

# **UAE EMPLOYEE HANDBOOK SUPPLEMENT**

## **Deriv Capital Contracts & Currencies L.L.C**

**Contracting Entity:** Deriv Capital Contracts & Currencies L.L.C

**Company Registration No:** 2279721

**Registered Office:** 2402, One by Omniyat, Plot No. 17, Business Bay, Dubai, United Arab Emirates

**Regulatory Authority:** Securities and Commodities Authority (SCA) / Dubai Financial Services Authority (DFSA)

**License:** Categories 1 and 5 (Trading Broker of OTC derivatives and currencies, Financial Products Dealer, Financial Consultations)

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## **DOCUMENT PURPOSE**

This UAE Employee Handbook Supplement outlines employment terms, statutory obligations, and benefits specific to employees of Deriv Capital Contracts & Currencies L.L.C and other Deriv entities operating in the United Arab Emirates (Dubai and other Emirates).

This supplement must be read together with the **Common Employee Policies** document. Where UAE law or this supplement provides greater benefits than the common policy, the UAE provisions prevail.

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## **1. LEGAL AND REGULATORY FRAMEWORK**

### **1.1 Governing Laws**

Employment in the UAE is governed by:

**Primary Legislation:** - **Federal Decree-Law No. 33 of 2021 on the Regulation of Labour Relations** (UAE Labour Law) – Core employment law effective 2 February 2022, covering employment contracts, working hours, wages, leave, termination - **Cabinet Resolution No. 1 of 2022** – Executive regulations implementing Labour Law - **UAE Data Protection Law (Federal Decree-Law No. 45 of 2021)** – Governs processing and protection of personal data - **Wage Protection System (WPS)** – Mandatory electronic salary transfer system - **Ministerial resolutions and circulars** issued by Ministry of Human Resources and Emiratisation (MoHRE)

**Dubai-Specific Regulations:** - Dubai International Financial Centre (DIFC) and Dubai Airport Free Zone Authority (DAFZA) have separate employment regimes (not covered in this handbook unless employee is in those zones) - Mainland UAE companies like Deriv Capital Contracts & Currencies L.L.C fall under federal UAE Labour Law

### **1.2 Regulatory Framework for Financial Services**

As an SCA/DFSA-regulated entity, Deriv Capital Contracts & Currencies L.L.C is subject to: - Fit and proper requirements for key personnel and licensed individuals - Adequate staffing and operational risk management standards - Conduct of business rules and client asset protection - AML/CFT compliance under UAE Central Bank and FIU regulations

### **1.3 Distinction from Emirate-Specific Laws**

This handbook applies to **mainland UAE** employment under **federal UAE Labour Law**. Employees in **free zones** (DIFC, ADGM, JAFZA, etc.) may be subject to different employment regimes; consult respective free zone employment regulations if applicable.

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## **2. EMPLOYMENT CONTRACTS AND VISA REQUIREMENTS**

### **2.1 Written Employment Contracts**

**Statutory Requirement:** All employees must have a **written employment contract** registered with MoHRE, outlining key terms and conditions.

#### **Contract Types (UAE Labour Law 2021):**

**1. Unlimited Term Contract (Open-Ended):** - No fixed end date; employment continues until terminated by either party - Most common contract type under new Labour Law - Notice periods apply for termination (see Section 2.3)

**2. Fixed-Term (Limited) Contract:** - Specified start and end dates (maximum 3 years, renewable) - Contract expires automatically at end date (unless renewed) - Early termination requires mutual agreement or justified cause (with compensation implications)

**Contract Contents:** - Employer and employee full names, nationalities, addresses - Job title, description, place of work - Contract commencement date and type (unlimited or fixed-term) - Probation period (if applicable) - Basic salary and allowances (housing, transport, etc.) - Working hours and rest days - Annual leave entitlement - Notice period for termination - End-of-service gratuity provisions - Any other agreed terms (medical insurance, visa/flight sponsorship, benefits)

**Contract Language:** - Contracts typically in **Arabic and English** (both versions equally valid) - If discrepancy, Arabic version may prevail legally (per UAE legal practice), though English contracts are widely accepted in practice - Employees should understand both versions before signing

**MoHRE Contract Registration:** - Employer must register employment contract electronically with MoHRE - Registration required for work permit and visa issuance/renewal

## 2.2 Work Permits and Residence Visas

**Visa Sponsorship:** - Employer sponsors foreign employees' residence visas (work permits) - UAE nationals do not require sponsorship (GCC nationals have separate provisions)

**Visa Process:** - Employer applies for employment visa via MoHRE and General Directorate of Residency and Foreigners Affairs (GDRFA) - Employee provides: passport copy, photos, educational certificates, medical fitness certificate - Medical fitness test conducted in UAE (blood tests for infectious diseases, chest X-ray) - Emirates ID issued upon visa approval

**Visa Validity:** - Typically **2-3 years**, renewable (linked to employment contract and passport validity) - Visa must be renewed before expiry; employer initiates renewal process

**Visa Cancellation upon Termination:** - When employment ends, employer must cancel employee's residence visa - Employee has **30-60 days grace period** from visa cancellation date to remain in UAE (to find new employment or exit) - Employee must find new sponsor (employer) or exit UAE after grace period

**Dependent Visas:** - Employees earning minimum salary threshold (typically AED 4,000-5,000/month, depending on accommodation) may sponsor dependents (spouse, children) - Employee responsible for dependent visa costs unless employer subsidizes

## 2.3 Probationary Period

**Standard Duration:** - Maximum **6 months** probation period per UAE Labour Law (increased from 3 months under old law to allow longer assessment period)

**Purpose:** - Assess employee suitability, skills, performance, cultural fit - Allow employee to evaluate role and company

**Notice during Probation:** - **1 day's notice** minimum (or as specified in contract) - Either party may terminate with short notice during probation (typically 1 day to 1 week) - No requirement to provide cause during probation

**Benefits during Probation:** - End-of-service gratuity does **not** accrue during probation (no gratuity entitlement if terminated during probation) - Other

benefits (medical insurance, leave) may apply from day one or after probation completion (per contract)

**Confirmation:** - If employee successfully completes probation, employment confirmed (verbally or in writing) - If concerns, probation may be extended (up to 6 months total maximum) or employment terminated

#### 2.4 Notice Period for Confirmed Employees

**Statutory Minimum (UAE Labour Law):** - 30 days' notice minimum for unlimited term contracts (or as specified in contract, whichever is longer) - Notice period must be stated in employment contract

#### Company Policy:

Role Level	Notice Period
Junior / Individual Contributor (1-3 years' service)	<b>1 month (30 days)</b>
Mid-level / Senior Individual Contributor (3-5 years' service)	<b>1.5 months (45 days)</b>
Manager / Senior Manager	<b>2 months (60 days)</b>
Director / Senior Leadership	<b>3 months (90 days)</b>

**Notice Requirements:** - Written notice (resignation letter or termination letter) - Notice period begins day after written notice received - During notice, employee expected to fulfill duties, complete handover, train replacement, return company property

**Payment in Lieu of Notice:** - Either party may elect to pay salary in lieu of unworked notice period (basic salary + allowances for notice period) - Employer may request employee to serve full notice or pay in lieu and release immediately

**Garden Leave:** - Employer may place employee on "garden leave" (remain employed and paid but not attend work) during notice period to protect business interests

**Termination without Notice (Summary Dismissal):** - For serious misconduct (theft, fraud, assault, breach of trust, endangering safety), employer may terminate immediately without notice or end-of-service gratuity - Employer must investigate and follow due process (provide opportunity for employee to respond to allegations)

### **3. WORKING HOURS, OVERTIME, AND REST**

#### **3.1 Standard Working Hours**

**Statutory Maximum (UAE Labour Law):** - 8 hours per day or 48 hours per week - For office/commercial establishments: working hours may be reduced to 5 days per week, 9 hours per day (45 hours/week) with flexible scheduling

**Deriv UAE Standard:** - 40 hours per week (8 hours/day, 5 days/week: Monday-Friday) - Example schedule: 09:00 – 18:00 (including 1 hour unpaid lunch break)

**Core Collaboration Hours:** - 10:00 – 16:00 UAE time (employees expected to be available for meetings)

**Ramadan Working Hours:** - During Ramadan (Islamic holy month), working hours reduced by 2 hours per day for all employees (Muslim and non-Muslim) - Example: 09:00 – 16:00 (6-hour workday during Ramadan) - Ramadan dates vary annually based on Islamic lunar calendar (typically 29-30 days)

**Flexible Working Hours:** - Some departments offer flexitime (08:00-17:00, 09:00-18:00, 10:00-19:00) subject to manager approval and operational needs

#### **3.2 Rest Days and Breaks**

**Weekly Rest Day:** - Employees entitled to 1 full rest day per week (typically Friday, or as per contract) - Alternatively, Friday + Saturday (2-day weekend) for many private sector companies, including Deriv UAE (industry standard)

**Daily Breaks:** - 1 hour unpaid lunch break per full working day (timing flexible within midday window) - Employees encouraged to take short breaks throughout day

**Prayer Time (for Muslim Employees):** - Muslim employees may take short breaks for daily prayers (5 prayer times) - Reasonable accommodation provided; employee coordinates with team to ensure coverage

#### **3.3 Overtime**

**Overtime Coverage:** UAE Labour Law provides overtime rules for hours worked beyond standard hours.

**Overtime Rates:** - Weekday (beyond 8/9 hours): 1.25x hourly wage (125%) - Weekend / rest day work: 1.5x hourly wage (150%)

**Overtime Calculation:** - Hourly wage = (Monthly basic salary ÷ 30 days) ÷ 8 hours - Overtime calculated in hourly increments

**Example (Employee Earning AED 10,000/month Basic Salary):** -  
Hourly wage = (AED 10,000 ÷ 30) ÷ 8 = AED 41.67/hour - Weekday overtime (2 hours):  $2 \times \text{AED } 41.67 \times 1.25 = \text{AED } 104.17$  - Rest day work (8 hours):  $8 \times \text{AED } 41.67 \times 1.5 = \text{AED } 500$

**Exemptions (Senior Roles):** - Senior management, executives, and professionals may be **exempt from overtime pay** if contract specifies (compensation package designed to reflect extended hours) - Most Deriv UAE employees (professionals, managers, traders) fall into this category

**Authorization:** - Overtime must be pre-approved by manager (for non-exempt employees) - Recorded in timekeeping system for payment processing

**Time-Off-In-Lieu (TOIL) for Exempt Employees:** - Exempt employees working extended hours or weekends may receive TOIL at manager's discretion - Typically 1:1 ratio (1 hour overtime = 1 hour TOIL) - Must be taken within reasonable timeframe (typically 3 months)

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## 4. END-OF-SERVICE GRATUITY

### 4.1 Gratuity Overview

**End-of-Service Gratuity** is a statutory lump-sum payment to employees upon termination of employment, calculated based on length of service and basic salary. It serves as a form of retirement or severance benefit.

**Coverage:** - All private sector employees in UAE (UAE nationals and foreigners) are entitled to gratuity after **1 year of continuous service** - No mandatory social security contributions for expatriates (no equivalent to CPF/EPF); gratuity is primary end-of-service benefit

**UAE Nationals:** - UAE nationals working in private sector receive end-of-service gratuity (in addition to contributions to General Pension and Social Security Authority for UAE nationals, which is separate scheme)

### 4.2 Gratuity Calculation Formula

Gratuity is calculated based on **basic salary only** (excludes allowances like housing, transport, bonuses).

#### Calculation Rates:

**For First 5 Years of Service:** - **21 days of basic salary per year** (for each completed year)

**After 5 Years of Service:** - **30 days of basic salary per year** (for each completed year after 5th year)

**Statutory Cap:** - Maximum gratuity payable: **2 years' basic salary** (24 months' basic pay)

**Pro-Rata for Incomplete Years:** - Gratuity calculated proportionately for incomplete years (e.g., 5 years and 6 months = 5 full years + 0.5 year)

**Daily Wage Calculation:** - Daily wage = (Monthly basic salary ÷ 30 days)

**Formula:**

Gratuity = (Daily Basic Salary × 21 days × Years 1-5) + (Daily Basic Salary × 30 days × Years 6-10)

**Example Calculation (10 Years' Service, AED 10,000 Basic Salary):**

1. Daily basic salary = AED 10,000 ÷ 30 = **AED 333.33**
2. First 5 years: 5 years × 21 days = 105 days
  - 105 days × AED 333.33 = **AED 35,000**
3. Next 5 years (years 6-10): 5 years × 30 days = 150 days
  - 150 days × AED 333.33 = **AED 50,000**
4. **Total Gratuity:** AED 35,000 + AED 50,000 = **AED 85,000**

**Check Against Cap:** - 2 years' basic salary = 24 months × AED 10,000 = **AED 240,000** - AED 85,000 < AED 240,000 → No cap applied; employee receives full AED 85,000

**Example with Cap (25 Years' Service, AED 15,000 Basic Salary):**

1. Daily basic salary = AED 15,000 ÷ 30 = **AED 500**
2. First 5 years: 5 × 21 = 105 days = 105 × AED 500 = **AED 52,500**
3. Next 20 years (years 6-25): 20 × 30 = 600 days = 600 × AED 500 = **AED 300,000**
4. **Total Gratuity (uncapped):** AED 352,500
5. **Statutory Cap:** 24 months × AED 15,000 = **AED 360,000**
6. **Gratuity Payable:** AED 352,500 (under cap, so full amount paid)

If calculation exceeded cap, employee would receive capped amount (AED 360,000 maximum in this example).

#### 4.3 Gratuity Entitlement Based on Termination Reason

**Full Gratuity (100%):** - **Resignation after 5+ years of service** (employee initiated) - **Termination by employer without cause** (employer initiated for business reasons, redundancy) - **Retirement** (employee retires after long service) - **Contract expiry** (fixed-term contract ends) - **Termination by mutual agreement**

**Partial Gratuity (1/3 or 2/3 Reduction):**

**If Employee Resigns Before 5 Years:** - Less than 1 year of service: **No gratuity** - 1-3 years of service: **1/3 of gratuity** (i.e., 2/3 deducted; employee receives 33%) - 3-5 years of service: **2/3 of gratuity** (i.e., 1/3 deducted; employee receives 67%) - More than 5 years of service: **Full gratuity (100%)**

**Example (Employee Resigns After 2 Years, AED 10,000 Basic Salary):**

1. Full gratuity calculation:  $2 \text{ years} \times 21 \text{ days} = 42 \text{ days}$  -  $42 \times (\text{AED } 10,000 \div 30) = 42 \times \text{AED } 333.33 = \text{AED } 14,000$   
2. Employee resigns before 3 years  
→ receives **1/3 of gratuity**: -  $\text{AED } 14,000 \times 1/3 = \text{AED } 4,667$

**No Gratuity (Zero Entitlement):** - **Termination for serious misconduct** (gross negligence, theft, fraud, assault, abandonment of duty, breach of trust) - **Resignation during probation period** (first 6 months) - **Employee absconding** (leaving job without notice or resignation)

**Due Process:** Employer must investigate misconduct and provide employee opportunity to respond before terminating for cause and forfeiting gratuity.

#### 4.4 Gratuity Payment Timeline

**Statutory Deadline:** - Gratuity must be paid within **14 days from end of employment** (last working day or visa cancellation date, whichever is later)

**Payment Method:** - Bank transfer to employee's UAE bank account (or other agreed method) - Included in final settlement along with final salary, leave encashment, and any other dues

**Delayed Payment Penalties:** - Employer may face penalties and legal action if gratuity payment is delayed beyond 14-day period

#### 4.5 Gratuity and Unpaid Leave

**Impact of Unpaid Leave on Gratuity:** - **Paid leave** (annual leave, sick leave, maternity leave): Counts toward length of service for gratuity calculation  
- **Unpaid leave:** Typically **does not count** toward length of service for gratuity (excluded from calculation)

**Example:** - Employee works 5 years total, including 3 months of unpaid leave  
- Length of service for gratuity:  $5 \text{ years} - 3 \text{ months} = 4 \text{ years and 9 months}$   
- Gratuity calculated on 4.75 years

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### 5. LEAVE ENTITLEMENTS

#### 5.1 Annual Leave (Paid Vacation Leave)

**Statutory Minimum (UAE Labour Law):** - **30 calendar days** of paid annual leave per year (or pro-rata for incomplete year) - After **6 months of service**, employee entitled to pro-rated leave (e.g., 6 months = 15 days)

**Calendar Days vs Working Days:** - **30 calendar days** includes weekends and public holidays - Effectively translates to approximately **22-24 working days** (depending on how weekends/holidays fall)

**Company Policy:**

Deriv UAE provides **30 calendar days** of annual leave per year (aligned with statutory requirement, which is already generous).

**Accrual:** - Annual leave accrues monthly on pro-rated basis (30 days ÷ 12 months = 2.5 days/month) - Available for use after accrual

**Carry-Over:** - Employees may carry over unused leave to next year (subject to company policy and manager approval) - Typically up to **5-7 days** carry-over allowed; excess days may be forfeited or encashed at company discretion

**Encashment:** - **During employment:** Annual leave encashment **not permitted** during active employment per UAE Labour Law (must be taken as time off) - **Upon termination:** All accrued but unused annual leave **must be paid out** at full salary rate (basic + allowances) as part of final settlement

**Scheduling:** - Employee submits leave request via HRIS for manager approval - Reasonable notice required (typically 2 weeks for short leave, 1 month for extended leave of 2+ weeks) - Manager may deny leave due to operational needs (must provide reason and offer alternative dates)

**Public Holidays During Leave:** - Public holidays occurring during annual leave **do not count** against leave balance (leave days extended by number of public holidays)

**Leave During Notice Period:** - Employees typically not permitted to take annual leave during notice period (to ensure proper handover) - Unused leave encashed in final settlement

## 5.2 Sick Leave

**Statutory Entitlement (UAE Labour Law):**

After **6 months of continuous service**, employees entitled to sick leave:

**Sick Leave Breakdown (per year):** 1. **First 15 days: Full pay** (100% salary) 2. **Next 30 days: Half pay** (50% salary) 3. **Next 45 days: Unpaid** (no salary)

**Total:** Up to **90 consecutive days** of sick leave per illness episode.

**Requirements:** - **Medical Certificate** from licensed doctor required for sick leave to be paid - Employee must notify employer on first day of absence (as soon as practicable) - Submit medical certificate to HR within 3 days or as specified in company policy

**Continuous Sick Leave:** - 90-day period applies to **continuous absence** for same illness/injury - If employee recovers and returns to work, then falls ill again later (different illness or after recovery period), new 90-day entitlement may apply (subject to company policy and medical assessment)

**Sick Leave Before 6 Months' Service:** - Employees in first 6 months (probation or new hires) may not be entitled to paid sick leave (per Labour Law);

company may grant discretionary paid sick leave

#### **Company Policy:**

Deriv UAE provides sick leave aligned with statutory requirements: - **15 days full pay + 30 days half pay + 45 days unpaid** (after 6 months' service)

**Sick Leave During Annual Leave:** - If employee falls ill during scheduled annual leave and provides medical certificate, sick leave days may replace annual leave days (i.e., annual leave not consumed for sick days, if properly documented)

**Sick Leave and Termination:** - Employer cannot terminate employee during sick leave (except for gross misconduct or contract expiry) - However, prolonged absence beyond sick leave entitlement may lead to performance or attendance management discussions

### **5.3 Maternity Leave**

#### **Statutory Entitlement (UAE Labour Law 2021):**

**Duration:** **60 consecutive days** of paid maternity leave (increased from 45 days under old Labour Law)

**Breakdown:** - **Full pay for entire 60 days** (100% of salary including basic + allowances)

**Eligibility:** - All female employees (no minimum service period required for entitlement; maternity leave available from day one of employment) - Applies to all female employees regardless of marital status

**Timing:** - Employee may commence maternity leave **up to 30 days before expected delivery date** (with medical certificate) - OR may work until delivery date and commence leave immediately after

**Additional Unpaid Leave:** - After 60 days paid maternity leave, employee may request **up to 45 additional days of unpaid leave** (total 105 days maximum) - Subject to employer approval

**Notification:** - Employee should inform employer of pregnancy as soon as practicable - Provide medical certificate confirming pregnancy and expected delivery date

**Job Protection:** - Employer cannot dismiss employee during pregnancy or maternity leave (except for gross misconduct or contract expiry) - Employee entitled to return to same or equivalent role after maternity leave

**Miscarriage or Stillbirth:** - If miscarriage or stillbirth occurs after **6 months of pregnancy**, employee entitled to full maternity leave - If miscarriage occurs before 6 months, employee entitled to sick leave (with medical certificate)

**Nursing Breaks:** - After returning from maternity leave, mother entitled to **2 nursing breaks per day** (each 30 minutes) for **6 months** from date of

delivery - Breaks counted as working time (paid)

#### **5.4 Paternity Leave**

**Statutory Entitlement (UAE Labour Law 2021):**

**Duration:** 5 working days of paid paternity leave

**Eligibility:** - All male employees upon birth of child (no minimum service period) - Must provide proof of birth (birth certificate)

**Timing:** - Must be taken within 6 months of child's birth

**Payment:** - Fully paid (100% of salary including basic + allowances)

**Company Enhanced Policy:**

Deriv UAE provides 5 days of paid paternity leave (aligned with statutory requirement, which is already competitive regionally).

#### **5.5 Public Holidays**

**UAE Public Holidays (2026):**

The UAE observes public holidays for Islamic and national celebrations. Dates for Islamic holidays vary annually based on the Islamic lunar calendar (moon sighting).

**Fixed Public Holidays:** 1. **New Year's Day** – 1 January (Wednesday) 2. **Eid Al Fitr** – 3 days (dates vary; typically March/April 2026 based on Ramadan end) (*Islamic calendar*) 3. **Arafat Day** – 1 day (day before Eid Al Adha; typically June 2026) (*Islamic calendar*) 4. **Eid Al Adha** – 3 days (typically June 2026) (*Islamic calendar*) 5. **Islamic New Year (Hijri New Year)** – 1 day (typically June/July 2026) (*Islamic calendar*) 6. **Prophet Muhammad's Birthday (Mawlid)** – 1 day (typically September 2026) (*Islamic calendar*) 7. **Commemoration Day (Martyrs' Day)** – 1 December (Sunday) → Observed Monday 2 December 8. **UAE National Day** – 2-3 December (anniversary of UAE formation)

**Total:** Approximately 10-12 public holidays per year (depending on how Islamic holidays fall and any additional government-declared holidays).

**Private Sector vs Government:** - Private sector employers may provide public holidays as per Labour Law (minimum as gazetted) - Some private sector companies provide additional holidays (e.g., extending Eid holidays)

**Public Holiday Falling on Weekend:** - If public holiday falls on Friday (rest day), typically observed on preceding Thursday or following Saturday (per government announcement) - If public holiday falls on weekend, Monday typically granted as substitute holiday

**Work on Public Holidays:** - Employer may require employees to work on public holidays (with employee consent) - Compensation: - **1 day substitute rest day** within 30 days, OR - **1 day's pay in addition** to regular salary (i.e., double pay for the day)

**Deriv UAE Policy:** - Office closed on all official UAE public holidays - Employees not expected to work unless critical operational needs (e.g., trading desk coverage during market hours)

#### **5.6 Hajj Leave (Pilgrimage Leave)**

**Statutory Entitlement (UAE Labour Law):**

**Duration:** **30 days of unpaid leave** (once during employment tenure) for Muslim employees performing Hajj pilgrimage

**Eligibility:** - Muslim employees only - Once during entire employment with same employer

**Timing:** - Hajj pilgrimage occurs during specific period each year (Dhul Hijjah month of Islamic calendar, typically June-July)

**Notification:** - Employee should inform employer at least **2 months in advance**

**Company Policy:**

Deriv UAE supports Muslim employees in fulfilling religious obligation: - **Up to 30 days of leave** for Hajj (unpaid as per statutory; company may consider providing partial paid leave as goodwill) - Employee may combine with annual leave to cover some days as paid leave

#### **5.7 Compassionate / Bereavement Leave**

**Statutory Entitlement:** UAE Labour Law provides: - **5 days of paid compassionate leave** for death of spouse - **3 days of paid compassionate leave** for death of parent, child, sibling, grandparent, or grandchild

**Company Policy:**

Deriv UAE provides: - **5 days** for death of spouse or child - **3 days** for death of parent, sibling, parent-in-law, grandparent, grandchild

**Notification:** - Inform manager as soon as practicable - Death certificate or other documentation may be requested

#### **5.8 Parental Leave (for childcare)**

**Statutory Entitlement (UAE Labour Law 2021):**

**Duration:** **5 working days of unpaid parental leave** per year

**Eligibility:** - Parents (mother or father) with child under **6 years old** - Available once per year

**Purpose:** - Attend to child's healthcare, education, or other child-related matters

**Notification:** - Reasonable notice to employer required

**Company Policy:**

Deriv UAE provides **5 days of unpaid parental leave** per year (aligned with statutory).

### 5.9 Study / Examination Leave

**Company Policy:** - Employees pursuing approved professional qualifications or certifications may request **study leave** for exam preparation and sitting exams - Typically **1-2 days** per exam sitting (subject to manager and HR approval) - Contingent on course being job-relevant and pre-approved by company

### 5.10 No-Pay Leave (Unpaid Leave)

**Discretionary Unpaid Leave:** - Employees may request unpaid leave for personal reasons, extended travel, family matters, or career breaks - Subject to manager and HR approval - Typically granted only after all paid leave exhausted - Duration: typically up to **2-4 weeks** (longer requires senior management approval)

**Implications:** - No salary during unpaid leave period - End-of-service gratuity: unpaid leave days typically do not count toward length of service - Benefits (insurance) may continue for short unpaid leave but may be suspended for longer periods - Visa implications: Extended unpaid leave may raise questions with immigration authorities (employee must remain employed and visa must remain valid)

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## 6. SALARY AND COMPENSATION

### 6.1 Salary Payment

**Pay Frequency:** - Salaries paid **monthly**, typically by **last working day of month** or within first few days of following month (as per contract)

**Payment Method:** - **Wage Protection System (WPS):** Mandatory electronic salary transfer via approved banks or exchange houses - Employer must transfer salary to employee's UAE bank account or WPS card - WPS ensures salary payment tracking and compliance with Labour Law

**Salary Slip:** - Monthly salary slip accessible via HRIS system or provided by HR - Itemizes gross pay, deductions (if any), net pay

**Currency:** - United Arab Emirates Dirham (AED)

**Salary Protection:** - Employer must pay salary on time (within 10 working days from end of salary period as per WPS rules) - Late payment or non-payment is violation of Labour Law; employees can file complaint with MoHRE

## 6.2 Salary Components

**Basic Salary:** - Fixed monthly salary as stated in contract - Forms basis for **end-of-service gratuity calculation** (gratuity calculated on basic salary only, excluding allowances) - Typically **50-70%** of total package for professional roles (higher basic = higher gratuity)

**Housing Allowance:** - Monthly allowance to cover accommodation costs (rent, utilities) - Common practice in UAE due to high housing costs - Typically **20-30%** of total package - Not included in gratuity calculation

**Transport Allowance:** - Monthly allowance to cover commuting costs - Typically **5-10%** of total package (or fixed amount, e.g., AED 1,000-2,000/month) - Alternatively, company may provide company car or driver (for senior roles) - Not included in gratuity calculation

**Other Allowances (where applicable):** - **Telephone/Mobile Allowance:** for employees requiring mobile connectivity for work - **Education Allowance:** for children's school fees (senior roles, subject to cap) - **Meal Allowance:** for site-based roles or shifts

**Variable Pay:** - Performance bonus (annual, discretionary) - Sales commissions (for BD/sales roles) - Incentive pay

**No Statutory Deductions (for Expatriates):** - **No income tax** in UAE (no personal income tax on employment income) - **No social security contributions** for expatriate employees (no equivalent to CPF/EPF/SOCSO) - Net salary = Gross salary (basic + allowances) minus any voluntary deductions (e.g., loan repayments, salary advances)

**Salary Calculation Example (Expatriate Employee):** - Basic Salary: AED 15,000 - Housing Allowance: AED 7,000 - Transport Allowance: AED 2,000 - **Gross Salary:** AED 24,000 - Deductions: None (no tax, no social security) - **Net Salary: AED 24,000** (full gross amount)

**For UAE Nationals (if applicable):** - UAE nationals contribute to **General Pension and Social Security Authority** (different scheme from expatriates) - Pension contribution: typically **5% employee + 12.5-15% employer** (for Emiratis) - Covered separately under federal pension law (not detailed in this handbook for expatriate-focused company)

### **6.3 Bonuses and Incentives**

**Annual Performance Bonus:** - Discretionary, based on individual and company performance - Paid in Q1/Q2 following performance review - Range: **0-30% of annual base salary** for individual contributors; up to **50-100%** for senior management - Must be employed at time of payment to receive

**13th Month Bonus:** - Not statutory in UAE (unlike some Middle Eastern countries) - Some companies provide contractual 13th month; Deriv UAE's annual performance bonus serves similar purpose (discretionary)

**Sign-On, Referral, Retention Bonuses:** - Sign-on bonus: offered to select hires (subject to clawback if leave early) - Referral bonus: AED 5,000 - AED 15,000 for successful referrals (after probation) - Retention bonus: for critical talent during key projects

### **6.4 Salary Reviews**

**Annual Review:** - Conducted in Q1/Q2 - Based on performance, market benchmarks, internal equity, company budget

**Merit Increases:** - Discretionary (no entitlement) - Typical range: **0-10%** based on performance

**Promotion Adjustments:** - **10-20%** increase upon promotion

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## **7. MEDICAL AND INSURANCE BENEFITS**

### **7.1 Medical Insurance**

**Statutory Requirement (Dubai / Abu Dhabi):** - **Mandatory medical insurance** for all employees (and dependents in some cases) under Dubai Health Insurance Law and Abu Dhabi health regulations - Employer must provide health insurance covering inpatient and outpatient treatment

#### **Group Health Insurance:**

Deriv UAE provides comprehensive medical insurance:

**Coverage:** - **Inpatient hospitalization:** Private hospitals (panel network) - **Outpatient consultations:** GP and specialist visits - **Annual limit:** Typically **AED 500,000 - AED 1,000,000** per year (depending on plan tier) - **Coverage territory:** UAE, with emergency coverage outside UAE

**Inclusions:** - Room and board, surgical procedures, ICU, diagnostic tests (X-rays, CT, MRI), medications - Pre- and post-hospitalization consultations - Emergency care - Chronic disease management (diabetes, hypertension, etc.) - Maternity coverage (optional, may be added as rider or included in enhanced plans; subject to waiting period and caps)

**Exclusions:** - Pre-existing conditions (subject to waiting period per policy) - Cosmetic procedures - Dental and optical (covered separately)

**Dependent Coverage:** - Employees may add spouse and children to insurance plan - Employer may subsidize dependent premium (typically 50-100% employer-paid for spouse and children, depending on company policy and role level)

**Insurance Card:** - Employees receive insurance card (physical or digital) to present at panel hospitals/clinics for cashless treatment

## 7.2 Outpatient Medical

**Panel Clinics and Hospitals:** - Cashless GP consultations at panel clinics (employee presents insurance card) - Specialist consultations (with or without GP referral, depending on plan) - Pharmacy coverage for prescribed medications

**Co-Pay:** - Some plans have co-pay (e.g., AED 20-50 per consultation or prescription); employee pays co-pay, insurance covers rest

## 7.3 Dental and Optical

**Dental Coverage:** - Annual dental allowance or coverage: Typically **AED 1,000 - AED 3,000** per year for routine care (cleaning, fillings, extractions) - Major dental work (crowns, implants): subject to separate limit or approval

**Optical Coverage:** - Annual optical allowance: Typically **AED 500 - AED 1,000** per year for eye exams, glasses, contact lenses

## 7.4 Life Insurance and Personal Accident Insurance

**Group Term Life Insurance:** - Coverage: Typically **1-2 times annual salary** (e.g., AED 200,000 - AED 500,000 depending on role level) - Beneficiary: Employee nominates beneficiary

**Personal Accident (PA) Insurance:** - 24-hour worldwide coverage for accidental death, permanent disability, medical expenses due to accidents - Coverage: Similar to life insurance (1-2x annual salary)

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# 8. WORK INJURY AND COMPENSATION

**Workers' Compensation:** UAE Labour Law provides compensation for work-related injuries and occupational diseases: - Medical treatment (full coverage by employer) - Compensation for temporary or permanent disability (calculated based on salary and degree of incapacity) - Compensation for death (paid to dependents)

**Reporting:** - Report work injury to manager and HR immediately - Seek medical treatment (employer facilitates access to medical care) - Employer submits injury report to MoHRE

**Compensation Determination:** - Medical assessment determines degree of disability - Compensation calculated per Labour Law tables (based on salary and incapacity percentage)

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## 9. INCOME TAX

### 9.1 No Personal Income Tax (for Individuals)

**UAE Tax Environment (for Employees):** - **No personal income tax** on employment income in UAE (applies to UAE nationals and expatriates) - Employees receive full gross salary without tax deductions

**Corporate Tax (Employer Obligation):** - UAE introduced **9% federal corporate tax** on business profits exceeding AED 375,000 per year (effective June 2023) - This is employer tax liability, not employee tax - Does not affect employee salaries

**Value Added Tax (VAT):** - UAE has **5% VAT** on goods and services (consumer tax, not employment tax) - Employees pay VAT when purchasing goods/services (e.g., shopping, dining, rent)

**No Tax Filing Required:** - Employees do not need to file personal income tax returns in UAE (no income tax system for individuals)

**Tax Residency Certificates:** - Employees may request **Tax Residency Certificate (TRC)** from UAE Federal Tax Authority to prove UAE tax residency (useful for avoiding double taxation in home country or claiming tax treaty benefits)

### 9.2 Home Country Tax Obligations

**Important Note for Expatriates:** - Expatriate employees may still have tax obligations in their home country (e.g., US citizens must file US tax returns worldwide; some countries tax on citizenship or domicile) - Employees responsible for understanding and complying with home country tax laws - UAE employer does not withhold or report foreign taxes (employee must self-report to home country tax authorities if required)

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## 10. TERMINATION AND SEVERANCE

### 10.1 Notice Period

See Section 2.4 (typically 30 days to 3 months depending on role level).

## **10.2 Final Settlement**

**Components:** - Salary up to last day of employment (pro-rated if mid-month) - Payment in lieu of unworked notice period (if applicable) - **Accrued but unused annual leave encashment** (at full salary rate including basic + allowances) - **End-of-service gratuity** (as per Section 4 calculation) - Outstanding bonuses (if contractually due and employee employed at payment date) - Any other contractual payments (e.g., retention bonus, deferred compensation)

**Deductions:** - Notice period shortfall (if employee fails to serve required notice) - Outstanding loans or salary advances - Cost of unreturned company property (laptop, phone, etc., where legally permissible) - Visa cancellation costs (if applicable per contract)

**Timeline:** - Final settlement must be paid within **14 days from last working day** (as per Labour Law for gratuity; full final settlement typically processed within this timeframe)

**Visa Cancellation:** - Employer cancels employee's residence visa after employment ends - Employee has **30-60 days grace period** from visa cancellation to remain in UAE (to find new job or exit) - Employee must either: - Transfer to new employer (new sponsor applies for visa transfer) - Exit UAE and cancel visa fully (cannot return on visit visa until visa cleared, or after 6 months if left with outstanding visa issues)

## **10.3 Redundancy / Retrenchment**

**No Statutory Redundancy Pay:** UAE Labour Law does not mandate redundancy pay separate from end-of-service gratuity.

### **Company Policy:**

Deriv UAE follows market practice for redundancy:

**Redundancy Support (in addition to statutory gratuity):** - **Enhanced notice period** or payment in lieu (e.g., 2-3 months' notice even if contract specifies 1 month) - **Redundancy pay** (discretionary): Typically **0.5-1 month's salary per year of service** (in addition to gratuity), subject to maximum (e.g., 6 months' total) - **Outplacement support:** Resume writing, interview coaching, job placement assistance - **Extended medical insurance:** Typically 1-3 months post-employment - **Flexible exit date:** Allowing time for job search

**Example (5 Years' Service, AED 20,000 Total Monthly Salary, AED 12,000 Basic):**

**Statutory Gratuity:** -  $5 \text{ years} \times 21 \text{ days} \times (\text{AED } 12,000 \div 30) = 5 \times 21 \times \text{AED } 400 = \text{AED } 42,000$

**Additional Redundancy Pay (Company Discretionary):** -  $1 \text{ month} \times 5 \text{ years} = 5 \text{ months' salary} = 5 \times \text{AED } 20,000 = \text{AED } 100,000$

**Total Exit Package:** AED 42,000 (gratuity) + AED 100,000 (redundancy pay) + notice pay + leave encashment = **substantial support package**

**Consultation:** - Employer consults affected employees, explains reasons, explores alternatives (redeployment, reduced hours) - Fair selection process for redundancy roles

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## 11. REGULATORY COMPLIANCE

### 11.1 SCA / DFSA Requirements

Employees in SCA/DFSA-regulated roles must meet fit and proper criteria:

- Integrity, competence, financial soundness
- Notify HR/Compliance of any criminal charges, bankruptcy, or regulatory action

### 11.2 Personal Trading and AML

**Personal Trading Policy:** Employees in trading, risk, compliance, or sensitive roles must:

- Register brokerage accounts with Compliance
- Pre-clear trades in restricted securities
- Report trades quarterly

**AML/CFT Obligations:** All employees must complete mandatory AML/CFT training and report suspicious activities.

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## 12. CONTACT INFORMATION

**Human Resources (UAE):** - Email: hr.uae@derivgroup.com - Phone: +971 [X XXXX XXXX]

**Statutory Bodies:** - Ministry of Human Resources and Emiratisation (MoHRE): <https://www.mohre.gov.ae> | 600 590 000 - General Directorate of Residency and Foreigners Affairs (GDRFA) Dubai: <https://www.gdrfad.gov.ae> | +971 4 313 9999 - Dubai Health Authority (DHA): <https://www.dha.gov.ae> | 800 342 - Securities and Commodities Authority (SCA): <https://www.sca.gov.ae> | +971 2 627 7888

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## 13. ACKNOWLEDGMENT

By commencing or continuing employment with Deriv Capital Contracts & Currencies L.L.C or other Deriv UAE entities, employees acknowledge that they have:

- Received, read, and understood this UAE Employee Handbook Supplement and the Common Employee Policies document
- Agreed to comply with UAE Labour Law, company policies, and SCA/DFSA regulatory requirements

Understood that violations may result in disciplinary action up to and including termination

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#### **END OF UAE EMPLOYEE HANDBOOK SUPPLEMENT**

*This supplement is effective January 2026 and must be read in conjunction with the Common Employee Policies document. UAE statutory law prevails where conflicts exist.*