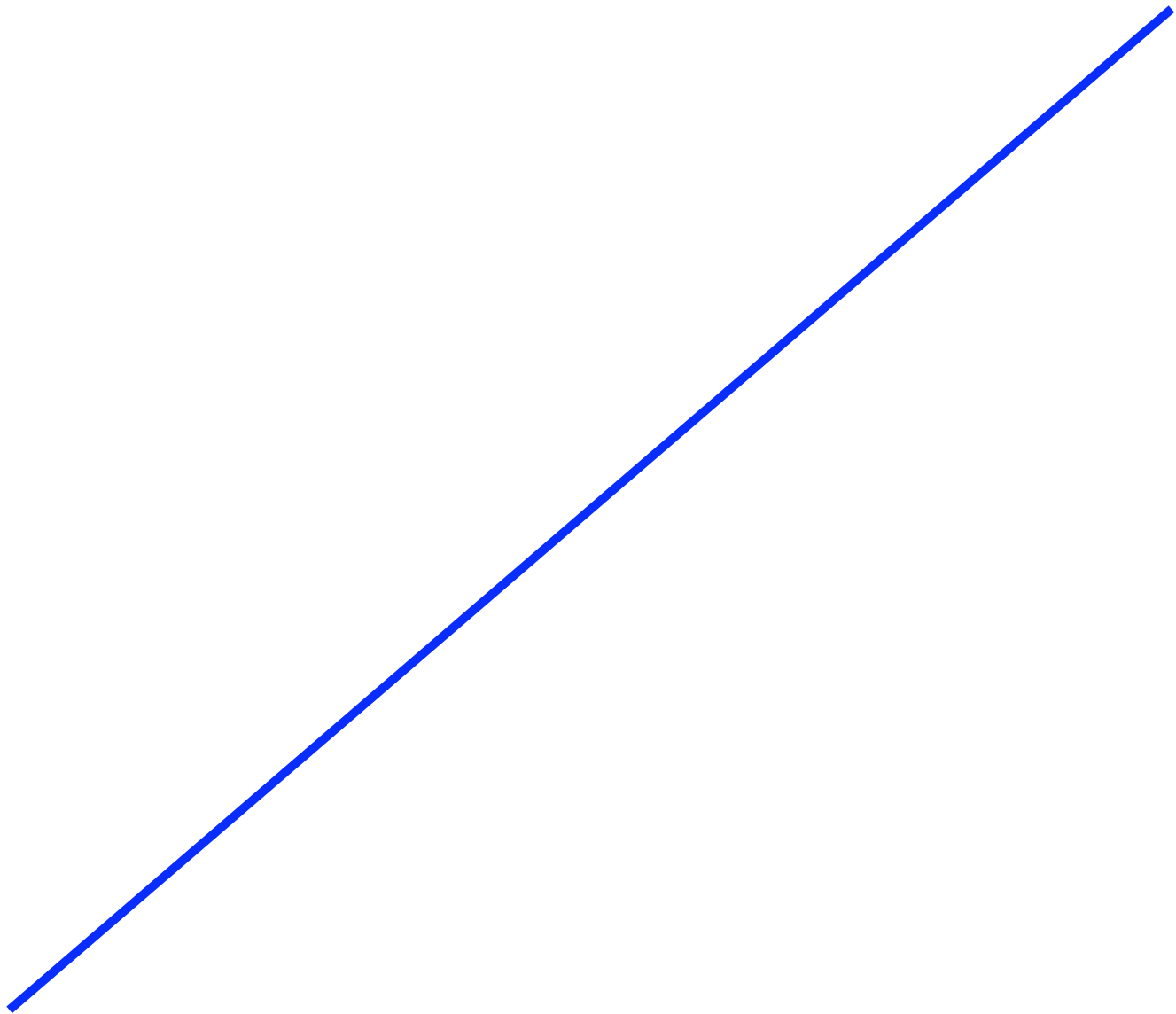


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DFM INDICES PROCEDURES



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1. Introduction

These procedures govern and apply to all DFM Indices as constructed from time to time. The DFM Indices consist of all Indices mentioned under Section DFM Indices of these Index Procedures.

The Market is the Index Owner of all DFM Indices and has appointed S&P Dow Jones Indices as Index Calculation Agent. S&P Dow Jones Indices is a world's leading resource for benchmarks and investible indices, our solutions are widely considered indispensable in tracking market performance, evaluating portfolios and developing investment strategies.

The Index Owner may appoint an alternative Index Calculation Agent, in accordance with the terms and conditions of the applicable agreement. The Market has established an independent internal committee as independent supervisor to the methodology and changes thereof.

These DFM Index Procedures are complemented by the Calculation Agents Methodology (Appendix 1) which form an integral part of the DFM Index Procedures. Together, they provide the necessary detail with respect to the policies, procedures and calculations applied. References throughout the procedure document directs the reader to the relevant supporting document for further information on a specific topic.

The Index Owner shall determine the Index constituents, the Index specifications and shall calculate and publish the Index in RT. The Index Calculation Agent shall calculate the weights of the constituents and be responsible for maintaining the Index based on the Index procedures on an End Of Day ("EOD") basis.

The Market also publishes S&P Hawkamah UAE ESG index which is managed independently with its own index methodology document and for which the Market does not act as an Index Owner or Calculation Agent.

The Market owns all intellectual and other property rights to the DFM Indices, including the name, the composition, and the calculation of the Index, excluding the Calculation Agent's Methodology and any other intellectual property rights owned by the Index Calculation Agent.

As of the Launch Date, The Market will operate the DFM Indices. All DFM Indices will be governed by the respective index methodology applicable to the respective index or index family.

The purpose of these Index procedures is to provide a comprehensive Index methodology and provide investors with sector performance indicators in the Market. These Index methodologies shall supersede all Index methodologies issued prior to the Launch date.

To ensure the highest quality of each of its Indices, the Market exercises the care when compiling and calculating equity Indices as set out in these Procedures. However, the Market does not guarantee that the various Indices, or the various ratios that are required for index compilation and computation purposes, as set out in these Index Procedures, are always calculated free of errors. The Market accepts no liability for any direct or indirect losses arising from any incorrect calculation of such Indices or ratios.

The DFM Indices in no way represent a recommendation for investment. In particular, the compilation and calculation of the various indices shall not be construed as a recommendation of the Market to buy or sell individual securities, or the basket of securities underlying a given index.

2. Definitions

Terms used in these Procedures have the meaning specified below or in the Glossary Rules approved by the Market.

Business Days: means each day, except Saturday and Sunday, unless otherwise specified by the Market.

DFM Index or DFM Indices: The Index issued and approved by the Market.

Fast Track Index inclusion prior to the standard process based on market capitalization and liquidity.

Launch Date: The first date of publication of a DFM Index as notified to on the Market's website.

Market: means the Dubai Financial Market.

Index or Indices: A composite figure published regularly determined by the application of method of calculation or by an assessment based on the value of one or more underlying prices, including transacted prices, (binding) quotes, or other values or survey.

Index Owner: Dubai Financial Market PJSC.

Index Calculation Agent or S&P DJI: S&P Dow Jones Indices.

Dubai Financial Market Index Policy Committee: Internal independent committee ensuring the Index Policy Governance.

Observation Date: Close of trading 15 days prior to the Rebalancing Date. Index constituents are reviewed as part of Observation Date to determine the final composition and weights.

Price Return Basis: This calculation method only considers price movements (capital gains or losses) of the securities that make up the index.

DFM Index Procedures or Procedures: These procedures and any other Index procedures issued by the Market from time to time and any amendments thereto.

Real-Time Index Calculation and Publication or RT: The index is calculated in Real Time by the Market systems using S&P calculated index constituents weight.

Rebalancing Effect Date or Rebalancing Date: Close of the third Friday of the rebalance month effective at the next day (Monday) market open. If such Friday is not a Trading Day, then the immediately preceding Trading Day.

Rebalancing Reference Date or Reference Date: Close of trading on the Wednesday prior to the second Friday of the rebalancing month. On Reference Date, the eligible constituents are weights using the Reference date closing price to compute shares in index.

Sector Index: A DFM Index based on the adopted classification by GICS Global Industry Classification Standards ("GICS")

GICS: The Global Industry Classification Standard (GICS) is an industry classification developed in 1991 by leading index providers MSCI and S&P to categorize the public companies for use by the global financial community. The system is similar to ICB (Industry Classification Benchmark), a classification structure maintained by FTSE Group

Trading Day: The Business Days specified by the Market in which trading may be carried out.

Trading Hours: means the trading hours on Business Days, as determined by the Market and published by Circular.

3. DFM Index Principles

The DFM Index Procedures are governed by the following guiding principles:

Principle 1: The constituents of any DFM Index will be freely tradable and have a degree of liquidity relative to their size and target market.

Principle 2: A DFM Index should have operational continuity and only include prices which trade frequently and have adequate price discovery.

Principle 3: A DFM Index and the constituents weightings will be representative of the performance of the market it represents.

Principle 4: All decisions about a DFM Index will be governed by an independent committee. This independent committee may seek feedback from which the Calculation Agent and market participants.

Principle 5: DFM will operate a transparent methodology and will consult the users of its markets of any changes to an Index methodology prior to introduction.

4. Disclaimer

The DFM Indices (the “Index”) is the property of Dubai Financial Market PJSC, which has contracted with S&P Opco, LLC (a subsidiary of S&P Dow Jones Indices LLC) to calculate and maintain the Index. The Index is not sponsored by S&P Dow Jones Indices or its affiliates or its third party licensors (collectively, “S&P Dow Jones Indices”). S&P Dow Jones Indices will not be liable for any errors or omissions in calculating the Index.

“Calculated by S&P Dow Jones Indices” and the related stylized mark(s) are service marks of S&P Dow Jones Indices and have been licensed for use by Dubai Financial Market PJSC. S&P® is a registered trademark of Standard & Poor's Financial Services LLC (“SPFS”), and Dow Jones® is a registered trademark of Dow Jones Trademark Holdings LLC (“Dow Jones”).

5. DFM Indices

DFM owns the following indices:

5.1 DFM General Index (DFMGI)

The DFMGI (“DFM General Index”) was officially launched by Dubai Financial Market on 4th December, 2006. The index is aimed to replicate the performance of the Dubai Financial Market listed companies. The DFMGI has been the true barometer for the Dubai stocks and is followed widely by the investor community and business media alike. The DFMGI has a base date of 31 December 2003.

5.2 DFM Sharia Index (DFMSI)

The DFMSI (DFM Shari’a Index) was officially launched by Dubai Financial Market on the 2nd of October 2019. The DFMSI demonstrates the performance of the Dubai Financial Market Shari’a compliant listed companies. The DFMSI is a barometer representing the Shari’a compliant companies listed on the DFM. The DFMSI has a base date of 31st December 2009.

The companies listed in the DFMSI are reviewed on a quarterly basis in conjunction with the announcement of the list of Shari’a-compliant companies prepared according to the DFM Shari’a Standard for Issuing, Acquiring and Trading in Shares, and obtaining the approval from the DFM Fatwa and Shari’a Supervisory Board. The requirements for companies to be classified as Shari’a compliant is available on the DFM website: <https://www.dfm.ae/sharia/companies-classification>.

5.3 Sector Indices

Sector Indices are constructed from constituents eligible for inclusion in the DFMGI. DFM has adopted GICS Global Industry Classification Standards (“GICS”) and new Sector Indices were created based on GICS (Sector). The detailed procedures for categorization in a Sector are published on the DFM website.

If a Sector Index is not published due to no eligible issuer at the time, DFM will introduce the new Sector Index following the next quarterly review or new issuance inclusion, provided there is an eligible issuer for that Sector Index. A base level of 1000 will be adopted from the end of the previous quarter or new issuance inclusion.

6. Inclusion Criteria

The Market has defined the below eligibility and inclusion criteria for Issuers to be admitted and included in an Index.

6.1 DFM General Index (DFMGI)

6.1.1 Eligibility Criteria

All the Issuers that have a primary share listing on the Market will be eligible for inclusion in DFM Indices. Listed financial instruments such as bonds, sukuk and ETFs will not be eligible.

A company incorporated outside the State that takes the form equivalent to that of a Public Joint Company whose shares are listed exclusively on the Market are eligible for inclusion in one of the DFM Indices.

Any secondary listed company incorporated in the UAE which also has a free float adjusted market cap of AED 5 Billion or more and an (expected) ADV on DFM higher than on any other exchange where it is listed will be included in the DFMGI at the next Index rebalancing.

New listings will be included in the DFMGI after 20 Business Days following the first Trading Date using previous Trading Day's Closing Price.

6.1.2 Exception to DFMGI inclusion Criteria

Exceptions to the eligibility criteria for secondary listed shares Index inclusion can be considered by the Index Policy Committee for IPOs, introductions of shares or a direct listing. The Market will announce its intent to include prior to the commencement of trading.

IPOs with a free float market capitalization of at least AED 5 billion will be considered eligible for Fast Track entry into the Indices. First day trading Closing Price will be used to calculate the free float market capitalization.

If the decision is approved by Index Policy Committee to include the IPO or direct listing as Fast Track entry, the inclusion will be effective after the closing of the security's 5th day of trading. The Market will make the announcement of such inclusion.

6.2 DFM Shari'a Index (DFMSI)

All classes of Shari'a compliant ordinary shares listed on the Market are eligible for inclusion in the DFMSI. Listed financial instruments such as bonds, sukuk and ETFs will not be eligible.

Dual listed companies on the Market are also eligible for inclusion in DFMSI.

Addition or deletion of the companies as Shari'a compliant based on the DFM Fatwa and Shari'a Supervisory board and will be reflected in the DFMSI in the next rebalancing period.

6.3 DFM Sector Indices

DFM Sector Indices are sub-indices of DFM General Index, based on Global Industry Classification Standards (GICS).

7. Index Construction Methodology

At each rebalancing, the universe of eligible securities is screened on Market Capitalization.

7.1 Market Capitalization

The Index is based on the market capitalization methodology (Capitalization-Weighted Index as defined in the *SPDJ Index Mathematics Methodology*). Each stock represented in the Indices contributes to the Index proportionally to its market capitalization adjusted for free float.

7.2 Free Float Factor (“FFF”)

The free float factor (“FFF”) reflects local market activity, designed primarily for local investors whereby the free float only adjusts for major shareholders and does not consider foreign investment limits and is typically larger than that available to foreigners. The following shares are not considered as part of the Free Float and therefore excluded from all DFM Indices calculations:

- Shares owned by a government entity; and,
- Shares owned by major shareholder (5% and above).

Companies with a FFF of less than 5% will not be eligible for inclusion into DFM Indices.

8. Index Calculation

The DFM Indices are calculated by the Index Owner on a Price Return basis, in real-time and published during Trading Hours. The DFMGI is calculated based on the last trade prices of transactions and updated per each trade. In the case of shares for which the trading has been suspended, the last transacted and in absence of which, the previous closing price will be applied.

The Index Calculation Agent provides End of Day (“EOD”) weights of the constituents.

9. Index Formula

Any DFM Index will be calculated using the *Capitalization Weighted Indices* methodology in the S&P Dow Jones Indices’ Index Mathematics Methodology (Appendix 1).

9.1 Constituent Weightings

Constituents of the DFM Indices are weighted as per Total Market Capitalization and adjusted for free float shares.

DFM Indices will follow the capping methodology as described in S&P Dow Jones Indices’ *Index Mathematics Methodology*. All Index constituents whose weight exceeds 10% will be capped at 10% at the Reference Date and applied on the Rebalance Date. No intra-rebalance, i.e. inclusion/deletion or corporate action adjustment, capping will be applied.

9.2 DFM Index Base Currency

The base currency for all DFM Indices is the United Arab Emirates Dirham (AED). Shares denominated in other currencies which are eligible for inclusion in the DFM Indices will be recalculated to AED.

9.3 Calculation Return Types

The Indices are calculated on a Price Return basis.

9.4 Holiday Schedule

The DFM Indices are calculated daily on each Trading Day following the Launch Date of the Index. The Index will follow the holiday schedule for the Market.

10. Index Reviews

The DFM Indices are reviewed by the Index owner on a quarterly basis in March, June, September and December each year based on the market data and free float shares from the last three months. The Index Calculation Agent shall calculate the weights of the constituents and be responsible for maintaining the Index based on the Index procedures on an EOD basis.

Any additions and/or deletions or other changes applicable post review will be communicated to the market via exchange notice giving minimum seven days between notification and implementation.

Any changes to a DFM Index will be implemented after close of business on the trading day prior to the actual date of implementation. DFM publishes the composition and constituent weighting upon introduction of a new Index and at every rebalancing. Please find the current composition here:

A timeline of key dates for Index reweighting is presented in Appendix 3 to these procedures.

The “**Observation Date**” is as of the close of trading fifteen (15) days prior to the Rebalance Date.

The “**Rebalancing Reference Date**” or “**Reference Date**” for weighting occurs as of the close of Business on the Wednesday prior to the second Friday of the rebalancing month.

The “**Rebalancing Effect Date**” or “**Rebalancing Date**” is after the close of the third Friday of the Rebalance Month effective at the next day (Monday) market open, or if such Friday is not an Trading Day, the immediately preceding Trading Day.

11. Index Management Responsibilities

11.1 Index Owner

The Index Owner takes certain responsibility as listed below:

- a) Primary responsibility for the management and operations of the DFM Indices. The Index Owner has the following responsibilities:
- b) Provide a selection of index constituents with the free float shares to the Index Calculation Agent at each index review for the purpose of rebalancing;
- c) Make the changes to the Index constituents as per the calculation completed by the Index Calculation Agent in line with the methodology highlighted in the procedures;
- d) Complete informal and formal market consultation with Industry experts and market participants in regard to the methodology or other material changes;
- e) Make announcements related to DFM Indices for any development such as methodology changes, new indices, corporate action and events, inclusions and exclusions; and,
- f) Publishing and distribute Index data.

11.2 Index Calculation Agent

DFM has appointed S&P Dow Jones Indices as Index Calculation Agent to calculate the indices in accordance with these procedures and the S&P Dow Jones Indices’ Equity Indices Policies & Practices Methodology (see Appendix 1).

The Index Calculation Agent will:

Maintain records of market capitalization and free float for the constituents in line with the calculation methods highlighted in the procedures.

Perform Index constituent rebalancing, corporate action and events update, inclusions and exclusions as specified in this procedure.

Communicate the appropriate sector for the inclusion of new listings.

11.3 DFM Index Governance

A DFM Index Policy Committee is responsible for the overall governance and management of the DFM Indices. The Index Policy Committee has established terms of reference makes recommendation to the DFM's Chief Executive Officer. The Index Policy Committee is responsible for:

- a) strict adherence to the DFM Index Procedures is observed during periodic reviews of the DFM Indices;
- b) making recommendation in consultation with market participants and licensed users of the methodology; and,
- c) providing guidance on handling of corporate actions in relation to the DFM Index constituents.

The Index Policy Committee meets at least quarterly and further as needed. The committee may invite, from time to time, Calculation Agent and other industry experts for consultation on market, industry standards and best practices.

DFM will minute its meetings, maintain records of all decisions made by of the Index Policy Committee and the changes to a DFM Index weightings and constituents.

11.4 Index Methodology Change

The DFM Index Procedures will be reviewed by the Index Policy Committee at least once a year or more frequently as necessary. The purpose of the review and any on-going changes to these Procedures is to ensure independence and objectivity of the procedures that govern the DFM Index.

In the event that the Index Policy Committee recommends a change to the methodology of DFM Indices, the Market will publicly consult of its intentions by opening an informal and formal consultation period. In urgent circumstances and to ensure continued proper functioning of its market, the Market in its discretion may waive its obligation to consult and introduce a change without prior notice.

An implementation schedule shall be published on the Market's website at least three (3) months in advance wherever possible. In case, such advance notice is not possible due to circumstances, the Market publish a notification as practicable before the implementation of the changes.

11.5 Index Calculation and Dissemination

DFM Indices will be calculated real-time during DFM Trading Hours and will be available through the DFM trading terminals, DFM website (www.dfm.ae) and mobile application; and designated data vendors.

11.6 Index Constituent Suspensions

For suspension of Index constituents, DFM Indices will follow the *Bankruptcies & Stock Suspensions* methodology as described in S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology.

11.7 Suspension of Index Calculation

If the Market suspends the calculation of index values for any reason, it shall inform the market before prior to suspension.

If the Market decides to abandon the Index calculation permanently, it will provide a minimum of twelve (12) months' notice.

11.8. Index Maintenance

11.8.1 Changes in free float and shares outstanding

Following the announcement of a corporate event, a constituent's free float and shares outstanding will be reviewed and adjusted, if necessary, and upon identification of information which necessitates a change in free float weighting. If the corporate event includes a corporate action which affects a DFM Index, any change in free float will be implemented at the same time as the corporate action.

11.8.2 Handling Corporate Actions

Certain Corporate Actions (see full list in Appendix 2) may necessitate changes to the index and even require removing a company from a DFM Index altogether. Corporate action treatment will follow the procedures set forth in the S&P Equity Indices Policies and Practices Methodology document (Appendix 1).

Such consequent weighting and changes for the DFM Index Constituent will be implemented immediately on becoming effective, i.e. on the effective date of the corporate action.

Such changes will be announced by DFM at least a day in advance of the actual implementation date.

11.9 Disclosure to Market

All changes regarding a DFM Index composition are communicated to the market by the Index Owner at least seven days in advance.

11.10 Index Termination Policy

For the termination of an index or an index family for which DFM has licensed financial products, a market consultation will be initiated in advance of the termination.

The length of the consultation period will be defined in advance based on the specific issues of each proposed. During the term of the consultation period, clients and third parties will have the chance to provide feedback regarding the termination of the index or index family. The DFM's IPC will consider the feedback and will publicly announce its final decision about the termination.

A transition period will be granted in the event of termination. For the termination of an index or index family for which there are no financial products issued on the market, no market consultation will be conducted.

Appendix

Appendix 1 – Calculation Agents Methodology

Supporting Document	URL		
S&P Dow Jones Indices' Equity Indices Policies & Practices Methodology	Equity Indices Policies & Practices		
S&P Dow Jones Indices' Index Mathematics Methodology	Index Mathematics Methodology		
S&P Dow Jones Indices' Float Adjustment Methodology	Float Adjustment Methodology		
S&P Dow Jones Indices' Global Industry Classification Standard (GICS) Methodology	GICS Methodology		

Appendix 2 - S&P Corporate Actions Table

Float Market Cap Weighted Index			
<ul style="list-style-type: none"> Float Market Cap Indices – where constituent weights are determined by float-adjusted market Cap. Capped Market Cap Indices – where single index constituents or defined groups of index constituents are confined to a maximum index weight. All corporate actions for capped market Cap indices affect the index in the same manner as in market cap weighted indices. 			
Corporate Action Type	Corporate Action Treatment	Divisor Change	Select Preferred Treatment
Zero Price Spin-Off (Official SPDJI Spin-Off Treatment)	<p>The spin-off is added to the index on the ex-date at a price of zero resulting in no divisor change.</p> <p>If the spin-off is ineligible for continued inclusion, it will be removed after the ex-date. The weight of the spin-off being deleted is reinvested across all the index weights proportionally, causing a divisor change.</p> <p>If the spin-off is eligible it will continue as a constituent until the next rebalance and result in no divisor change.</p>	-	Add spin-off and keep until next rebalance
Change in Shares Outstanding	Increases or decreases the market Cap of the index, causing a divisor change.	Yes	Divisor Change [Default Treatment]
Change in IWF (Float Factor)	Increases or decreases the market Cap of the index, causing a divisor change.	Yes	Divisor Change [Default Treatment]
Rights Offering	The stock price is adjusted by the value of the rights and the shares outstanding are increased by the rights ratio, causing a divisor change.	Yes	Divisor Change [Default Treatment]
Ordinary Dividend or Special Dividend	Ordinary dividends or Special Dividend (also referred to as a regular cash dividends) do not make any adjustments to the price or shares of the stock resulting in no divisor change.	No	
Bonus Shares	Bonus Shares or Stock Dividends which make any adjustments to the price of the stock resulting in divisor change	Yes	
Split/Reverse Split	Both the stock price and shares outstanding are adjusted by the split ratio resulting in no divisor change.	No	
Delisting (due to bankruptcy or cancellation of listing)	<p>The delisted security will be deleted from the index at the last traded price, causing a divisor change.</p> <p>*If a stock is removed due to bankruptcy it is dropped at a price of zero, resulting in no divisor change.</p>	Yes*	

Stock distribution of a different share class (stock dividend/spin-off)	A different share class of the same company is distributed to shareholders. The new share class will remain in the index until the next regularly scheduled index review.	No	
M&A (Cash acquisition)	The acquired company is deleted from the index causing a divisor change.	Yes	
M&A (Stock acquisition, cash and/or stock acquisition)	The acquired company is deleted from the index. The shares outstanding and IWF of the acquirer will be adjusted with respect to the stock terms of the acquisition.	Yes	

Appendix 3 – Key Dates for DFM Indices

A. Upcoming Rebalance Dates

Rebalance Review Period	Observation Date	Reference Date	Rebalancing Date	Effective Date
Jun'2025	30-May-25	11-Jun-25	20-Jun-25	23-Jun-25
Sep'2025	29-Aug-25	10-Sep-25	19-Sep-25	22-Sep-25
Dec'2025	29-Nov-25	10-Dec-25	19-Dec-25	22-Dec-25
Mar'2026	27-Feb-26	12-Mar-26	20-Mar-26	24-Mar-26
Jun'2026	29-May-26	10-Jun-26	19-Jun-26	22-Jun-26
Sep'2026	28-Aug-26	09-Sep-26	18-Sep-26	21-Sep-26
Dec'2026	27-Nov-26	09-Dec-26	18-Dec-26	21-Dec-26
Mar'2027	26-Feb-27	10-Mar-27	19-Mar-27	22-Mar-27

B. Previous Rebalance Dates

Rebalance Review Period	Observation Date	Reference Date	Rebalancing Date	Effective Date
Dec'2022	25-Nov-22	07-Dec-22	16-Dec-22	19-Dec-22
Mar'2023	24-Feb-23	08-Mar-23	17-Mar-23	20-Mar-23
Jun'2023	26-May-23	07-Jun-23	16-Jun-23	19-Jun-23
Sep'2023	25-Aug-23	06-Sep-23	15-Sep-23	18-Sep-23
Dec'2023	24-Nov-23	06-Dec-23	15-Dec-23	18-Dec-23
Mar'2024	23-Feb-24	06-Mar-24	15-Mar-24	18-Mar-24
Jun'2024	31-May-24	12-Jun-24	21-Jun-24	24-Jun-24
Sep'2024	30-Aug-24	11-Sep-24	20-Sep-24	23-Sep-24
Dec'2024	29-Nov-24	11-Dec-24	20-Dec-24	23-Dec-24
Mar'2025	28-Feb-25	12-Mar-25	21-Mar-25	24-Mar-25

