free zone Collaborate with entrepreneurs on circular economy models through the DMCC Innovation Hub Support the digitalisation strategy of member companies through training sessions and mentorship Further expand the idea management programme

Responsible sourcing	<ul style="list-style-type: none"> Alignment Assessment exercise with OECD Guidelines of DMCC Rules for Risk Based Due Diligence for Gold and Precious Metals Supply Chain 	<ul style="list-style-type: none"> Enhance stakeholder engagement with key international organisations such as the OECD and Responsible Jewellery Council (RJC) to build responsible supply chains Address improvement opportunities identified by the OECD during the Alignment Assessment Promote RJC Code of Practices (COP) across the Middle East Build partnerships with international associations to support farmers of tea and coffee on sustainable farming Introduce a responsible sourcing policy for DMCC suppliers Build an awareness and education programme in partnership with industry organisations on human rights Promote responsible sourcing practices among member companies
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Women empowerment	<ul style="list-style-type: none"> Joined the WEPs network Joined the UAE WEPs taskforce Participated in the SheTrades event DMCC Sustainability Knowledge Series delivered focused on WEPs 	<ul style="list-style-type: none"> Build and implement a corporate wide policy Identify initiatives for WEPs and launch DMCC WEPs platform – “barriers to women leadership and trade” Build a mentorship programme for young women entrepreneurs within the free zone
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GOVERNANCE

DMCC has a robust governance framework to ensure that it effectively and efficiently manages organisational risk in a transparent and accountable manner.

DMCC's governance framework is comprised of policies, procedures, a risk management framework and effective internal controls that allow it to achieve objectives in a dynamic business environment. DMCC seeks to understand and monitor its performance in the following areas:

- Safeguard DMCC's assets from misuse, loss or fraud
- Identify, manage and mitigate economic and reputational damages or losses
- Maintain proper records to ensure effectiveness of internal or external reporting
- Ensure compliance with applicable laws and regulations

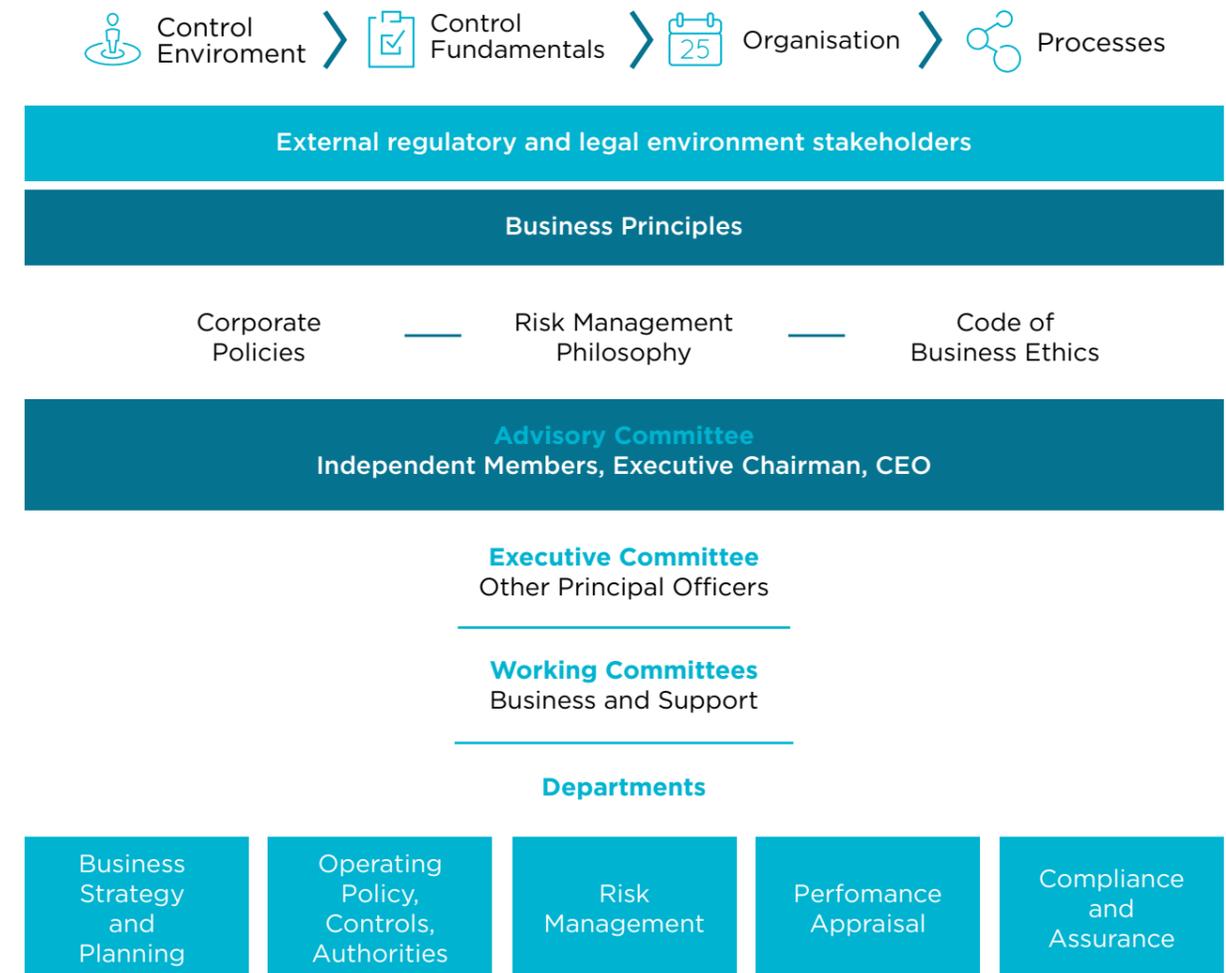
“ At DMCC, good corporate governance is essential to our long-term sustainability. We are proud of our robust governance framework that helps us manage organisational risk, operate efficiently and conduct our work in an accountable, honest and transparent manner.

Kiran Scarr – General Counsel, DMCC

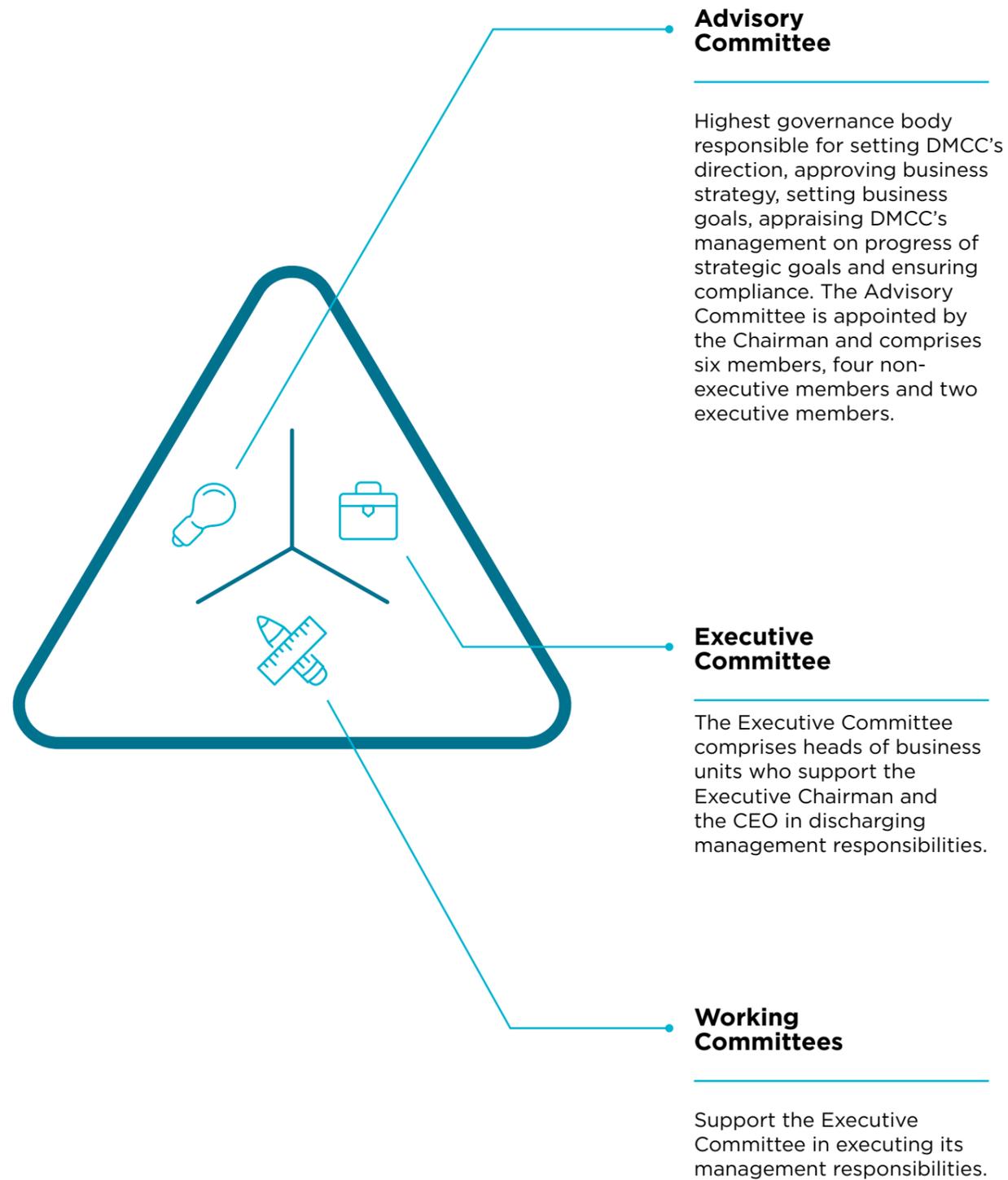


Governance framework

The control environment is designed to enable DMCC to fulfil its obligations to external stakeholders.



DMCC's governance structure consists of an Advisory Committee, Executive Committee, and other Working Committees. The Chairman, appointed by His Highness Sheikh Mohammed bin Rashid Al Maktoum, Vice President and Prime Minister of UAE and Ruler of Dubai, is responsible for all DMCC activities.



Managing risk

DMCC's Enterprise Risk Management (ERM) policy provides guidance on identifying, assessing and managing DMCC's business risk. The ERM framework follows the approach prescribed by the Committee of Sponsoring Organisations of the way Tread Commission "COSO"¹⁶ in managing risks. The COSO framework is a leading guidance for control systems effectiveness.

DMCC ERM framework

Internal Environment
Objective Setting
Event Identification
Risk Assessment
Risk Response
Control Activities
Information and Communication
Monitoring

In 2017, DMCC established a Control Self-Assessment (CSA) policy to assess the effectiveness of controls in mitigating risks.

DMCC has identified the following systematic risks that can affect its business operations

Fraud	Cyber	Security	Public
<ul style="list-style-type: none"> • Forgery and theft • Financial • Corruption and bribery • Regulatory breach • Money laundering • Procurement • Collusion • Tax crime 	<ul style="list-style-type: none"> • Virus • Phishing • Data breach • Data loss • Stolen equipment • Lost equipment • Ransomware • Wire transfer • Service disruption and/or loss 	<ul style="list-style-type: none"> • Physical theft • Workplace violence • Geopolitical event • Terrorism 	<ul style="list-style-type: none"> • Environmental • Health and safety • Employment rights

¹⁶ The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is a joint initiative of private sector organisations and is dedicated to providing thought leadership through the development of frameworks and guidance on enterprise risk management, internal control and fraud deterrence

Sustainability related risks identified by DMCC in 2017

Key risks identified in 2017

Mitigation measures

Member companies non adherence to rules and regulations

Compliance policy with preventive and proactive measures. Rules and regulations permit de-licencing any non-compliant company

Master community hazards (fire, HSE and security incidents)

Master community HSE policy, HSE construction manual, developing HSE standards and guidelines, free zone HSE rules and regulations

Comply with information security regulation (ISR)

Internal audit

Absence of smart integrated infrastructure

DMCC Smart and Sustainable District Strategy

Under achievement of Emiratisation target

Five year Emiratisation strategy and the UAE National graduate training programme¹⁷

DMCC identifies and manages compliance risks of DMCC and member companies. Risks are prioritised based on a rating methodology.

The method of risk identification follows top down (Executive Committee, Governance and Risk Committee) and bottom up (department heads and key employees) approaches.

The Control Self Assessment (CSA) policy is one mechanism employed by DMCC to ensure that various internal control elements are present and functioning. All DMCC department heads are required to self-evaluate the controls in their respective areas. The results of the control assessment are monitored by Internal Audit.

Risk is assessed across two dimensions: likelihood of occurrence, and severity of the consequences. The risk assessment of individual risks including HSE risks involves a combination of qualitative and quantitative methods. The positive and negative impact of potential events are examined at the department and corporate levels. Risks are assessed on both an inherent and residual basis.

¹⁷ Refer to Chapter 7 People - 'Promoting local employment'

Policies for controls and compliance

Operating responsibly means being a trusted business partner and corporate citizen for all stakeholders through fair business operations, reliable services and a commitment to the communities DMCC serves and engages with. As a UNGC signatory, DMCC is committed to supporting Principle 10 on Anti-Corruption.

Assessment of compliance risks directs DMCC efforts in compliance monitoring and supervision. Internally, compliance is assured through internal and external audits. Audit timing and frequency is based on risk assessments. DMCC's internal audit team works independently, and shares audit reports directly with the Advisory Committee.

Ensuring compliance

DMCC's compliance framework ensures that it operates in accordance with applicable laws, regulations and best practice. DMCC has a zero tolerance policy towards any form of corruption and every employee is expected to act in a responsible and ethical manner.

The DMCC Code of Conduct, detailed in the organisation's HR policy, sets out requirements for ethical behaviour. It provides clear guidance on compliance, anti-bribery, gifts, anti-money laundering and suspicious transactions. The Code of Conduct is also accessible to all employees through the company intranet site and is explained during annual refresher-training sessions.

Employee adherence to DMCC values is administered through its HR Performance Management System where demonstration of compliance with its core values is assessed.

Employees are encouraged to report any suspicious wrongdoing, illegal acts and/or malpractice. The DMCC corporate whistleblowing process enables concerns to be raised anonymously. Any employee that raises a concern about potential misconduct is protected from reprisal.

DMCC's procurement policy ensures that all procurement activities are conducted in a fair

In 2017, DMCC did not face any reported incidents of corruption nor did it suffer any legal action or fine for non-compliance with social and economic laws or regulations.

and transparent manner, with suppliers chosen on their ability to generate best value in terms of cost, quality and sustainability. Once a vendor is approved to join its supply chain, DMCC implements strict controls to ensure continuous delivery of high standards.

When procuring any goods or services, DMCC prioritises local suppliers¹⁸, provided they meet all the technical, commercial and legal qualifications. In 2017, 88% of DMCC's total procurement budget was spent with local suppliers, up from 81% in 2016.

¹⁸ DMCC defines local suppliers as companies that are registered in the UAE. DMCC's significant location of operation is to be considered as UAE. Proportion of local procurement is based on processed payments.

Driving anti-corruption and anti-bribery practice through regulation

DMCC develops and implements a robust regulatory framework that includes company law, employment law, community management regulations and H&S regulations and applies to DMCC member companies.

To ensure appropriate levels of compliance, DMCC has a dedicated compliance and due diligence team that screens member companies. Know Your Customer (KYC) and Ultimate Beneficial Ownership (UBO) documentation form part of the process. The team also conducts inspections of physical premises within the free zone to confirm that the operation of member companies are in line with free zone rules and regulations.

In 2017, 7,182 member companies were inspected. A dedicated Controls and Assurance team monitors companies' activities through a number of tools including desktop investigations, enhanced due diligence questionnaires and auditor programmes. The nature and extent of enforcement actions taken against member companies (fines, terminations, suspensions, and other sanctions) are maintained electronically.

DMCC regularly conducts workshops and training sessions for its member companies

on the contents and impact of its regulatory framework. In addition, the DMCC website has a dedicated "Legal Corner" aimed at raising awareness of legal and compliance related topics among its stakeholders.

A training session was held in 2017 on anti-money laundering, combating the financing of terrorism (AML and CFT) and anti-corruption for member companies. Delegates learned how to strengthen their compliance through AML, CFT and KYC practices, enabling them to mitigate related risks. The training received a 98% satisfaction rating.

DMCC whistleblowing policy enables member companies, their prospective, current and former employees to raise concerns and disclose information about a suspected wrongdoings or illegal acts. Concerns can be reported to a dedicated email address. DMCC reviews all reported cases and takes appropriate action while offering protection to the party filing the disclosure.

Compliance challenges

DMCC regulates a large number of diverse companies and licenses, which makes compliance with regulatory change challenging

Controls

- Constant communication with local and international regulators including the Central Bank and the Securities and Commodities Authority (SCA)
- Regular review of media announcements
- Continuous update of rules and regulations
- Creating greater transparency on regulatory and compliance requirements through web-enabled technology



CASE STUDY:

Global effort to address compliance issues

DMCC is committed to supporting both domestic and international efforts to combat money laundering and the financing of terrorism.

In 2019, the UAE will be assessed by the Financial Action Task Force (FATF) – an intergovernmental body whose purpose is the development and promotion of policies to combat money laundering and terrorist financing. FATF has 40 recommendations on how to combat these issues and will assess the UAE's performance.

DMCC has participated in workshops throughout 2017, in preparation for a national risk assessment in 2018 that will determine the UAE's preparedness for the FATF assessment. As part of the preparations, DMCC has also been reviewing and enhancing its anti-money

laundering and combating the financing of terrorism policies, and increased its communication with member companies on the subjects.

In addition, a new Fraud Control policy aimed at the prevention, deterrence, detection and investigation of all forms of fraud was released. Fraud risk assessments are performed twice a year. The results are incorporated in DMCC's Enterprise Risk Management Register to ensure that appropriate actions are taken to prevent or mitigate the risks of fraud. The AML, CFT and Fraud Control policies apply to DMCC employees, member companies, and affiliates. Guidance and training on the AML and CFT policy are provided to both DMCC employees and member companies on a regular basis.

Protecting privacy and ensuring information security

DMCC operates state of the art security systems that protect against internal data leaks which are reviewed quarterly.

DMCC is committed to the information security regulation (ISR) issued by the Dubai Electronic Security Centre (DESC).

In 2017, DMCC conducted an assessment of the IT security awareness levels of its employees. The assessment helped DMCC identify strengths and weaknesses of its systems. DMCC is also developing an awareness programme to ensure that employees are aware of information security risks and how to report incidents or suspicious activities.

External and government audits of DMCC systems are supplemented by its own internal audit function. Based on DMCC internal audit against the ISR regulation, 140 controls were fully compliant and 89 controls were partially compliant out of a total of 293-information security controls.

No incidents of customer data breaches were recorded in 2017.

CUSTOMER EXCELLENCE

DMCC has embarked on a customer excellence mission, and one of its most material sustainability topics is to equip its member companies with services and offerings required to make their business a success.

DMCC strives to meet the ever-evolving needs of its stakeholders through a business model focused on strategic innovation and service excellence, where the customer is at the core of its strategy.

DMCC awards in 2017



The 9x fDi Awards

GLOBAL - Free Zone of The Year
 GLOBAL - Free Zone of The Year for SME's
 MIDDLE EAST - Free Zone of The Year
 MIDDLE EAST - Free Zone of The Year for SMEs
 BESPOKE AWARDS: Facilities Upgrades, Legal Support, Smart City Strategy, Red Tape Reduction, Thought Leadership.

“DMCC is proud of its status as the world’s leading free zone. We believe we are in this position due to our commitment to customer excellence and our inovative approach to creating an environment where business can flourish.”

Krysta Fox – Executive Director, Free Zone, DMCC

Driving customer engagement

In addition to providing business enabling services and offerings, DMCC works actively to connect its member companies through networking events, conferences, knowledge seminars and more. These are central to driving a vibrant community, allowing business to grow.

In 2017, DMCC organised over 60 local events for member companies that were attended by over 3,000 people. Workshops covered subjects such as Value Added Tax (VAT), doing business in The Kingdom of Saudi Arabia, cyber security, business contracts and compliance. These events received a 95% satisfaction rate by attendants. In 2018, DMCC seeks to offer additional workshops that focus on sustainability.

Examples of networking and knowledge activities provided by DMCC are as follows:

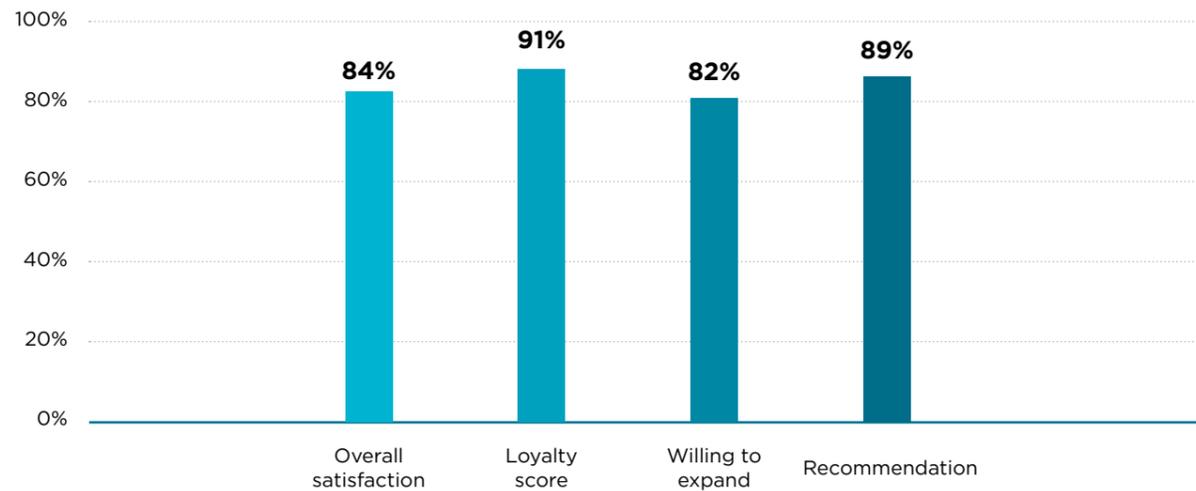
-  **International partners**
-  **Publications**
-  **Knowledge series**
-  **Business incubator**
-  **Networking programme**
-  **Business councils**
-  **Industry clubs**
-  **Online business directory**

Customer feedback

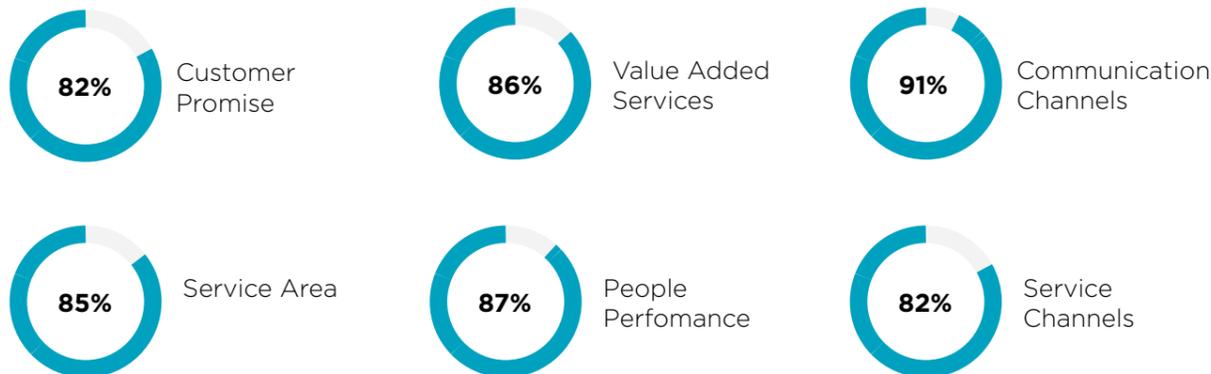
DMCC conducts annual DMCC member satisfaction surveys. In its sixth annual survey conducted in 2017, DMCC recorded an overall satisfaction rating of 84%.

The DMCC member company satisfaction scores are monitored closely and contact is made with any business with a decrease of more than 5% year-on-year, or has an overall rating of lower than 80%.

Overall satisfaction



Member company satisfaction on specific topics



Engaging innovation - idea management



Launched in 2016, DMCC's Idea Management Platform was introduced to foster employee innovation and recognition to enhance services, processes and workflow.

Each month, DMCC selects a business area of focus and invites employees to submit feedback. All employees have the opportunity to vote, and comment on ideas submitted. In 2017, DMCC implemented around 20 improvements generated by the program, many of which focused on updates to the customer facing company portal, making it easy for member companies to interact with DMCC.

The scope of DMCC's Idea Management Platform broadened in 2017 with external stakeholders also invited to submit ideas. To date, DMCC has shortlisted five business improvement ideas submitted by external stakeholders.

Member company sustainability gauge



INNOVATION

DMCC has aligned its corporate strategy with the UAE National Agenda and Goal 9 of the UN SDGs.



At DMCC we believe sustainability and innovation are complimentary fields for growth and disruption. It drives the way we formulate and address business challenges; from providing the best possible business environment to our customers or looking for new business streams to embracing disruptive technology.

Franco Bosoni – Director, Innovation Hub, DMCC



The DMCC Innovation Hub launched in 2017 to build a new growth engine for the organisation, with the ultimate objective of directing investment in technology that will meet the demand of global commodities trade in the future.

The DMCC Innovation Hub also has a particular focus on product and service innovation to create new marketplaces both physical and financial.

Digital transformation

With a long-standing commitment to digital innovation, DMCC uses technology to streamline and optimise its processes.

By 2017, DMCC had successfully transferred 95% of its services online, providing member companies access to services through a digital portal. As one of the early adopters in the region of Salesforce, DMCC has witnessed a marked improvement in service levels and customer satisfaction ratings.

DMCC also implemented a best-in-class customer service platform to provide an omni-channel experience for its customers, including a call centre, construction collaboration, financial payment gateways, and more.

DMCC's e-procurement portal also utilises digitalisation to ensure the highest

transparency and efficiency in its procurement activities. In 2017, DMCC introduced a Peer-to-peer (P2P) automated electronic system that not only ensures all spend is justified, but also that it complies with DMCC policy.

In order to interact with both member companies and external stakeholders, the DMCC website is available in English, Arabic, Mandarin and Spanish, with additional information pages available in French and German.

Encouraging entrepreneurship

In support of the UAE National Innovation Strategy to create an innovation-enabling environment, DMCC actively encourages the formation of incubators and start-ups by providing favourable service offerings for entrepreneurs.

Launched with the support of DMCC, AstroLabs is MENA's only Google partnered tech hub, hosting tech entrepreneurs from across the world in Dubai and delivers classes focused on teaching digital skills through AstroLabs Academy.

Astrolabs provides specialised coworking space that hosts high potential digital technology companies, assisting founders to establish their startups and providing them with a platform to scale globally. AstroLabs Academy delivers a variety of practical training courses on topics related to digital business.

Over 100 companies form a diverse group of collaborative entrepreneurs representing every industry from fashion to farming and digital to design.

RESPONSIBLE SOURCING

The Future of trade is about responsible sourcing

Responsible sourcing is core to the trade of commodities. It goes beyond economic considerations and takes into account environmental, social and ethical factors in the process of sourcing.

Responsible sourcing is critical as supply chains continue to expand globally into developing countries seeking lower costs and greater production capacity. This leads to companies being exposed to a wider array of risks such as supply disruption, cost volatility, compliance with international and local regulations.

Companies must meet the growing expectations of stakeholders to take responsibility for their suppliers' environmental, social and ethical practice.

DMCC is the region's dedicated global trading hub, supporting the growth and development of several commodity industries including gold, diamonds, tea, coffee and agro among others.

DMCC is a participant in a number of industry initiatives that provide it with an opportunity to influence and guide member companies in building a responsible supply chain in the gold and diamond industry.

While the social and environmental impact of the operations of the member companies lies outside DMCC's direct control, DMCC is committed to promote and enhance responsible practices wherever possible.

“ Signet Jewelers proudly shares DMCC's commitment to the continuous improvement in the integrity of the global jewelry supply chain.

David A. Bouffard – Vice President Signet Corporate Affairs, Signet and Chairman, Responsible Jewellery Council (RJC)

Commitment and approach

The goal of DMCC is to minimise negative impact and facilitate an enabling trade environment by guiding its member companies on responsible sourcing practice.

DMCC is committed to advance the responsible sourcing commitments through:

- Ongoing analysis of risks and opportunities
- Assurance and accountability by member companies
- Capacity building with industry networks
- Education and awareness

Integrating responsible sourcing principles in the gold supply chain

DMCC was a pioneer in establishing the Dubai Good Delivery (DGD) accreditation programme in 2005 for large refineries to cater to the needs of the industry for a one-kilo bar standard. DMCC has also introduced the Market Deliverable Brand (MDB) accreditation programme for smaller enterprises.

An integral part of these standards are responsible sourcing requirements that are based on the OECD Due Diligence Guidelines for Responsible Mineral Supply Chains, which require all members to submit annual audit reports prepared by an independent third party auditor against *DMCC Rules for Risk Based Due Diligence in the Gold and Precious Metals Supply Chain v 1.1*.

DMCC has been working closely with the OECD since 2011 on the topic of responsible gold sourcing. DMCC continues to be a member of the OECD Multi Stakeholder Group (MSG) along with other global industry players such as Responsible Jewellery Council, London Bullion Market Association, ITRI Tin Supply Chain Initiative and Responsible

Minerals Initiative.

The DGD standard is a globally recognised one kilo-bar standard for 995 and higher purity gold, which is used widely by the jewellery manufacturing industry in India and other countries.

In 2017, 14 refineries in eight countries were accredited by the DGD standard.

While the DGD accreditation programme is administered by DMCC, there is a governance framework in place to ensure the implementation of the standard in a transparent and consistent manner.

Key milestones

2018	Results of Alignment Assessment announced by OECD with DMCC Rules being “partially aligned” (same result for all five programmes reviewed by OECD under this exercise)
2017	Participation in the OECD Alignment Assessment and launch of updated version of the DMCC Rules
2016	Launch of the DMCC Rules for Risk Based Due Diligence in the Gold and Precious Metals Supply Chain
2015	Establishment of the Independent Governance Committee that oversees the implementation aspects of the DMCC’s Responsible Sourcing of Gold and Precious Metals Programme
2013	Appointment in the Multi-Stakeholder Steering Group (MSG) of the OECD*
2013	Recognition of Signet Jewelers that DGD accredited refineries operate in accordance with Signet protocol for gold
2012	Launch of the DMCC Guidelines for Responsible Sourcing of Gold
2011	Launch of the OECD Due Diligence Guidelines for Responsible Mineral Supply Chains
2005	Launch of the DMCC Dubai Good Delivery Accreditation Standard

*In 2013, the OECD Investment and Development Assistance Committees (OECD bodies) approved a long-term governance arrangement to enable a dynamic, demand-driven implementation programme for the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the OECD Guidance) with strong stakeholder engagement

The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High Risk Areas

The OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas (the OECD Guidance) provides detailed recommendations to help companies respect human rights and avoid contributing to conflict through their mineral purchasing decisions and practices.

areas. The objective of the OECD Guidance is ultimately to promote responsible private sector engagement in post-conflict fragile states. The OECD Guidance is global in scope and applies to all mineral supply chains. Companies sourcing or using minerals in their operations are expected to ensure their supply chains are clean and transparent.

The OECD Guidance is for use by any company potentially sourcing minerals or metals from conflict-affected and high-risk

The OECD Guidance is based on a five-step framework



Establish strong company management systems



Identify and assess risk in the supply chain



Design and implement a strategy to respond to identified risk



Carry out independent third-party audit of supply chain due diligence



Report annually on supply chain due diligence

DMCC contributed to the drafting of the Gold Supplement section of the OECD Guidance, and continues to support the OECD’s work on supply chain due diligence and key projects such as the OECD Alignment Assessment. DMCC is also a participant in the Gold Forum Multi-Stakeholder Steering Group, which represents the interests of stakeholders from OECD and non-OECD countries, industry and civil society.

Alignment Assessment of industry programmes with the OECD Guidance¹⁹

In 2016, as part of the implementation of the OECD Guidance, the OECD launched a project to develop and pilot test an assessment methodology for evaluating the extent to which industry programmes align with the detailed recommendations of the OECD Guidance.

Beyond the five programmes assessed²⁰, the non-programme members, namely Global Witness and the European Commission (who funded the project), shared extensive and constructive feedback in the development of the methodology as well as the review of the pilot assessment.

The exercise found significant gaps between the five industry programmes assessed and the recommendations of the OECD Guidance. The 2016 assessment of standards and implementation found that out of the five participating industry programmes, three were 'not aligned' (DMCC, RJC and RMI) and two were 'partially aligned' (ITSCI and LBMA).

In 2017, the participating five programmes were given the opportunity to revise their standards to better align with the requirements and recommendations of the OECD Guidance. All five programmes were re-assessed in early 2018 and were found to be 'partially aligned'.

Key strengths of the DMCC programme

- DMCC staff oversight of the detailed findings that result from the audit programme
- Engagement on responsible sourcing with gold traders and government authorities in the UAE and with producers and exporters in higher risk countries
- An Independent Governance Committee provides a mechanism for external oversight of the programme

Key areas for improvement

- Enhance the vetting and capacity building of auditors to strengthen audit consistency and rigour
- More explicit clarification to DMCC refiners and auditors that all Annex II risk areas should be considered during risk assessment and risk mitigation activities
- Clarification to DMCC refiners and auditors that on the ground risk assessments should always be undertaken on red-flagged supply chains

Looking ahead

DMCC deems it important to share its commitment to streamlining and collaborating across all the industry initiatives. The results of the OECD Alignment Assessment illustrated that there is a need to build capacity and educate stakeholders in both the upstream and downstream sectors.

In 2017, DMCC focused on the OECD Alignment Assessment and strengthened its team to enhance the corporate governance framework.

¹⁹ Full report is available here: <http://mneguidelines.oecd.org/Alignment-assessment-of-industry-programmes-with-the-OECD-minerals-guidance.pdf>

²⁰ Conflict Free Smelter initiative, International Tin Supply Chain Initiative, London Bullion Market Association, Responsible Jewellery Council, Dubai Multi Commodities Centre

Responsible Jewellery Council

Founded in 2005, the Responsible Jewellery Council (RJC) is a not-for-profit standards and certification organisation. RJC members commit to and are independently audited against the RJC Code of Practices – an international standard on responsible business practices for diamonds, gold and platinum group metals. The Code of Practices address human rights, labour rights, environmental impact, mining practices, product disclosure and any more important topics in the jewellery supply chain. The RJC has over 1,100 member

companies that span the entire jewellery supply chain from mine to retail.

RJC also works with multi-stakeholder initiatives on responsible sourcing and supply chain due diligence.



CASE STUDY:

Sustainability in the jewellery industry

The Responsible Jewellery Council (RJC) signed a Memorandum of Understanding (MoU) with DMCC to work cooperatively on advancing their shared objectives of improving corporate social responsibility and responsible supply chain efforts in the jewellery supply chain.

The two organisations will work together to achieve common goals and strengthen collective efforts towards responsible business practices, supporting RJC membership growth and certification reach in the UAE.

Under the MoU, RJC and DMCC will:

- Work together to collect data intelligence to manage risk and enhance industry reputation in the UAE
- Develop methods and bespoke materials to raise awareness and educate the local industry and beyond on solutions to implement robust sustainability efforts and ethical business practices
- Develop joint communications and outreach programs to promote the implementation of responsible business practices through various industry events



Dubai Diamond Exchange

The Dubai Diamond Exchange (DDE), a DMCC platform, was established in 2004 to facilitate the development of the diamond industry in the UAE, which currently has more than 1,000 members trading in precious stones.

As trade regulator and market maker for diamond and coloured stones businesses, the DDE is the only bourse in the Middle East affiliated with the World Federation of Diamond Bourses (WFDB) and World Diamond Council (WDC). The DDE brings together several large scale initiatives, such as rough and polished diamond tenders and trade benefits for pearls and coloured stones. The DDE provides industry advocacy and represents local stakeholders at the international arena by participating in the meetings of WFDB, WDC and the World Jewellery Confederation (CIBJO).

There are several key challenges in the diamond industry that the DDE is addressing through its action plan including disclosure of lab-grown diamonds, access to financing mechanisms, revision of system of warranties and other measures that enhances transparency and compliance of the industry with the international standards.



Kimberley Process

In 2003, the UAE became the first Arab country to join the Kimberley Process (KP), a collaborative initiative between governments, industry and civil society to stem the flow of conflict diamonds into the diamond trade. There are now 54 participants representing 81 countries.

A federal decree was issued in 2006 mandating DMCC to bare sole responsibility for certifying the entry and exit of diamonds in the UAE²¹. The Kimberley Process office in DMCC is the entity authorised by the UAE Ministry of Economy to authenticate the ethical sourcing of rough diamonds traded in the country.

In 2016, the UAE became the first Arab country to Chair the Kimberley Process (KP). Ahmed Bin Sulayem, Executive Chairman of

DMCC, was appointed by the UAE Ministry of Economy to chair the international organisation, and under his leadership launched a number of key initiatives including:

- Special forums on rough diamond valuation
- Establishment of Permanent Secretariat
- 'Africa initiative'
- Special forums on synthetic diamonds
- NGO funding and strengthening civil society participation
- Building awareness about the KP by building a new website and producing educational videos

In 2017, there were 640 registered members in the UAE Kimberley Process Office accounting for 16.6 billion USD in export and import of rough diamonds.

The UAE Kimberly Process Certification Scheme offices ensures that its members



Satisfy 'minimum requirements' and establish national legislation, institutions and import/export controls



Commit to transparent practices and to the exchange of critical statistical data



Trade only with fellow members that comply with the fundamentals of the agreement



Certify shipments as conflict-free and provide the supporting certification

²¹ Union Law No (13) of 2004 Regarding Supervision of Import/Export and Transit of Rough Diamonds - gives authority to Ministry of Economy. Council of Ministers' Decision No. (10/153) of 2006 - confirming adoption of Kimberley Process Office at DMCC as the entry and exit point for the import and export of rough diamonds in and out of the UAE.

WOMEN'S EMPOWERMENT

Growing evidence shows that the empowerment of women has a multiplier effect on families, communities, businesses and sustainable economies.

DMCC cultivates a diverse workplace culture of respect for gender equality. At the end of 2017, the gender balance of the DMCC Executive Committee members was 62.5% male and 37.5% female.

On 8 March 2018, International Women's day, DMCC signed the UN WEPS. The Principles are a set of Principles for business offering guidance on how to empower women in the workplace, marketplace and community. They are the result of a collaboration between the United Nations Entity for Gender Equality and the Empowerment of Women (UN Women) and the United Nations Global Compact, and are adapted from the Calvert Women's Principles. By signing the principles, DMCC is committed to support SDG 5 - Gender equality and the UAE government policy toward gender balance. DMCC is a member of the UAE WEPS Taskforce.



SheTrades - Connecting Women Entrepreneurs to International Markets

In February 2018, DMCC joined the SheTrades MENA launched by Dubai Exports together with the International Trade Centre (ITC). The initiative will support, develop, coordinate and catalyse stakeholders in the MENA region trade to create a transformative environment for women entrepreneurs. With a goal of connecting one million women to market by 2020, SheTrades MENA rallies stakeholders around the world to work together on seven priority areas to address trade barriers and create greater opportunities for women entrepreneurs.

DMCC is committed to support SheTrades MENA and helping it ensure that trade leads to sustainable development, resilience and inclusive growth.



Principle

1. Establish high-level corporate leadership for gender equality

- Promote and facilitate WEPs
- Implement WEPs Assessment and Strategic 2020 Plan
- Participate in WEPs Taskforce UAE

2. Treat all women and men fairly in the workplace, respect and support human rights and non-discrimination

- Enhance HR Policies
- Drive culture of inclusion and diversity

3. Ensure the health, safety, and wellbeing of all women and men workers

- Implement wellbeing strategy

4. Promote education, training, and professional development for women

- Enhance Almas graduate trainee programme
- Facilitate career development through Leadership Academy
- Deliver WEPs training throughout the organisation and member companies

5. Implement enterprise development, supply chain and marketing practices that empower women

- Develop knowledge sharing platforms for member companies
- Enhance partnership with SheTrades MENA

6. Promote equality through community initiatives and advocacy

- Deliver Sustainability Knowledge Series
- Participate in international conferences to promote sustainability, youth innovation and gender equality
- Launch community impact programme with a focus on education

7. Measure and publicly report on progress to achieve gender equality

- Conduct sustainability reporting in accordance with the GRI standards





ENVIRONMENTAL STEWARDSHIP

ENVIRONMENTAL STEWARDSHIP

DMCC is dedicated to prevent and minimise negative impact on the environment while improving operational efficiency, reducing costs and preserving the ability to do business in the future. In line with the focus of the UAE Vision 2021 on improving the quality of air, preserving water resources, increasing the contribution of clean energy and implementing green growth plans, DMCC is committed to continuously assessing the impact of its operations on the environment.

DMCC is also committed to improving its environmental performance by developing green buildings. In order to effectively measure

environmental performance, DMCC intends to establish a baseline for its environmental indicators and operate an integrated monitoring system.

New HSE standards and guidelines published in 2018, set out the environmental requirements that contractors, sub-developers, tower owners associations, and member companies must comply with.

Weekly environmental inspections on construction sites, coupled with periodic inspections of existing towers based on trend analysis, will ensure compliance with the UAE Federal Law No. 24 and future DMCC requirements.

SDGs covered in this section



DMCC supports the UAE National Agenda on sustainable environment and infrastructure to ensure sustainable development while preserving the environment.



DMCC monitors its consumption of natural resources and commits to continuously increasing efficiency and reducing its environmental impact.



DMCC is conscious of the environmental impacts caused by its activities and aims to reduce energy consumption and emissions.

Alignment to the UNGC

ENVIRONMENT

Principle 7 *Businesses should support a precautionary approach to environmental challenges*

Principle 8 *Undertake initiatives to promote greater environmental responsibility*

Principle 9 *Encourage the development and diffusion of environmentally friendly technologies.*

Key objectives

Energy and emissions management

Key achievements

- All parking structures, within DMCC master community, that consisted of tube lights were replaced with power saving LED lights
- Uptown Dubai is being constructed in accordance with LEED Gold (BD+C) standards

Future objectives

- Develop and implement a corporate wide policy
- Develop DMCC's energy consumption baseline and identify key performance indicators. Using this to determine energy consumption reduction targets
- Calculate and report on DMCC greenhouse gas (GHG)
- Adopt renewable energy sources

Preserve water

- DMCC master community recorded a 75% decrease in water consumption compared to 2016

- Develop and implement a corporate wide policy.
- Identify areas where water use efficiency is poor and identify possible measures to improve the water use efficiency
- Introduce smart technology applications (IoT) to monitor and prevent water leaks

Waste Management

- Zero complaints on waste management
- Zero chemical spillages of paint or diesel

- Develop and implement a corporate wide policy
- Identify and quantify types of waste generated, set up recycling targets for each of the waste categories generated by our facilities
- Set up waste generation targets for employees and facilities and establish a reporting system for waste generation and separation
- Introduce recycling initiatives and incentives to increase awareness among JLT community
- Engage with restaurants and hotels in JLT community to facilitate the implementation of recycling within their operations

DMCC is committed to continuously assessing the impact of its operations on the environment.

With a number of projects under construction, DMCC recognises that it faces environmental challenges relating to water, air and energy consumption. DMCC proactively works to protect the environment by adhering to the law and regulations issued by the UAE Ministry of Climate Change & Environment. In addition, DMCC conducts its own environmental audits and inspections to monitor performance of its sustainable design approach.

During its materiality study, the four environmental topics that were identified as having the most material impact to its internal and external stakeholders:



Environmental compliance

DMCC follows a multi-tiered approach defining the responsibilities of its employees, contractors, sub-developers and subsidiaries.

DMCC's contractors and sub-developers are required to adopt its HSE policy and implement the requirements stipulated in the DMCC construction manual that was revised in 2017. The construction manual sets out the environmental monitoring requirements for the protection of our sites based on the environmental impact assessment (EIA) findings and recommendations; those include the monitoring of environmental noise, air quality, water discharges and spills, energy consumption, and waste generation. In addition, DMCC conducts weekly environmental site inspections to monitor compliance levels of construction sites.

The building managers of DMCC's operational towers in JLT are required to identify and manage their site-specific environmental risks.

To ensure that risks are well-managed, DMCC conducts regular environmental inspections on JLT towers and facilities to assess compliance with DMCC HSE policy and Local Order NO. 61



Effluent and waste

issued by Dubai Municipality and UAE Federal Law NO. 24 of 1999 for the protection and development of the environment.

DMCC also oversees the performance of Concordia, a facilities management company responsible for servicing the DMCC master community. Senior DMCC HSE staff offer strategic council to Concordia on methods to improve the environmental aspects of the district, as well as review statistical performance reports submitted by them. DMCC remains committed to preventing, controlling and mitigating any potential environmental impacts that may result from our operations, and plans to implement the following:

- Establish a baseline for DMCC's environmental indicators
- Install and operate integrated environmental monitoring systems
- Set targets to reduce energy, water consumption and waste generation
- Develop a formalised audit and inspection procedure for environmental matters
- Monitor and report direct and indirect GHG emissions



Energy



Water

ENVIRONMENT AND INFRASTRUCTURE

Construction projects have a significant impact on the environment. The excavation of land causes loss of habitat and ecosystems, the transportation of construction materials results in combustion emissions from heavy vehicles, and the overall construction process, contributes to climate change by emitting greenhouse gas (GHGs). Waste generated typically consists of

toxic chemicals, solvents, paints and oil that can potentially affect the quality of water and soil through cross contamination.

In 2017, DMCC had two developments under construction, the Uptown Dubai district and DMCC Coffee Centre, and managed both construction sites to ensure minimal impact to the environment.

Approach

DMCC has adopted the international Leadership in Energy and Environmental Design (LEED) green building standard set by the United States Green Building Council (USGBC) for its Uptown Dubai district, to ensure sustainable property development while preserving the environment.

Measures under this programme include waste segregation on site; selecting materials manufactured from recycled products and supplied by local sources and controlling our effluents. Incorporating these practices ensures the reduction of DMCC contribution to landfill and environmental pollution.

In addition, once a LEED building is operational, the sustainable design will ensure efficient use

of water and energy and will maintain best practice environmental approaches to lighting, air quality and thermal conditions. DMCC currently has two LEED certified buildings in operation and one under construction.

Contractors and sub-developers working on our development projects fall within our direct sphere of influence. As such, monitoring and reporting on environmental indicators including noise pollution, air pollution, water discharges, effluent and oil spills, energy consumption, and waste generation as per the DMCC construction manual is mandatory. By closely reviewing the performance against environmental indicators and conducting weekly environmental site inspections, DMCC can sustain continuous improvement towards a better environment.



DMCC acknowledges that its construction projects have a significant impact on the environment. The organisation undertakes all possible precautionary measures to mitigate this impact. All associated contractors must comply with our strict environmental standards and provide regular reports on such.

Paul Ashton – Executive Director, Property, DMCC

Uptown Dubai

The Uptown Dubai district consists of seven towers and a central plaza that spreads over a 10 million sq. ft. development which will be a LEED Gold (BD+C) certified district. The district aims to deliver the best in smart urban living and mobility with connectivity to public transport.

As the district is being constructed according to the LEED Gold certification, a number of environmental controls have been implemented to reduce the impacts of the new development including:

- Monthly noise level monitoring to ensure that noise pollution does not exceed 55 decibels between 7am and 8pm and 45 decibels between 8pm and 7am

- Installing waste segregation bins to reduce the amount of waste sent to the landfill and increase the percentage of waste recycled and reused
- Utilising dust control measures, such as dust suppression, to limit the dispersion of particulate matter into the air thus maintaining good air quality conditions
- Weekly inspections to ensure operations are in compliance with LEED standard

Diesel fuel was used for the power required onsite for lighting, air-conditioning and generating electricity for power tools, and utility water used to mix concrete as well as test pipes, tanks and vessels for leakage.

2017 environmental performance

Diesel consumption (GJ)	6,220
Water consumption (m ³)	852
Recycled waste (tonnes)	698
Waste sent to landfill (tonnes)	13

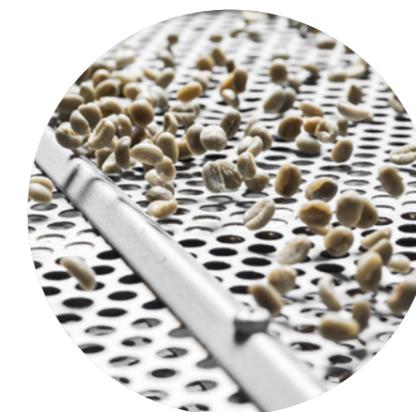


In 2018, as the development of the district progresses, DMCC aims to reduce its diesel fuel consumption by 5% in comparison to 2017 by monitoring consumption and identifying unnecessary idle time and by implementing a preventive maintenance programme. In addition, DMCC plans to run environmental awareness sessions for all connected construction workers.

DMCC Coffee Centre

The DMCC Coffee Centre is projected to be operational by late 2018 and provide logistics, value addition, handling, and storage services for around 20,000 tonnes of green coffee bean per year. Despite the Centre not being built in accordance with the LEED guideline, its contractor is required to follow the DMCC construction manual and comply with its rigorous environmental requirements as well as report on its environmental indicators.

During construction work in 2017, the onsite facility consumed utility electricity for lighting and air-conditioning. The large majority of onsite tools and equipment operated on diesel fuel. Water was sourced from the local utility and used to build concrete and test pipes, tanks and vessels for leakage.



2017 environmental performance

Diesel consumption (GJ)	56
Electricity (GJ)	15
Water consumption (m ³)	2,309
Waste sent to landfill (tonnes)	71



CASE STUDY:

Smart and sustainable existing buildings

One JLT and both the Jewellery and Gemplex warehouses are all DMCC projects that are LEED Gold Building Design and Construction (BD+C) certified.

One JLT is a construction success story in that it demonstrates the benefits of smart design, sustainable construction and operation. This best practice will be shared with other building owners in the JLT community.



To maintain the sustainable operation of One JLT, DMCC has committed to the following:

- Connect the existing Building Management Systems into DMCC's Asset Management Systems;
- Enable live data of energy consumption, HVAC and chilled water performance;
- Enable live data of the performance and activation of the fire alarm systems; and
- Automate the reporting of the building's performance in compliance with the building's LEED Gold status through USGBC online Arc platform.

One JLT and both the Jewellery and Gemplex warehouse were all registered with Arc in 2017 by Green Business Certification Inc. (GBCI) - a digital platform that uses data to help measure and improve sustainability performance across the built environment, from buildings to cities.

ENVIRONMENT AND COMMUNITY

DMCC places high importance on the quality of air, pollution reduction and waste management.

To ensure compliance with local waste management requirements, a Dubai Municipality approved and licensed service provider was appointed.

The lakes around the JLT community consist of salty shallow underground water naturally found in the area. The natural ground water is pumped and stored inside a High Density Polyethylene (HDPE) liner, fixed at the bottom of the lakes. The water quality of the lakes is continuously

monitored by the managing agent, as the natural parameters (such as algae, pH value and legionella) of the water changes overtime and requires treatment. DMCC launched an investigation to source a feasible biological solution for the treatment of water as a means to avoid the usage of chemicals.

Key highlights of DMCC’s environmental achievements in the master community include the following:

2017 achievements

Zero complaints on waste management

Zero chemicals spillage of paint and diesel fuel

Managing agent employees received 45 environmental awareness sessions at the master community

Future objectives

Install waste collection stations for recycling across the master community

Identify environmentally friendly bio-agents for treating JLT lakes water

Conduct environmental monitoring for ambient air quality (CO₂, CO, Oxygen and Combustible Gases), noise levels, light (Lux Level Test) and dust

Conserving water and energy in the DMCC master community

Water conservation through leakage prevention

Undetected leaks in large development such as JLT can lead to significant water wastage and the disruption of supply. In 2017, DMCC 18 incidents of water leaks in DMCC master community were reported.

To ensure its water supply network remained functional, DMCC implemented the following corrective measures:

- Planned preventative service and maintenance of the water network within the master community
- Regular monitoring of the water network by a dedicated site team
- Monthly monitoring of water consumption
- Continuous supervision and review of contractor activity through a comprehensive permit-to-work system, which in turn controlled the damage of pipes and other related assets

Energy saving initiatives within the master community

DMCC is committed to promoting initiatives that save energy within the master community. Some of the initiatives adopted in 2017 include:

- All parking structures with tube lights have been replaced with power saving LED lights fitted with motion sensors
- Lights in 100 lifts replaced with LED lights leading to a saving of 63,072 KW per year
- 11,132.5 KW saving per year by replacing 70WMH spike up lights in the central park with 9W LED
- 7,051.8 KW saving per year by replacing 150W fountain lights with 12W LED lights at the central park

DMCC monitors its energy consumption on a monthly basis, and by continuously implementing extensive preventive maintenance and energy saving initiatives, it was able to achieve 55,046 KW of savings in 2017.

Overall environmental performance of DMCC master community

Electricity from the local utility is consumed to light the parking areas, playgrounds, roads, and the promenades of the DMCC master community.

Water is consumed to irrigate the green landscapes, and clean public areas. The significant decrease recorded in water

consumption in 2017 is the result of DMCC’s decision of to prohibit the high pressure washing of cars in the community’s car parks.

Diesel fuel is used to power the pumps of the lakes to maintain the lake water level and mitigate the impact of evaporation, especially in the summer.

	2016	2017
Diesel consumption (GJ)	675	858
Electricity (GJ)	4,837	4,639
Water consumption (m ³)	510,967	125,769
Recycled waste (tonnes)	85	90
Waste sent to landfill (tonnes)	19,477	20,498

ENVIRONMENT AND OPERATIONS

DMCC is committed to establishing a baseline for reporting and implementing an integrated monitoring system to enhance the measurement of its environmental performance. Due to data restrictions, the environmental performance of DMCC's subsidiaries is not outlined in 2016 but will be in the 2017 edition.

Key environmental highlights of the DMCC Tea Centre in 2017 include:

- The replacement of 108 halide lights of 450 Watt with 150 Watt LED lights

- A 10% paperboard saving in the tea bag production line, resulting in cost saving and reduction in environmental impact through reduced waste

The 2017 increase in electricity, water consumption and waste generation from the previous year is the result of an approximate 50% increase in production. The waste sent to landfill during the reporting period was largely organic that was not harmful and had a fast decomposition.

DMCC Tea Centre Environmental performance

	2016	2017
Electricity (GJ)	3,331	3,804
Water consumption (m ³)	3,665	4,419
Recycled waste (tonnes)	44	46
Waste sent to landfill (tonnes)	47	60

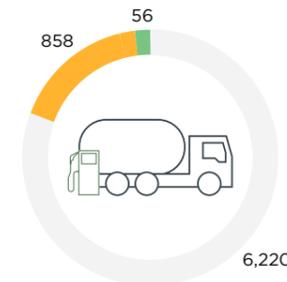


Environmental performance

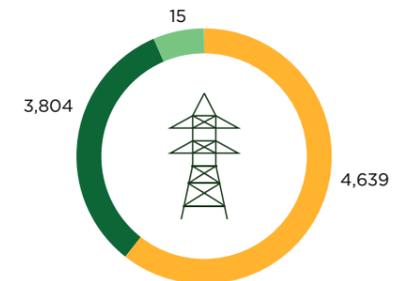
Uptown Dubai district, DMCC Coffee Centre, master community, and DMCC Tea Centre operations are summarised below:

	Uptown Dubai	DMCC Coffee Centre	Master community	DMCC Tea Centre	Total
Diesel consumption (GJ)	6,220	56	858	0	7,134
Electricity consumption (GJ)	0	15	4,639	3,804	8,458
Total energy consumption (GJ)	6,220	71	5,497	3,804	15,592
Water consumption (m ³)	852	2,309	125,769	4,419	133,349
Waste sent to landfill (tonnes)	13	71	20,498	60	20,642
Recycled waste (tonnes)	698	0	90	46	834

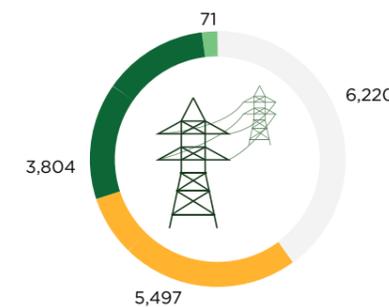
Diesel consumption
(7,134 GJ)



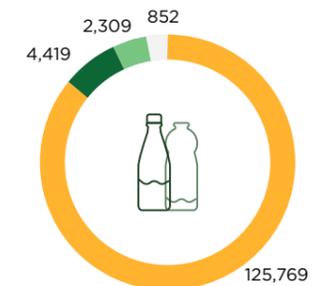
Electricity consumption
(8,458 GJ)



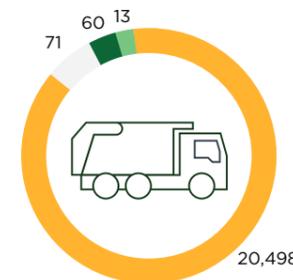
Total energy consumption
(15,592 GJ)



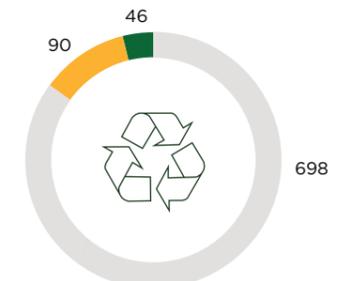
Total water consumption
(133,349 m³)



Total waste sent to landfill
(20,642 tonnes)



Recycled waste
(834 tonnes)



Legend: Uptown (light grey), Master community (orange), DMCC Coffee Centre (light green), DMCC Tea Centre (dark green)



CREATING STRONG COMMUNITIES

CREATING STRONG COMMUNITIES

DMCC's master community, Jumeirah Lakes Towers (JLT) consists of 68 towers where over 100,000 people live and work. DMCC is committed to continuously improve and build a sustainable community that enhances the wellbeing of residents and preserves the environment.

In 2017, DMCC introduced a new independent community management programme to oversee the delivery of services within JLT, a process which will be guided by consistency, clarity, fairness, transparency and efficiency.

The programme aims to:

- Reduce operational costs without sacrificing quality through the establishment of a more competitive environment for service providers
- Increase competitiveness and transparency for building owners and owner associations within the master community
- Provide a mechanism for greater collaboration between DMCC and building owners to work on improving the quality of buildings and their sustainability within JLT

SDGs covered in this section



DMCC is committed to delivering a smart and sustainable city. The strategy behind DMCC's property development plan prioritises resource efficiency and minimises impact on the environment. In addition, it helps DMCC increase connectivity and mobility of the community.

DMCC strives for a community where people can live, work, and do so in a safe and secure environment.

Key objectives

Smart and sustainable community

Key achievements

- DMCC Smart and Sustainable District Strategy 2018 - 2019 launched

Future objectives

- Implement DMCC's Smart and Sustainable District Strategy by conducting approximately two initiatives under each of the six themes identified
- Integrate DMCC's Smart and Sustainable District strategy with Dubai Smart City initiative
- Support Dubai's target to reduce energy demand by 30% by 2030, by collaborating with tower owners and associations to reduce their energy consumptions

Volunteering

- Volunteering policy launched that entitles employees to volunteer three working days per calendar year

- Encourage employees' involvement in volunteering opportunities by collaborating with local NGOs
- Facilitate volunteering opportunities to mentor youth and women to be ready for the future of business

Community engagement

- Several initiatives implemented

- Develop and implement a corporate wide community engagement framework and initiatives based on focus areas such as education, wellbeing, and women empowerment
- Develop awareness campaigns and awards to encourage sustainable living practices among the JLT community
- Introduce an engagement platform that allows community members to provide feedback on their living and wellbeing experience
- Measure community engagement initiatives outcomes and impact on a yearly basis as of 2020

In 2017, DMCC introduced a new independent community management programme to oversee the delivery of services within JLT, a process which will be guided by consistency, clarity, fairness, transparency and efficiency.

SMART AND SUSTAINABLE CITY

The UAE is at the forefront in pursuing a more sustainable development model, and tailoring its approach to the 17 SDGs.

This commitment was demonstrated by the active involvement of the UAE in the negotiations of the 2030 Agenda and The Paris Agreement.

On a local level, Smart Dubai was launched in 2013. It is a city-wide initiative to transform Dubai into the world's smartest and happiest city. It envisages a city where all its resources are optimised for maximum efficiency, where services are integrated seamlessly into daily life, where it protects both people and

information — creating the most enriched life and business experience possible for all.

Smart Dubai Government Establishment is the technology arm of Smart Dubai and officially directs and supervises the implementation of electronic and smart transformation of the Government of Dubai. In 2015, Smart Dubai released its Smart District Guidelines. Within this, the role of Dubai's districts were identified as critical in the execution and delivery of Smart Dubai. As a key district of Dubai, DMCC has a responsibility to meet and play a lead role in the delivery of the Smart Dubai strategy.

DMCC's Smart and Sustainable District Strategy

In 2017, DMCC created a strategy to transform its business, urban areas and free zone into a sustainable and resilient community. The strategic planning was not only necessary to ensure that DMCC retains its status as the world's number one free zone, but also to generate new opportunities to support the Smart Dubai initiative.

DMCC is also committed to supporting the UAE Government's contribution to SDGs by driving progress towards the delivery of SDG 9 - Industry, Innovation and Infrastructure, SDG 11 - Sustainable Cities and Communities, SDG 12 - Responsible Consumption and Production and SDG 13 - Climate Action.



We are delighted to be at the forefront of Smart Dubai, supporting the government initiative and coming up with innovative solutions to make our city one of the most sustainable on the planet.

James Garbutt - Head of Asset Management, DMCC



PARTNERSHIPS

Whilst committed to securing a safe environment, DMCC is also focused on building a cohesive, vibrant, participatory community. In 2017, the JLT district was awarded 'Family-friendly Location of the Year' at the Khaleej Times inaugural award ceremony.

The physical security of the DMCC master community is managed by Concordia, and involves a comprehensive 24/7 security set-up of 200 security officers and an emergency response protocol run by DMCC's Control Command Centre. The Control Command Centre communication system, depending on the situation, immediately alerts and informs key members of the community via SMS messages.

Along with Concordia, DMCC collaborates with Dubai Police and Dubai Civil Defence authorities to ensure the safety of the community. All operational towers in JLT must comply with Dubai Police and Dubai Civil Defence regulations as well as those of Dubai Municipality. Companies managing towers report to DMCC directly to ensure compliance.

A DMCC in-house security team communicates with tower managers and retailers regarding updates in regulations and legislation related to security, in addition to issuing communications to raise awareness of safety and security best practices.

In 2017, DMCC did not have direct regulatory influence on tower owners but this is subject to change in 2018 when building managers hired by the tower owners will have to become

licensed by DMCC. This policy change enables DMCC to address any challenges it faces in relation to HSE and emergency response awareness among tower owners, which we will be achieved through new, mandatory guidelines issued by DMCC.

In 2017, DMCC started to collect and monitor data on security incidents and in 2018, the data will also include near misses. In 2017, we recorded around 1,500 incidents, many of which were false alarms emanating from our gold complex. The rest of the recorded incidents were minor such as vehicle incident, ambulance request and security equipment failure. 2017 data will be considered as DMCC's baseline, which will help it to better monitor trends and performance going forward.

DMCC has updated its crisis management plan to ensure that its emergency response plan procedures are always up to date.

DMCC is committed to the safety of each member of its community, and will continuously work with its partners to maintain a positive state of wellbeing among the community.

ENGAGEMENT

DMCC provides both financial and voluntary support to non-profit organisations, who work toward improving the quality of life through their programmes and social contribution. DMCC strives to fulfil its role as a good corporate citizen, and supports community contributions at all levels of the organisation through its donations and volunteer work. DMCC endeavours to make lasting and meaningful contributions to society, locally as well as globally.

DMCC's commitment has a clear focus on promoting education including giving special attention to enhancing development skills especially among women, children and the most vulnerable.

DMCC's long-term objectives include:

- Aligning with the leadership of His Highness Sheikh Mohammed Bin Rashid Al Maktoum in education as the most effective tool to break the cycle of poverty - linked to UAE priority focus areas
- Building strategic priority projects to underscore DMCC's commitment to impact the community
- Leveraging the skills and competencies of DMCC staff in volunteering
- Reporting measurable change

UAE CSR objectives

Raise awareness of the values of corporate social responsibility

Launch and coordinate a sustainable development partnership between the public and private sectors

Develop a sense of community-based responsibility

Engage corporations to contribute to community development projects

DMCC contribution

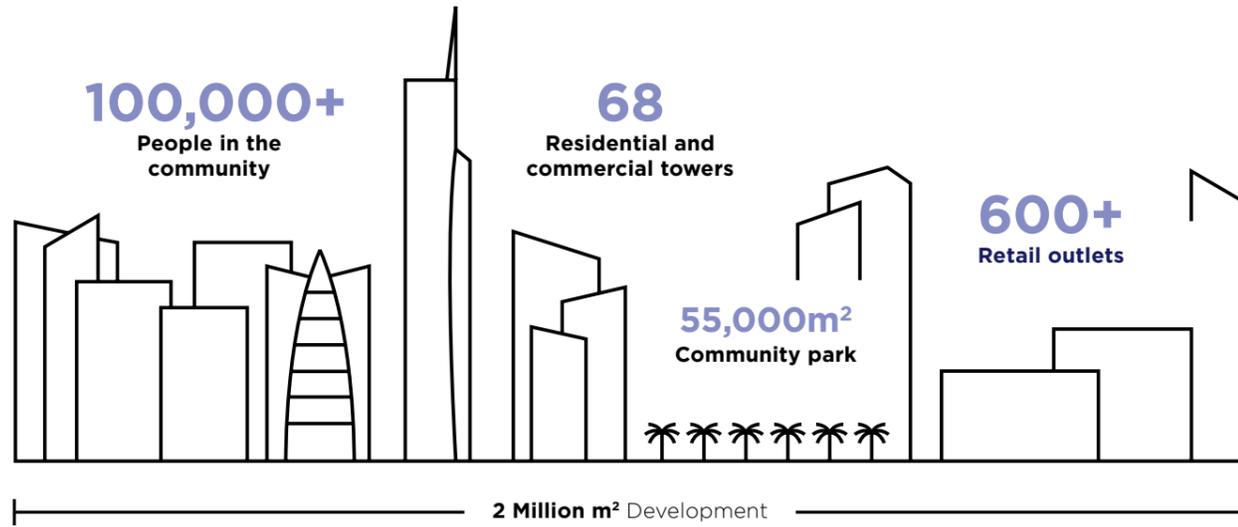
- SDG Champions embrace volunteering throughout the organisation
- Commitment to Day for Dubai initiative
- Launch of Community Education Impact Programme - Shaping the Future in 2018
- Launch of DMCC Sustainability Knowledge Series in 2018 aimed at increasing sustainability awareness amongst DMCC employees, member companies, and members of the community
- Stakeholder engagement to identify key material topics and promote SDGs agenda

- DMCC works closely with several government entities on sustainability initiatives such as Dubai Smart City initiative, information security, and Financial Action Task Force to combat money laundering and the financing of terrorism
- DMCC is planning to further strengthen its partnerships with member companies, NGOs, private companies, and other government organisations. DMCC's active engagement with the UNGC Local Network and our participation in the UAE WEPs Taskforce drives the agenda forward

- DMCC fosters a family-friendly environment in the JLT community with over 100,000 people

- DMCC is building a social impact programme focused on education. This data will be shared in the 2018 DMCC Sustainability Report

Community happiness



DMCC's unique district provides a community with numerous outdoor activities and green spaces for children and families. A 55,000 m² central park and pedestrian friendly promenades along the lakes enable the members of its community to lead active and healthy lifestyles.

Concordia, the master community managing agent, facilitates a number of community events by partnering with local companies, some of the key events held in 2017 were:

- JLT Run: community run by Fidelity Fitness supporting Dubai 30x30 challenge which brought together over 550 runners
- JLT Happiness day: fun filled day for JLT families with food and games
- Dubai fitness challenge: Mobile gym for two days operation in the park
- A free yoga and wellness awareness session for women
- A free health awareness session and health check-up for the community by Red Diamond doctor

Furthermore, DMCC has facilitated the following events in 2017 to raise awareness on health issues, embrace culture, and support worthy causes:

Health and wellbeing

- Breast Cancer awareness
- Standard Chartered Bank Marathon
- Al Jalila Foundation - Breast Cancer Awareness
- Al Jalila Foundation - 7 Emirates Run
- Dubai Autism Centre Donation

Culture

- National Day Celebration in the JLT community
- Emirati Women's Day

Charity

- Dubai Cares - Walk for Education
- Blood Donation Drive (Red Crescent)
- Gifts for women and children at Dubai
- Foundation for Women and Children

Volunteering

DMCC encourages its employees to volunteer their time and expertise to benefit non-profit partner organisations, community programmes and foundations. DMCC also continuously seeks opportunities to participate in social development programmes and engage with its employees in different ways.

“Day for Dubai”

Building on its commitment toward volunteering, DMCC supports the “Day for Dubai” initiative launched by His Highness Sheikh Hamdan bin Mohammed bin Rashid Al Maktoum, Crown Prince of Dubai and Chairman of the Executive Council. The initiative aims to motivate the community to foster a culture of volunteering and in doing so, promote the spirit of giving. DMCC will encourage its employees and the community to dedicate at least one day of the year to leverage their knowledge, interests, talents and skills to give back to the community, improve and maintain the city of Dubai and protect the environment.

DMCC launched volunteering opportunities in 2018 under several categories honouring the year of Zayed and supporting the ‘Day for Dubai’ initiative. The year of Zayed is a national initiative to commemorate the memory of the late Sheikh Zayed, the Founding Father of the UAE. DMCC believes that volunteering benefits the volunteer, the organisation, the community, and the city of Dubai.

Community engagement

DMCC is building a community engagement framework and policy to ensure a consistent approach towards community engagement in line with its corporate strategy and the Government of Dubai directives. DMCC's framework sets out initiatives that promote positive change in our strategic focus areas including education, health and wellbeing. As education is one of the UAE Government's core priorities in its endeavour to develop human capital and a diversified knowledge-based economy; one of DMCC's community engagement focus areas is education and youth development. A particular emphasis will be placed on the nation's youth, to prepare them for the future by opening their minds to the world of possibilities and helping them to achieve a successful career path.



GRI content index

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and clarifications	UNGC Principles
GRI 101: Foundation 2016				
General Disclosures				
GRI 102: General Disclosures 2016	Organizational profile			
	102-1 Name of the organization	Front cover		
	102-2 Activities, brands, products, and services	12	For more information please refer to: https://www.dmcc.ae/	
	102-3 Location of headquarters	10		
	102-4 Location of operations	10		
	102-5 Ownership and legal form	10, 65, 66	DMCC is a government of Dubai entity	
	102-6 Markets served	12, 14, 15		
	102-7 Scale of the organization	10, 14		
	102-8 Information on employees and other workers	42		
	102-9 Supply chain	28, 69		
	102-10 Significant changes to the organization and its supply chain	No significant changes to DMCC and its supply chain in 2017		
	102-11 Precautionary Principle or approach	22, 92		Principle 7
	102-12 External initiatives	8, 18, 63, 79		
	102-13 Membership of associations	8, 18, 63, 79		
	Strategy			
	102-14 Statement from senior decision-maker	4, 5		
	Ethics and integrity			
	102-16 Values, principles, standards, and norms of behaviour	11, 41, 69		
	Governance			
	102-18 Governance structure	65, 66		
	Stakeholder engagement			
	102-40 List of stakeholder groups	27		
	102-41 Collective bargaining agreements	Collective bargaining agreements are prohibited under UAE labour law		

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and clarifications	UNGC Principles
	102-42 Identifying and selecting stakeholders	26		
	102-43 Approach to stakeholder engagement	26, 27, 28, 29, 73		
	102-44 Key topics and concerns raised	28, 29, 32, 75		
	Reporting practice			
	102-45 Entities included in the consolidated financial statements	DMCC is a government entity and do not disclose its financial performance		
	102-46 Defining report content and topic Boundaries	7, 32, 33, 34		
	102-47 List of material topics	32, 33, 34		
	102-48 Restatements of information	No restatements of information	DMCC's first sustainability report	
	102-49 Changes in reporting	No significant changes from previous reporting periods	DMCC's first sustainability report	
	102-50 Reporting period	6		
	102-51 Date of most recent report	It is DMCC's first sustainability report		
	102-52 Reporting cycle	DMCC commits to report its sustainability performance on an annual basis		
	102-53 Contact point for questions regarding the report	7		
	102-54 Claims of reporting in accordance with the GRI Standards	6		
	102-55 GRI content index	112, 113, 114, 115, 116, 117, 118, 119		
	102-56 External assurance	Assurance readiness was sought for this report		

Material Topics

GRI 200 Economic Standard Series

Indirect Economic Impacts

GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	7		
	103-2 The management approach and its components	14, 15		
	103-3 Evaluation of the management approach	14, 15		
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	14, 15, 106		
	203-2 Significant indirect economic impacts	14, 15, 106		

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and clarifications	UNGC Principles
Procurement Practices				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	7, 69		
	103-2 The management approach and its components	69		
	103-3 Evaluation of the management approach	69		
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	69		
Anti-corruption				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33, 60		Principle 10
	103-2 The management approach and its components	60, 67, 69		
	103-3 Evaluation of the management approach	60, 67, 69		
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	69		
	205-2 Communication and training about anti-corruption policies and procedures	51, 62, 70, 71		
	205-3 Confirmed incidents of corruption and actions taken	69		
GRI 300 Environmental Standards Series				
Energy				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34		Principle 8
	103-2 The management approach and its components	92, 93, 94		
	103-3 Evaluation of the management approach	92, 93, 94		
GRI 302: Energy 2016	302-1 Energy consumption within the organization	96, 97, 99, 100, 101		
	302-4 Reduction of energy consumption	92, 99		

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and clarifications	UNGC Principles
Water				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34		Principle 8
	103-2 The management approach and its components	92, 93, 94		
	103-3 Evaluation of the management approach	92, 93, 94		
GRI 303: Water 2016	303-1 Water withdrawal by source	96, 97, 99, 100, 101	DMCC water usage is sourced from the local utility.	
Effluents and Waste				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34		Principle 8
	103-2 The management approach and its components	92, 93, 94		
	103-3 Evaluation of the management approach	92, 93, 94		
GRI 306: Effluents and Waste 2016	306-2 Waste by type and disposal method	96, 97, 99, 100, 101	Data reported is for non-hazardous waste only.	
Environmental Compliance				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33		Principle 7
	103-2 The management approach and its components	92, 93, 94		
	103-3 Evaluation of the management approach	92, 93, 94		
GRI 307: Non-compliance with environmental laws and regulations 2016	307-1 Non-compliance with environmental laws and regulations		DMCC did not receive any penalties or non-compliance with respect to environmental laws and regulations in 2017.	
GRI 400 Social Standards Series				
Employment				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33, 38, 41		
	103-2 The management approach and its components	38, 40, 41		

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and clarifications	UNGC Principles
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	44		
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	43		
	401-3 Parental leave	43		
Occupational Health and Safety				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33, 54, 56, 57		
	103-2 The management approach and its components	54, 56, 57		
	103-3 Evaluation of the management approach	54, 56, 57		
GRI 403: Occupational Health and Safety 2016	403-2 Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	57	Occupational diseases, lost days, and absenteeism were not included due to lack of data	
Training and Education				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33, 53		
	103-2 The management approach and its components	50, 53		
	103-3 Evaluation of the management approach	50, 53		
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	53		
	404-2 Programs for upgrading employee skills and transition assistance programs	51		
	404-3 Percentage of employees receiving regular performance and career development reviews	50		
Diversity and Equal Opportunity				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34		
	103-2 The management approach and its components	40, 45		
	103-3 Evaluation of the management approach	40, 45		

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and clarifications	UNGC Principles
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	45		
Non-discrimination				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34		Principle 6
	103-2 The management approach and its components	45		
	103-3 Evaluation of the management approach	45		
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	45		
Freedom of Association and Collective Bargaining				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	Not applicable		Principle 3
	103-2 The management approach and its components	Not applicable		
	103-3 Evaluation of the management approach	Not applicable		
GRI 407: Freedom of Association and Collective Bargaining 2016	407-1 Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Not available	Collective bargaining agreements are prohibited under UAE labour law.	
Child Labour				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	22, 23		Principle 5
	103-2 The management approach and its components	38		
	103-3 Evaluation of the management approach	38		
GRI 408: Child Labour 2016	408-1 Operations and suppliers at significant risk for incidents of child labour	DMCC operates in the UAE and complies with UAE Labour Law, which prohibits child labour.		
Forced or Compulsory Labour				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	22, 23		Principle 4

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and clarifications	UNGC Principles
	103-2 The management approach and its components	38		
	103-3 Evaluation of the management approach	38		
GRI 409: Forced or Compulsory Labour 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labour	DMCC operates in the UAE and complies with UAE Labour Law, which prohibits forced labour.		
Human Rights				
Human Rights	DMCC's approach to Human Rights	45		Principles 1 and 2
Local Communities				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34, 104		
	103-2 The management approach and its components	104, 105		
	103-3 Evaluation of the management approach	104, 105		
GRI 413: Local Communities 2016	413-2 Operations with significant actual and potential negative impacts on local communities	54, 95, 96, 97, 98, 100, 106		
Customer Privacy				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33		
	103-2 The management approach and its components	71		
	103-3 Evaluation of the management approach	71		
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	71		

GRI Standard	Disclosure	Page number(s) and/or URL(s)	Omissions and clarifications	UNGC Principles
Socioeconomic Compliance				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33, 69		
	103-2 The management approach and its components	54, 56, 62, 64, 65, 66, 68 69, 70, 71		
	103-3 Evaluation of the management approach	54, 56, 62, 64, 65, 66, 68, 69, 70, 71		
GRI 419: Socioeconomic Compliance 2016	419-1 Non-compliance with laws and regulations in the social and economic area	69		
Organisation specific material topic				
Innovation and digitization				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	33		Principle 9
	103-2 The management approach and its components	76, 77		
	103-3 Evaluation of the management approach	76, 77		
Innovation and digitisation	New services and digitilisation of existing services	77		
Emergency & crisis management				
GRI 103: Management Approach 2016	103-1 Explanation of the material topic and its Boundary	34		
	103-2 The management approach and its components	107		
	103-3 Evaluation of the management approach	107		
Emergency & crisis management	Safety of the JLT community	107		

Glossary

Academic Institutions	An educational institution dedicated to education and research.
Communities	Group of people with diverse characteristics who are linked by social ties, share common perspectives, and engage in joint action in geographical locations or settings.
DMCC License	License issued by DMCC to operate within the DMCC Free Zone.
DMCC Policies	The relevant DMCC policies notified by DMCC to the Counterparty from time to time.
DMCC's Representative	Concordia DMCC or such other facilities management provider as may be appointed by DMCC from time to time.
DMCC Tradeflow	A dedicated, online platform for registering the ownership of commodities stored in facilities in the UAE.
DMCCA	The regulating authority for DMCC.
DMCCA Regulations	All rules or regulations, directives and other orders, by laws, codes of practice and other subordinate legislation of DMCCA as may be amended from time to time.
Employees and their representatives	DMCC employees and their families and dependants.
Global Reporting Initiative	The Global Reporting Initiative is an international independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption.
Global Reporting Initiative Standards	The GRI Standards are the first global standards for sustainability reporting. They feature a modular, interrelated structure, and represent the global best practice for reporting on a range of economic, environmental and social impacts.
Industry and trade associations	An industry trade group, business association, sector association or industry body, is an organization founded and funded by businesses that operate in a specific industry.
Master Community	DMCC's master community comprised in the JLT developed or to be developed on a portion of the land comprising Plot 814, Parcel ID No. 393 Emirates Hill First, Dubai and situated between 5th and 6th Interchanges, Sheikh Zayed Road, Dubai, which is divided into plots and Common Areas and includes all and any reductions and extensions from time to time.
Master Community Declaration	Declaration relating to the management, administration, maintenance and control of the Master Community, as may be amended from time to time.
Master Community Rules	Rules of the Master Community, as may be amended from time to time.
Master Developer	DMCC
Master Plan	The plan of the Master Community, approved by Authorities and as amended from time to time.
Media	A company licensed to operate in or from the DMCC Free Zone or such other commercial entity regulated by DMCCA pursuant to the DMCCA Regulations.

Member company	A company licensed to operate in or from the DMCC Free Zone or such other commercial entity regulated by DMCCA pursuant to the DMCCA Regulations.
Near miss	An unplanned event that did not result in injury, illness, or damage but has the potential to do so.
Non-governmental organizations	Any non-profit, voluntary citizens' group which is organized on a local, national or international level.
Outsourced employees	DMCC contracted employees, such as the call centre, delivery service and the DMCC Tea Centre employees.
Owners' Association	An association of Owners of Jointly Owned Property formed pursuant to the Jointly Owned Property Law.
Permanent employees	Employees who have been hired for a position without a pre-determined time limit.
Reporting Agencies	Reporting agencies are generally one of two types: reporting either on individuals or on businesses. Examples: MSCI, CDP, Bloomberg.
Stakeholders	Stakeholders are defined as entities or individuals that can reasonably be expected to be significantly affected by the organization's activities, products, and services; and whose actions can reasonably be expected to affect the ability of the organization to successfully implement its strategies and achieve its objective.
Suppliers	A supplier is an entity that supplies goods and services to another organization. This entity is part of the supply chain of a business.
Topic Boundary	As per GRI the topic boundary requests a description of 'where the impacts occur' for each material topic, and 'the organization's involvement with the impacts'.

Abbreviations

AML	Anti-Money Laundering
B2B	Business-to-business
BD+C	Building Design and Construction
CFT	Combating the Financing of Terrorism
CSA	Control Self-Assessment Policy
CEO	Chief Executive Officer
CFO	Chief Financial Officer
CFSI	Conflict Free Smelter Initiative
COSO	Committee of Sponsoring Organizations of the Treadway Commission

CSR	Corporate Social Responsibility	OECD	Organization for Economic Co-operation and Development
DDE	Dubai Diamond Exchange	RICS	Royal Institution of Chartered Surveyors
DGCX	Dubai Gold & Commodities Exchange	RJC	Responsible Jewellery Council
DGD	Dubai Good Delivery Framework	SDG	The Sustainable Development Goals (SDGs) (or Global Goals for Sustainable Development)
DMCC	Dubai Multi Commodities Centre, established pursuant to Law No. 4 of 2001 and by virtue of Decision No. 4 of 2002 and Decision No. 2 of 2006, each issued in the Emirate of Dubai	SMEs	Micro, small and medium-sized enterprises
ERM	Enterprise Risk Management	TNA	Training Needs Analysis
FATF	Financial Action Task Force	UAE	United Arab Emirates
GBCI	Green Business Certification Inc.	UBO	Ultimate Beneficial Ownership
GDP	Gross Domestic Product	UNGC	United Nation Global Compact
GDPR	European General Data Protection Regulation	VAT	Value Added Tax
GRI	The Global Reporting Initiative is an international independent standards organization that helps businesses, governments and other organizations understand and communicate their impacts on issues such as climate change, human rights and corruption	WDC	World Diamond Council
HDPE	High Density Polyethylene	WEPs	Women's Empowerment Principles
HR	Human Resources	WFDB	World Federation of Diamond Bourses
H&S	Health & Safety		
HSE	Health, Safety and Environment		
ILO	International Labor Organization		
IoT	Internet of Things		
ITSCI	International Tin Supply Chain Initiative		
ISR	Information Security Regulation		
JLT	Jumeirah Lakes Towers		
KP	Kimberley Process		
KPIs	Key Performance Indicators		
KYC	Know Your Customer		
LBMA	London Bullion Market Association		
LEED	Leadership in Energy and Environmental Design		
LTI	Lost time injury		
LTIFR	Lost time injury frequency rate		
Master Developer	DMCC		
MoU	Memorandum of Understanding		

