



CODE OF CONDUCT

Australian Financial Markets Association



WHY DOES AFMA HAVE A CODE?

The aim of the Code is to assist AFMA Members and their staff in setting high standards of behaviour when conducting business with customers, counterparties and colleagues.

AFMA's mandate is to promote best practice in financial markets so they can continue to maximise their contribution to the economic health of Australia. We achieve this by promoting efficient and ethical market practices, conventions and standard documentation. AFMA promotes high professional standards through supporting education programs and awarding AFMA Accreditation to individuals engaged in the financial markets who reach a required level of professional skill and knowledge.

The aim of the AFMA Code of Conduct (the Code) is to assist AFMA Members in setting high standards of behaviour when conducting business with customers, counterparties and colleagues in the OTC and exchange-traded markets, and when providing financial services to retail and wholesale customers. The Code supports behaviours that put the interests of clients, the firm and the wider community ahead of personal or individual interests.

The Code is comprised of 10 Ethical Principles (EPs) as set out in this document.

The Australian Financial Markets Association (AFMA) is the leading industry association promoting efficiency, integrity and professionalism in Australia's financial markets and provides leadership in advancing the interests of all market participants. These markets are an integral feature of the economy and perform the vital function of facilitating the efficient use of capital and management of risk. Market participants perform a range of important roles within these markets, including financial intermediation, market making and investment banking.

DISCLAIMER

Members and any other organisation or individual following principles as outlined in this Code should satisfy themselves as to the applicability to their specific circumstances.

Nothing in this Code should be taken to be providing legal, taxation, accounting, or any other form of general or personal advice and as such individuals or organisations should seek professional advice as they deem necessary.

AFMA does not accept responsibility for the completeness of this Code and is not responsible for any errors or omissions. Furthermore, AFMA expressly disclaims liability for the consequences of any action or inaction taken as the result of following this Code.

This version of the Code was published in June 2022. The Code will be periodically reviewed and updated.

ETHICAL PRINCIPLES

Presented below is a set of Ethical Principles for the industry that Members are expected to adopt in all of their dealings in the Australian financial markets:

EP 1 Accept responsibility to conduct business affairs in a way that serves the broader community interest in having financial markets that are stable, trusted and efficient.

EP 2 Establish a business culture that sets clear expectations about appropriate conduct and behaviour.

EP 3 Understand and observe applicable laws and regulations when carrying out activities in financial markets, and interpret them according to principles of fairness, honesty and integrity.

EP 4 Act fairly and honestly when dealing with clients and counterparties.

EP 5 Equip all staff to have the required skills, experience, resources and support to perform their job in a professional manner that demonstrates competence and integrity.

EP 6 Ensure all staff act within delegated authority, and in accordance with risk parameters defined by each Member for its business.

EP 7 Ensure the integrity and confidentiality of records.

EP 8 Identify and manage potential conflicts of interest.

EP 9 Observe market standards and conventions, good practice and conduct expected or required of participants in markets when engaging in any form of market dealing.

EP 10 Take reasonable steps to avoid any acts, omissions or business practices that could damage the reputation of the organisation or the industry.

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