



DUBAI FINANCIAL MARKET
BROKER'S EXCELLENCE RATING

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V 2.0

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CONTENTS

A INTRODUCTION

01

B MODEL CONCEPT AND OBJECTIVES

02

C RATING CRITERIA

02

D ASSESSMENT AND RATING CYCLE

04

E STAR RATINGS

04

F CONTACT INFORMATION

05

A INTRODUCTION

Within a short period, the Dubai Financial Market (DFM) has fast developed into a leading financial market across the region. Its ongoing efforts and strategic initiatives have further reinforced Dubai as a centre of excellence in this part of the world and enhanced its leading position as a powerful capital market hub which embraces international best practices to meet the evolving needs of its investors locally and internationally. In cooperation with the Dubai Economy, the DFM aims to support the Dubai 2021 vision to become “A Pivotal Hub in the Global Economy”.

In our efforts to strive for excellence and to continuously work closely with our market participants to promote greater “transparency” and “efficiency”, DFM launched the **Brokers Excellence Rating** in February 2018. This unique initiative underlines DFM’s efforts to further enhance its investor services and strengthen the leading position of Dubai and the UAE as a centre of excellence in the region and globally. The Rating creates an ongoing mechanism enabling brokerage firms to identify strengths and gaps based on the evaluation conducted by experts

and evaluators, as well as the results of customer satisfaction surveys and Mystery Shoppers.

The DFM Brokers Excellence Rating model provides brokers with the necessary information to assess their interaction with investors over a period of a year in order to enhance and develop greater customer satisfaction. The model assesses the entire customer journey, from the brokers touch points across various customer interactions, and the surrounding environment of the customer experience provided by brokers.

OUR STRATEGIC PARTNERS:

Dubai Economy

Dubai Service Excellence Scheme



B MODEL CONCEPT AND OBJECTIVES

The DFM Brokers Excellence Rating model provides guidelines for brokerage firms in order to demonstrate the best-in-class services for their stakeholders, to achieve good governance and to translate the excellence criteria emphasized by H.H. Sheikh Mohammed bin Rashid Al Maktoum, Vice-President and Prime Minister of the UAE and Ruler of Dubai, into well-defined actions that will help continuously enhance stakeholders' satisfaction.

The concept of the model aims to support achieving the following objectives for the Dubai Economy, Dubai Financial Market (DFM) and brokers collectively:

KEY OBJECTIVES OF THE MODEL FOR THE DUBAI ECONOMY AND DFM:

- Strengthen the diversification of the economy and enhance its sustainability efforts
- Increase standards of excellence in business practices
- Attract more investors who are seeking competitive markets and investment opportunities

KEY OBJECTIVES OF THE MODEL FOR BROKERS:

- Provide guidelines and ensure ethical conduct across organizations
- Increase quality and productivity
- Enhance competitiveness and increase the benefits to all stakeholders
- Increase knowledge of DFM products and services
- Receive continuous feedback reports from accredited assessors indicating key areas of strengths and improvements to support the development of effective improvement plans

C RATING CRITERIA

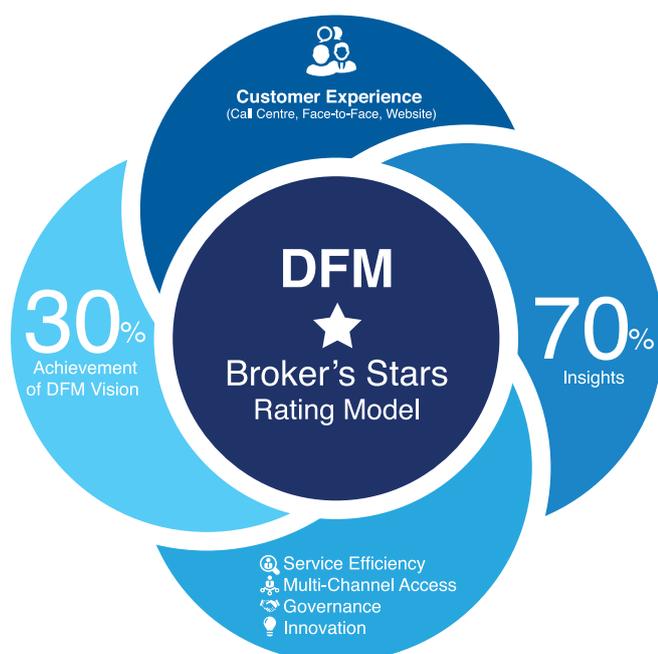


Figure 1: DFM Brokers Excellence Rating Model

The DFM Brokers Excellence Rating enables brokerage firms to be assessed across various channels, in order to identify strengths and gaps based on third-party evaluation to support brokers delivering high quality services through their Call Centres, face-to-face customer interactions or their websites.

The Brokers Rating Excellence Model shown in Figure 1 below includes the assessment criteria and percentage scores. The model consists of two key areas; firstly, the "Customer Experience" that represents 70% of the total assessment, and secondly, "Achievement of DFM Vision," representing the remaining 30% of the score. The feedback and insights addressed in the model are from Mystery Shopper reports and from independent assessments of broker websites, Call Centres and face-to-face customer experiences. Achieving DFM's vision includes evaluation of service efficiency, multi-channel access, governance, and innovation.

THE MODEL SUB-CRITERIA

Each criteria of the DFM Brokers Excellence Rating has a number of model sub-criterion, which include key guidance points that can be referred to by brokerage firms.

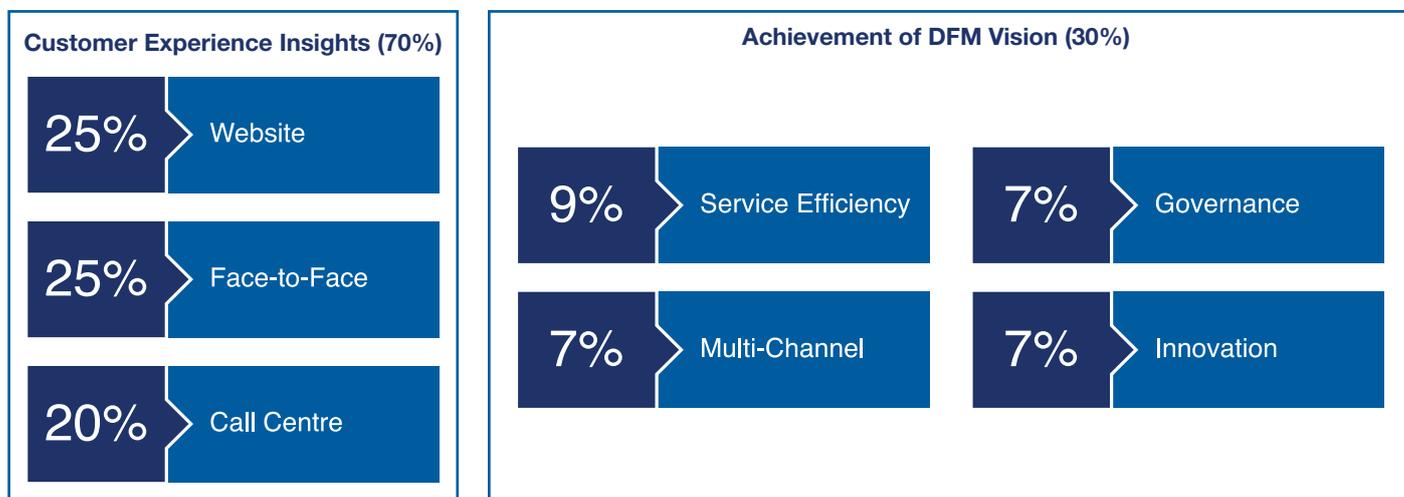


Figure 2

1. CUSTOMER EXPERIENCE INSIGHTS (70%)

Customer satisfaction and happiness is a significant measure of the DFM Brokers Excellence Rating which has been developed in line with Dubai’s happiness efforts. As such the following sub-criteria areas are assessed:

I. Website (25%)

Website Assessment: Broker’s websites are assessed by a third party to evaluate conformity to international best practices on website standards and the satisfaction of all stakeholders.

II. Face-to-Face (25%)

Assessment is carried out by visiting the broker’s offices and evaluating the below:

- Outlet Appearance
- Comfort, Health and Safety
- Policy and Criteria
- Employees
- Service Delivery
- Cashier Observations
- “People of Determination”-Friendly
- Overall Assessment

III. Call Centre (20%)

Assessment is carried out by calling the broker and evaluating adherence to receiving call standards, including:

- Telephone Enquiry IVR
- First staff member who received the call
- Second staff member who received the transferred call
- Mystery Shoppers’ Overall Assessment

2. ACHIEVEMENT OF DFM VISION (30%)

The following sub-criteria areas support the efforts of DFM and its stakeholders to provide “A World-Class Regional Marketplace”:

- **Service Efficiency (9%)**
Broker services should be performed at a desired level, to achieve cost efficiency.
 - Error-free transactions and violations - zero errors in transactions and no violations:
 - If zero violation, the brokerage firm achieves 9%
 - If one violation, then 2% will be deducted, and 3% will be deducted if two violations, and 4% will be deducted if the brokerage firm has three violations
 - Above three violations, the brokerage firm is given zero for this sub-criteria
- **Multi-Channel Access (7%)**
Brokers offering services in the customers preferred channel such as in person, website, phone, or mobile, and encouraging brokers to move from traditional channels to digital channels, in addition to broadening their services.
 - Multi-Channel availability: the variety of channels provided by brokers (including: mobile, website, and walk-in)
 - Licensed Services: Services licensed by the DFM or the UAE Securities and Commodities Authority (SCA) to brokerage firms
- **Governance (7%)**
Establish good governance in order to engage all stakeholders and increase their knowledge:
 - Service Awareness Attendance: attendance of all sessions/ workshops provided by DFM
 - Complaints Handling: Management of complaints submitted to brokers by DFM
 - Information and Data Availability: Access to all services and data information, (refer to the DFM Services Catalogue at www.dfm.ae).
- **Innovation (7%)**
 - Suggestions and Initiatives: Feasible suggestions submitted by brokers to DFM

D ASSESSMENT AND RATING CYCLE



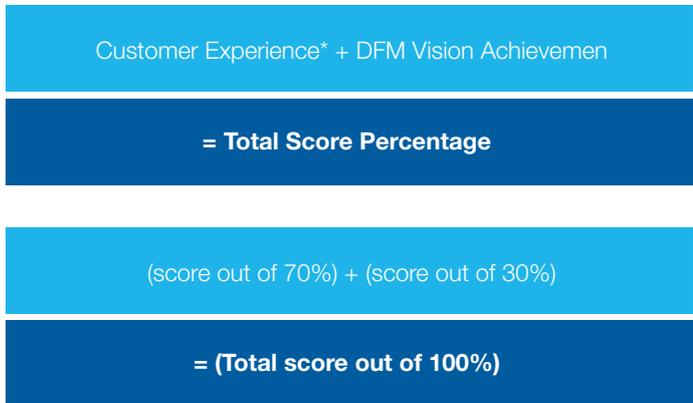
Figure 3

The DFM Brokers Excellence Rating scheme is mandatory for all DFM-licensed brokers to participate. The assessment of DFM-licensed brokers is based on the following:

1. All DFM-licensed brokers are assessed quarterly and Customer Experience Insights are also carried out quarterly by a third-party.
2. Broker Assessment reports and all Mystery Shopper reports are shared with the brokers on a quarterly-basis. Noting semi-annual reports will be shared with brokerage firms also.
3. Brokers will be awarded an annual 'Star Rating,' which is calculated based upon the average of the previous four quarters results.
4. DFM will announce the results of the Brokers 'Star Ratings' annually
5. The results will enable Brokers to continually enhance and improve their services.

E STAR RATING

THE SCORES FROM THE MODEL CRITERIA WILL BE TOTALED AS FOLLOWS:



*Customer Experience = 70% calculated from the Mystery Shopper results across the year + ∑ (Service Efficiency + Multi-Channel Access + Governance + Innovation)

The Star Ratings are assessed on a scale range of one star (21-35%) to five stars (91-100%), for the highest score, as shown below:





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