

DIGITAL ECONOMY COUNCIL OF AUSTRALIA (DECA)

Members' Code of Ethical Conduct

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PREAMBLE

The blockchain sector in Australia is in its infancy and is seeking to establish a tradition of providing products and services to clients and counterparties that can be relied upon with complete confidence in the professionalism, integrity, and competence of the providers.

In order to ensure confidence is generated and maintained, it is essential that a positive, customer-oriented culture is established that is clearly understood by all market participants and driven from the top-down in all providers.

Personal integrity and professionalism cannot be created or preserved by rules alone – it depends upon the understanding and judgement of individuals.

This **Digital Economy Council of Australia (DECA) Code of Ethical Conduct** defines principles of ethical business behavior designed to guide best-practice business decisions and responsible decision-making.

The **Digital Economy Council of Australia (DECA) Code of Ethical Conduct** does not address all possible circumstances in which the various principles in the code apply. However, it provides specific rules on matters considered to be of particular importance in meeting the expectations of regulators, counterparties, and market participants, and where relying upon general good judgement in the application of the principles may not provide sufficient clarity or certainty.

This **Digital Economy Council of Australia (DECA) Code of Ethical Conduct** is binding upon all DECA member organisations (“Members”) who agree to adhere to the general ethical principles here enumerated and the specific rules where applicable.

The **Digital Economy Council of Australia (DECA) Code of Ethical Conduct** does not, of itself, create any legal obligations; however, DECA members undertake to ensure that their specific Terms and Conditions are consistent with the principles and applicable rules.

PRINCIPLE 1 - REPUTATION

DECA members shall strive at all times to ensure that their actions reflect positively upon the blockchain industry and shall not undertake any action that will bring the reputation of the industry or DECA into disrepute.

- **Rule 1.1 Adherence to Compliance Policies:**

DECA members shall have written policies and procedures - approved at an appropriate level of senior management – that govern their key operational and compliance processes. These policies shall ensure compliance with all applicable regulatory requirements, provide a sound foundation for consumer confidence, and shall be regularly reviewed and updated as necessary.

All staff shall be adequately trained and supervised to ensure that their conduct is consistent with the member's policies and procedures. Named individuals shall be available to provide guidance on the policies where required and such guidance will be sought whenever a staff member is uncertain as to the applicability or interpretation of a policy.

Where no specific policy or procedure is applicable in particular circumstances, DECA and their staff shall apply their best judgement based upon the broader ethical principles detailed in this Code of Ethical Conduct.

- **Rule 1.2 Public Communication:**

All communications with members of the public or with the media shall be considered to be 'on the record'. Members should adhere to high standards of accuracy, professionalism, and courtesy at all times.

Members should consider the consequences of possible disclosure of their communications and should adhere to high standards of accuracy, professionalism and courtesy at all times. All staff shall be aware of and comply with the media relations policies of their own organisation.

- **Rule 1.3 Relationships with Regulators:**

Members should deal with regulators in a timely fashion and adhere to high standards of accuracy and professionalism. Members should consider the impact of their actions and communications with regulators on the wider blockchain sector as well as their own businesses.

PRINCIPLE 2 – RESPECT FOR RULES

DECA Members shall act at all times in compliance with all applicable laws, regulations, and industry standards. No member shall knowingly undertake, or assist another to undertake, any action which violates such applicable laws, regulations, or industry standards.

- **Rule 2.1 Anti-Money Laundering & Counter Terrorist Financing:**
Members must develop and apply policies to verify customer identities, protect against money laundering and terrorist financing risks, and report suspicious transactions to the appropriate authorities.
- **Rule 2.2 Inside Information and Insider Trading:**
Where a Member's business model includes trading or advisory functions, Members must maintain effective procedures to quarantine inside information.
- **Rule 2.3 Artificial Markets and Market Manipulation:**
Members must conduct their business and trading activities fairly and maintain the integrity of the markets in which they operate.

PRINCIPLE 3 - HONESTY

DECA members are to conduct themselves openly and truthfully, maintaining transparency within their organisations and in dealings with clients, counterparties, and other stakeholders. Upholding honesty, even at the risk of potential business loss, strengthens trust and reinforces ethical standards within the sector.

- **Rule 3.1 Clear and Unambiguous Language:**
In all communications, clarity is paramount. Members must ensure that all language is easily understandable, particularly when engaging non-professional participants, to avoid confusion or misleading statements.
- **Rule 3.2 Firmness of Quotations:**
Any quoted prices should be designated as "firm" or "indicative," and members must uphold firm quotes consistently. Indicative quotes must be realistic, based on all known data, to ensure transparency.
- **Rule 3.3 Collusion:**
Members must avoid any actions that could lead to collusion or manipulation, and senior management should be informed immediately of any activity that may suggest unethical practices.

PRINCIPLE 4 – CONFIDENTIALITY AND PRIVACY

Confidentiality and privacy are foundational principles within DECA. Members must protect all sensitive information, using or disclosing it solely for its intended purpose and only when legally required.

- **Rule 4.1 Confidential Information:**
Organisations should enforce strict policies and systems to secure confidential data. Protections must include data security measures to prevent any unauthorised disclosure.

- **Rule 4.2 Respect Privacy:**

Personal information should only be collected as necessary and protected rigorously. Those with access to such information have a responsibility to prevent misuse.

PRINCIPLE 5 – FAIRNESS AND RESPECT FOR PERSONS

DECA members must foster an environment of mutual respect, promoting fairness, impartiality, and equality. Every transaction and interaction should be conducted with an emphasis on respect and non-discrimination.

- **Rule 5.1 Discrimination and Harassment:**

All workplace dealings should promote trust and respect, free from prejudice, harassment, or intimidation. Members should establish procedures to address any behaviour that could be deemed inappropriate or discriminatory.

- **Rule 5.2 Unprofessional Behaviour:**

Members must ensure that staff maintain professionalism at all times, including work-related activities, to uphold the credibility of DECA and the blockchain industry.

PRINCIPLE 6 – COMPETENCY AND CONTINUAL SELF-IMPROVEMENT

DECA members and their employees are encouraged to pursue excellence in technical skills and knowledge, with ongoing professional development to stay at the forefront of the industry.

- **Rule 6.1 Professional Accreditation:**

Competency is essential, and DECA members must ensure that staff hold appropriate qualifications. Continuous training should be prioritised to meet industry standards and address evolving technological requirements.

- **Rule 6.2 Statement of Responsibilities:**

Members should provide clear descriptions of roles and responsibilities, ensuring that staff are familiar with their obligations under this Code, fostering a workplace culture of accountability and respect.

PRINCIPLE 7 – CONFLICTS OF INTEREST

DECA members and their staff should be vigilant regarding conflicts of interest, real or perceived. Transparency is critical to managing and disclosing conflicts to avoid the misuse of position for personal or corporate gain.

- **Rule 7.1 Disclosure and Management of Conflicts of Interest:**

Members must have policies to identify, disclose, and manage conflicts. This includes addressing both business and personal interests, preventing compromised decision-making.

- **Rule 7.2 Gifts and Entertainment:**
While modest gifts may be customary in business, excesses can lead to conflicts of interest. Members should establish clear guidelines to manage these exchanges responsibly.
- **Rule 7.3 Improper Payments:**
Members and their staff must avoid using their positions for personal gain or accepting any form of inducement, including bribes or secret commissions, which could tarnish DECA's reputation.
- **Rule 7.4 Trading on Own Account:**
Controls on personal trading should be implemented to prevent conflicts of interest and perceptions of insider trading, especially in markets where DECA members are active.

PRINCIPLE 8 – RESPONSIBILITY FOR ACTIONS

Members must acknowledge their responsibilities in decision-making, recognising the impact of their actions. This principle promotes accountability and a commitment to addressing any negative consequences arising from decisions made.

- **Rule 8.1 Correction of Mistakes:**
Timely admission and correction of mistakes are essential, particularly when these errors could impact organisational integrity, client relationships, or the broader blockchain industry.
- **Rule 8.2 Complaints Mechanism:**
Members should have mechanisms to address breaches of this Code swiftly, whether raised internally or externally, fostering transparency and trust.
- **Rule 8.3 Whistle Blowing:**
DECA members should establish and support whistleblowing channels, encouraging a culture where reporting irregularities is normalised. Protections must be in place to prevent retaliation against those who report misconduct.