



# CORPORATE ACCOUNTABILITY MATTERS

Business Integrity and Value Creation Beyond 2015

April 16 2015



UNDER THE PATRONAGE OF  
HIS HIGHNESS SHEIKH HAMDAN BIN MOHAMMED BIN RASHID AL MAKTUUM  
CROWN PRINCE OF DUBAI

## Forum Outcome Report



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## TABLE OF CONTENTS

Foreword	4
Forum Outcomes	5
Forum Agenda	6
Ban Ki-moon - Keynote address	8
H.E. Reem Al Hashimy - Keynote address	10
Sir Mark Moody-Stuart - Keynote address	12
Opening Plenary - Sustainable Leadership and Competitiveness	14
Executive Conversation on Integrity and Transparency	16
Second Plenary - Diversity in Leadership Teams - The Business Case	18
New Report Launch: Women's Careers In The GCC - The CEO Agenda	22
Roundtable 1 - Integrity through the Value Chain	24
Roundtable 2 - Governance and Transparency in Business and Civil Society	26
Roundtable 3 - Family Matters; Governance Matters	28
Gala Dinner and Recognition Ceremony	30

## FOREWORD

**T**hank you to those who were able to join us for the inaugural Pearl Initiative and United Nations Global Compact Forum for the Gulf Region, held in Dubai on Thursday 16th April 2015, under the Patronage of His Highness Sheikh Hamdan Bin Mohammed Bin Rashid Al Maktoum, Crown Prince of Dubai.

The Forum title, “**Corporate Accountability Matters: Business Integrity and Value Creation Beyond 2015**”, reflects the vision that corporate accountability and integrity are fundamental drivers of competitive economic growth, job creation and sustainable social development in the Gulf Region, and the wider Middle East and North Africa region, through the next generation of youth and beyond.

This important Forum provided a platform for discussion on corporate accountability, transparency and governance, for 600 regional and international business leaders and representatives from UN organisations, government, civil society and students. The achieved objective was to share lessons learned and explore effective ways to engage in activities and partnerships that advance critical sustainable business development priorities across the Gulf Region.

In an increasingly fast-moving, complex, unpredictable and inter-dependent world, it has never been more important for the Private Sector to find ways to deliver sustainable win-win outcomes for business and society at large. Raising standards of corporate governance and integrity, and embedding those values throughout an organisation, are recognised today as key to mitigating risk and attracting investment, talent and business partners.

We would like to thank our Corporate Partners whose support made this Forum possible, and all the many hundreds of Forum participants who engaged, debated, learned and contributed towards how business can help drive progress through accountability, integrity and governance.

As the United Nations Secretary-General Ban Ki-moon said in his Opening Address at the Forum, “Sustainable development depends on principled business. It requires strong corporate accountability. Help us make 2015 a turning point in history!”

### **Badr Jafar**

Founder  
Pearl Initiative



### **Georg Kell**

Executive Director  
United Nations Global Compact





## FORUM OUTCOMES

The Pearl Initiative and United Nations Global Compact Forum provided a platform for business and other stakeholders to share lessons learned and explore effective ways to engage in activities and partnerships that advance critical sustainable business development priorities across the Gulf Region.

As a result of the Forum, the Pearl Initiative, with the engagement of the United Nations Global Compact and its other Programme Partners, commits to the following actions to help make progress in the Gulf Region towards higher standards in corporate accountability, transparency and governance:

- Support the formation and building of UN Global Compact Local Networks in countries within the Gulf Region, to facilitate the progress of companies engaged in the Global Compact with respect to implementation of the ten principles.
- Leverage the Forum launch of the Report “Women’s Career Paths in the GCC: The CEO Agenda” to run a series of Roundtables across the Gulf Region on gender diversity in leadership and the UN Women’s Empowerment Principles.
- Develop a succinct toolkit on corporate anti-bribery and corruption good practices, with specific relevance to the Gulf Region.
- Identify and disseminate good practice examples of experiences and learning within companies implementing corporate accountability, transparency and governance practices within the Gulf Region.
- Expand Pearl Initiative Programmes that directly impact the thinking and behaviour of students at universities across the Gulf Region, so that they can enter the workforce with personal integrity and accountability at the heart of their business education.

# FORUM AGENDA

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09:00 - 09:10

## WELCOME REMARKS

- **Badr Jafar**, Founder, The Pearl Initiative
- **Georg Kell**, Executive Director, The United Nations Global Compact

09:10 - 09:20

## KEYNOTE ADDRESS VIA VIDEO: THE ROLE OF THE PRIVATE SECTOR IN ADVANCING GLOBAL PRIORITY ISSUES

- **Ban Ki-moon**, Secretary-General, The United Nations

09:20 - 09:30

## KEYNOTE ADDRESS: CORPORATE ACCOUNTABILITY, SUSTAINABLE DEVELOPMENT AND JOB CREATION

- **H.E. Reem Al Hashimy**, UAE Minister of State and Board Representative Higher Committee & Director General Bureau, Dubai Expo2020

09:30 - 09:45

## KEYNOTE ADDRESS: CORPORATE LEADERSHIP AND INTEGRITY

- **Sir Mark Moody-Stuart**, President & Chairperson, Foundation for the UN Global Compact

09:45 - 10:45

## OPENING PLENARY - SUSTAINABLE LEADERSHIP AND COMPETITIVENESS

Sound principles and values are the cornerstone of cultural and ethical leadership in the Gulf Region. How do we translate these values through to business competitive advantage in increasingly globalised and fast-moving markets? What is the outlook for the sustainable competitiveness of the regional economy if we get this right?

- **Sheikha Hanadi Bint Nasser Al-Thani**, Vice Chairman, Nasser Bin Khaled Al-Thani & Sons Group
- **Hussain AlNowais**, Chairman, Al Nowais Investments
- **Yves Manghardt**, Chairman & CEO, Nestlé Middle East
- **Jamal Fakhro**, Managing Partner, KPMG Bahrain & Qatar

**Discussion Leader:** Hamid Jafar, Chairman, Crescent Group

11:15 - 12:30

## SECOND PLENARY - DIVERSITY IN LEADERSHIP TEAMS - THE BUSINESS CASE

### Launch of the Pearl Initiative Report “Women’s Careers in the GCC: The CEO Agenda”

The business case for greater levels of diversity in leadership teams and on boards clearly relates to strategic decision making, better governance and closer understanding of target markets. How can the pipeline of diverse talent making it through to executive and board levels be strengthened and more empowered in the Gulf Region?

- **Nabil Habayeb**, President & CEO, GE Middle East, North Africa & Turkey
- **Lubna Qassim**, Executive Vice President, Group General Counsel & Company Secretary, Emirates NBD
- **Sheikh Saleh Al Turki**, Chairman & President, NESMA Holding
- **Margery Kraus**, Founder & Executive Chairman, APCO Worldwide
- **Hani Ashkar**, Middle East Senior Partner, PwC

**Discussion Leader:** Imelda Dunlop, Executive Director, The Pearl Initiative

12:30 - 13:30

## EXECUTIVE CONVERSATION ON INTEGRITY & TRANSPARENCY

- **Zulfe Ali**, Chief Investments Officer, Mumtalakat
- **Khalid Al Rabiah**, CEO, Chemanol
- **Amir Dossal**, Founder and Chairman, Global Partnerships Forum

**Discussion Leader:** Gretchen Jonker, Head - Anti-Corruption & Illicit Financial Flows, World Economic Forum

# FORUM AGENDA

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14:30 - 15:30

## PARALLEL ROUNDTABLE 1 - INTEGRITY THROUGH THE VALUE CHAIN

Despite increasing public attention and impatience with the status quo, corruption still hinders economic development in mature and emerging regions alike. What can the private sector do, together with governments and civil society, to make the step change necessary to apply ethical standards abroad as well as at home. What are the key imperatives in ensuring integrity in third party labour and supply chains?

- **Arjen Radder**, CEO, Philips Middle East & Turkey
- **Raza Jafar**, CEO, Enshaa
- **Hala Abou Alwan**, Head of Advisory and Educational Services, Thomson Reuters
- **Neil McInnes**, Partner, Pinsent Masons

**Discussion Leader: Saleh Hussain**, President, Saleh Hussain Consultancy

14:30 - 15:30

## PARALLEL ROUNDTABLE 2 - GOVERNANCE AND TRANSPARENCY IN BUSINESS AND CIVIL SOCIETY

Good practices in governance and transparency are important in achieving successful outcomes whatever the organisation's mission. What principles and good practices can be shared between private sector companies and not-for-profit entities to ensure effectiveness and accountability? What is the outlook for stakeholders in this region to feel they are getting the information they need to make effective decisions?

- **Adnan Al Mahmood**, I.T. & Knowledge Manager, GPIC
- **Lance Croffoot-Suede**, Senior Partner, Linklaters
- **Sunil John**, CEO, ASDA'A Burson-Marsteller
- **Alissa Amico**, Manager-Middle East & North Africa, OECD

**Discussion Leader: Clare Woodcraft-Scott**, CEO, Emirates Foundation

14:30 - 15:30

## PARALLEL ROUNDTABLE 3 - FAMILY MATTERS; GOVERNANCE MATTERS

Family firms are the backbone of the Gulf Region's economy and over \$1 trillion of assets is set to be handed over to the next generation of family owners in the next five to ten years. What lessons can be shared and learned about the governance principles and frameworks that work in the Gulf region and can ensure the transition of healthy, wellgoverned and sustainable businesses through to the next generation and beyond? To what extent can and should investors and business partners be exerting their influence to drive change?

- **Muna Al Gurg**, Director, Easa Saleh Al Gurg Group
- **Anees Sultan**, General Manager, W.J Towell Company
- **Roberta Calarese**, Chief Legal Officer, Majid Al Futtaim
- **Adib Rashid**, Partner, EY

**Discussion Leader: Ludo van der Heyden**, Chaired Professor of Corporate Governance, INSEAD

18:00 - 22:00

## GALA DINNER - RITZ CARLTON DIFC HOTEL

Guest Speaker:

- **Lord Michael Hastings**, Global Head of Corporate Citizenship, KPMG



## THE ROLE OF THE PRIVATE SECTOR IN ADVANCING GLOBAL PRIORITY ISSUES

BAN KI-MOON

**SECRETARY - GENERAL, THE UNITED NATIONS**  
**(KEYNOTE ADDRESS VIA VIDEO)**

“Welcome to this important conference on how ethical business practices can support United Nations priorities. I salute His Highness Sheikh Sultan Bin Mohamad Al-Qasimi, Ruler of Sharjah, for his vision as Founding Patron of the Pearl Initiative. I also thank His Highness Sheikh Hamdan Bin Mohammed Bin Rashid Al Maktoum, Crown Prince of Dubai, for patronizing this important joint Forum with the Global Compact.

This year is critical for people and the planet. We are aiming to adopt a new set of Sustainable Development Goals and to reach a meaningful universal agreement on climate change. Business can drive progress. But not just any business will do. Sustainable development demands principled business. It requires strong corporate accountability.

Good Governance is vital. I hope your collaboration can mobilize even more companies from the Gulf Region to advance progress. Be part of this global transformation. Help us make 2015 a turning point in history .





# CORPORATE ACCOUNTABILITY, SUSTAINABLE DEVELOPMENT AND JOB CREATION

H.E. REEM AL HASHIMY

UAE MINISTER OF STATE AND BOARD REPRESENTATIVE HIGHER COMMITTEE &  
DIRECTOR GENERAL BUREAU  
DUBAI EXPO2020

“For a thousand years, Dubai was a meeting point where different cultures congregated to bargain, swap stories and find out what was happening elsewhere. So well before the internet, these trade roots were important sources for collaboration and information sharing; perhaps a parallel for our meeting here today.

Today, our trade roots are connected by global agreements and knowledge spread across the media. As the mediums have changed, so too have the terms we use to describe this information exchange: best practice, thought leadership, corporate social responsibility, sustainability, transparency and accountability. But whether in the distant past or here right now, business doesn't work without the fundamentals of trust and universally accepted shared values.

These are the very topic we will be debating here today. Our young people are the consumers, inheritors and the creators of tomorrow and as such, they require our special attention. They require a resilient and internal moral compass demonstrated by example and not by theory. If we want responsible people tomorrow, then we need to provide them a secure environment and proper values, respecting their rights, the law, social responsibility and honesty. If we fail to do this, then their future and frankly all of our futures could be hopeless.

In a world where so many of the traditional anchors have slipped or are slipping away, where business is too often seen as immoral, where governments are too easily seen as uncaring and self-serving, where the 24/7 media profits by focusing solely on disaster and where education is often minimal, where poverty and unemployment breeds sickness of the body and soul. Where can our future citizens turn for guidance? Take away hope in the form of education and opportunity in the form of jobs and our children whether physically or mentally will drift and will look for something they can cling to for support. Often that something is bad for each individual and worse for society as a whole. If we are to break this vicious circle and turn it into something virtuous, we all have a part to play. Governments need to nurture their people but they cannot

do this alone; corporations too have a vast role to play, they must act responsibly, compassionately and legally. They must look beyond the pure profit motive of today to safeguard their environment and their customers tomorrow.

Albert Einstein is credited with saying “Not everything that counts can be counted, and not everything that



***“Our young people are the consumers, inheritors and the creators of tomorrow and as such, they require our special attention.”***

can be counted counts”. This is why initiatives like Pearl are very significant; bringing together governments and business to forge fundamental change across the social spectrum. Accountability leading to sustainable development and job creation; each feed in the other and accelerating the cycle of the virtuous circle thus far more than just a convenient diagram, it is also a model from which we can build a machine that is genuinely self-sustaining, a kind of perpetual motion machine, one that would help us build the future that we want.

*“This is why initiatives like Pearl are very significant; bringing together governments and business to forge fundamental change across the social spectrum.”*

As many of you know Dubai was honored by hosting the EXPO 2020, the themes chosen by the higher committee were ‘connecting minds, creating the future’ as well as our three subthemes of mobility,

*“Where can our future citizens turn for guidance?”*

opportunity and sustainability. It is surely no coincidence that those themes are also wrapped up in this event and the very ambitions of the Pearl Initiative. All of us are determined to promote those themes through global events like EXPO 2020 and this important gathering today. My hope is that

events like today will energize the perpetual motion machine giving it the power to turn and in so doing turn our world into a better place, a fairer place, a decent place for all of our people” .



## CORPORATE LEADERSHIP AND INTEGRITY

### SIR MARK MOODY-STUART

**PRESIDENT & CHAIRPERSON**

**FOUNDATION FOR THE UN GLOBAL COMPACT**

“It is an enormous pleasure and an honor to be here and see such distinguished gathering. It is also a pleasure to thank Badr Jafar for his leadership in setting up the Pearl Initiative and to Amir Dossal his co-founder. Every voluntary initiative depends on individual effort by people, who actually get up and do something about it. It is not something that immediately benefits the business but it is an enormous benefit in the longer term to both business and society.

My definition of responsible business would be one that has clear values and principles, which are clearly expressed and reported on. Those principles may be based on universal principles such as the ten principles of the United Nations Global Compact. Also, there are many principles and values that can be shaped by each company and can be developed and delivered with the participation of the people within the company and from outside.

As Her Excellency Reem Al Hashimy said ‘We in business cannot fix things on our own, we need to cooperate with others in society and with governments’. The Pearl Initiative is exactly such an initiative and also the local networks of the United Nations Global Compact which bring together in each country big, small or very small single family businesses, governments, and local societies to work together to address what the priorities in that particular country are. These priorities might be environmental, working conditions, human rights, or corruption. In my opinion, such local networks provide an unparalleled opportunity of bringing people together to find solutions.

***My definition of responsible business would be one that has clear values and principles, which are clearly expressed and reported on.***

We need a statesmanship from business leaders, which is the ability to take off your corporate hat and put on your societal hat. I am a strong believer in markets, but markets will not deliver things which are not of immediate benefit to consumers. That means we need regulatory frameworks that don't tie the hand of the market, but leaves the market creativity to compete. So we in business should put on our statesman's hats and support that. It is not good enough to make sure that we have good working conditions in our own company but we need to be supportive of governments putting in place and enforcing frameworks.





# OPENING PLENARY – SUSTAINABLE LEADERSHIP AND COMPETITIVENESS

## Session Overview

The panelists discussed the importance of sound principles and values as the cornerstone of cultural and ethical leadership in the Gulf Region and how they can be translated through to business competitive advantage in increasingly globalised and fast-moving markets. They also touched upon the outlook for the sustainable competitiveness of the regional economy.

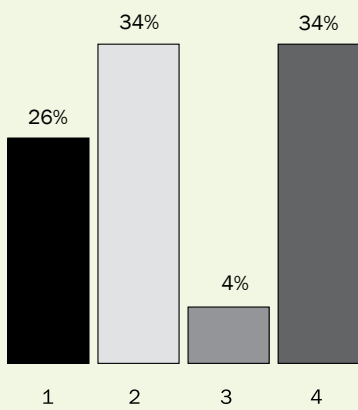
The discussion was led by **Hamid Jafar**, Chairman, Crescent Group of Companies and included the distinguished panelists: **Sheikha Hanadi Bint Nasser Al Thani**, Vice Chairman, Nasser Bin Khaled Al Thani & Sons Group, **Hussain Al-Nowais**, Chairman, Al-Nowais Investments, **Yves Manghardt**, Chairman & CEO, Nestlé Middle East and **Jamal Fakhro**, Managing Partner, KPMG Bahrain & Qatar.

The panel discussed the importance of education and the creation for sustainable competitiveness in the region. The panelists highlighted the importance of SME sector for boosting youth employment and competitiveness. They also touched upon the importance of regulations and governance frameworks for building a sustainable business environment. However, they expressed concerns over too many regulations and their impact on businesses and in particular SMEs. It was also argued that the best way to move towards more integrity in business is by building sound systems and frameworks from within the organisation rather than applying external rules. It was also mentioned that sustainability cannot be seen as a new initiative but rather as a way of doing business and the basis for this is putting in place the right culture and creating shared values. It was said that since ethics are very difficult to measure they have to be deeply embedded in a companies' DNA. One panelist said that applying the right values throughout the value chain starts with ensuring the values are lived by the employees and added that "there is no such thing as a small breach of integrity, building trust within the organisation also builds sustainability". The panelists agreed that if a company decided to implement high ethical standards and good corporate values it has to fully commit, and the business benefits are clearly there.



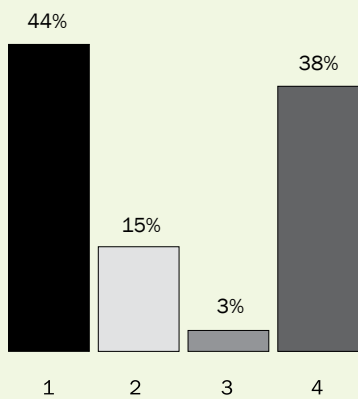
**The sector with the GREATEST ROLE in Sustainable Development in our Region is:**

- 1. The Private Sector
- 2. Governments
- 3. Civil Society
- 4. All of the above equally

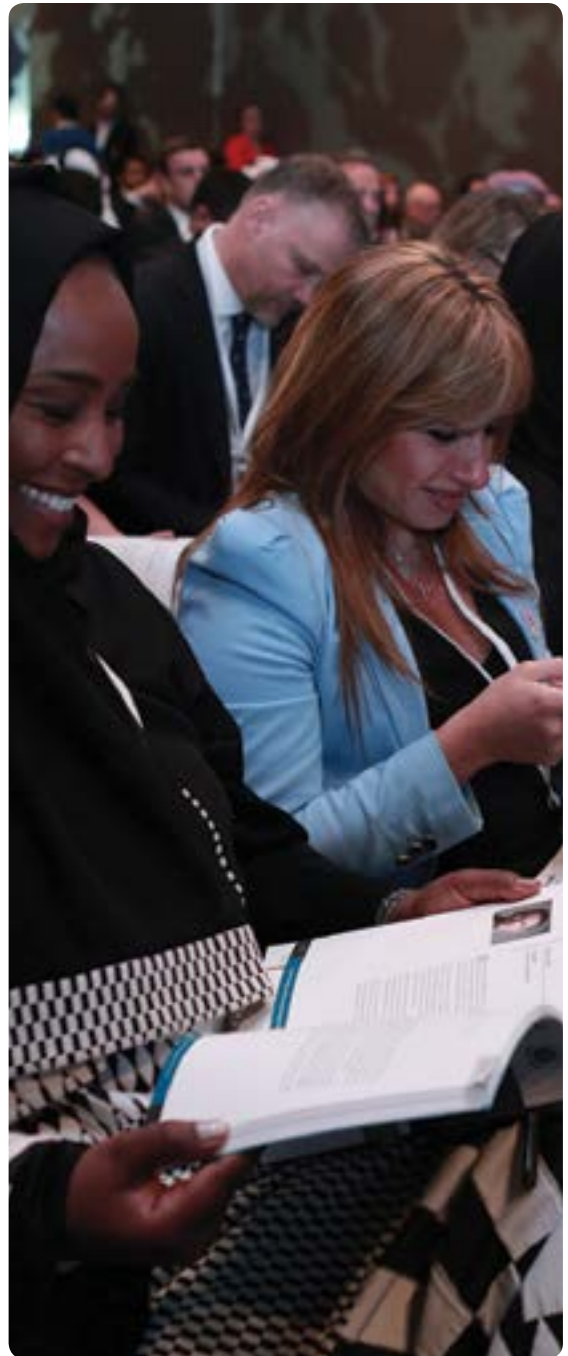


**The sector with the GREATEST ROLE in creating productive jobs in our Region is:**

- 1. The Private Sector
- 2. Governments
- 3. Civil Society
- 4. All of the above equally



The audience participated by asking questions to the panelists and had the opportunity to express their views through the live voting questions that took place during the session:



# EXECUTIVE CONVERSATION ON INTEGRITY AND TRANSPARENCY

## Session Overview

The Executive Conversation explored how regional and multinational players increasingly see any shortfall in high levels of integrity and transparency as a key business risk. An active improvement of governance structures and countering corruption therefore becomes a business imperative. The panelists discussed the role of governance in countering risk and its wider impact on stability, economic growth and the society.

The panel was led by **Gretchen Jonker**, Head - Anti-Corruption & Illicit Financial Flows, World Economic Forum and included **Zulfe Ali**, Chief Investments Officer, Mumtalakat, **Khalid Al Rabiah**, CEO, Chemanol, **Amir Dossal**, Founder and Chairman, Global Partnerships Forum.

The panelists agreed that there is a move towards more transparency and integrity in the region. They noted that the drive for change clearly comes from the top and that an increasing number of CEOs are taking ownership of the process. It was said however that even though it seems relatively straight-forward to implement policies to improve integrity and transparency, it can prove more difficult to embrace them fully. The solution is to create a culture of accountability within organisations and the society at large. The private sector has to act rather than to wait for government directives and regulations. One panelist focused on the family business dimension, saying that these businesses are not rated as public corporations, and should take the opportunity to comply with voluntary frameworks and principles such as the UN Global Compact. He noted that family businesses are starting to appreciate the importance of integrity and transparency within their organisations and families for their long term success. Further, it was discussed that it would be useful to develop an index ranking public and private businesses in the GCC based on their levels of integrity and transparency.



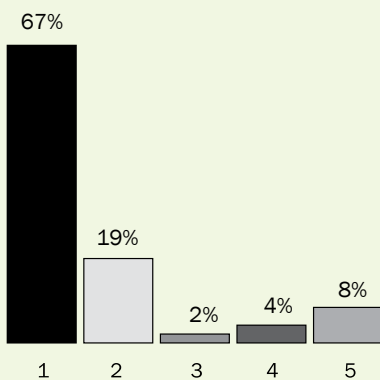




The audience took part in the lively discussions and below is an overview of their opinions through the live polling results.

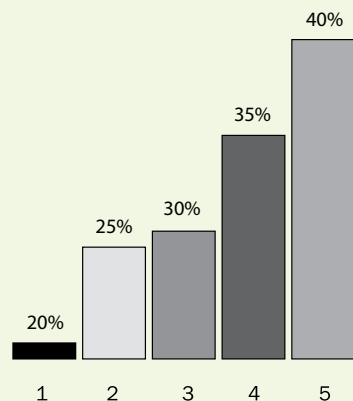
**All companies in the Gulf Region (publicly-listed and privately held) should be obliged to implement good governance and accountability practices and report them publicly**

- 1. Strongly agree
- 2. Partially agree
- 3. Neutral
- 4. Partially disagree
- 5. Strongly disagree



**Shareholders and investors in the Gulf Region are currently getting all the information they need on the companies in order to make effective decisions**

- 1. Strongly agree
- 2. Partially agree
- 3. Neutral
- 4. Partially disagree
- 5. Strongly disagree



## SECOND PLENARY

# DIVERSITY IN LEADERSHIP TEAMS – THE BUSINESS CASE

### Session Overview

The business case for greater levels of diversity in leadership teams and on boards clearly relates to strategic decision making, better governance and closer understanding of target markets. The goal of the second plenary was for senior business leaders to discuss how the pipeline of diverse talent who make it through to executive and board levels could be strengthened and empowered in the Gulf Region.

The esteemed panelists included **Nabil Habayeb**, President & CEO, GE Middle East, North Africa & Turkey, **Lubna Qassim**, Group General Counsel and Company Secretary, Emirates NBD, **Sheikh Saleh Al Turki**, Chairman, NESMA Holding, **Margery Kraus**, Founder & CEO, APCO Worldwide, **Hani Ashkar**, Middle East Senior Partner, PwC. The discussion was led by **Imelda Dunlop**, Pearl Initiative's Executive Director who also presented the main findings of Pearl Initiative's new research report "Women's Careers in the GCC - The CEO Agenda".

Following the report presentation, the panelists were invited to discuss their experiences and possible solutions to strengthen the pipeline of female talent through to senior ranks.

Everyone agreed that there had been a positive trend in the region in recent years with more women reaching senior positions, but there is still room for improvement. It was also said that even though debate had been going on for decades both regionally and globally the results are not sufficient. The panelists established that having more women in senior roles clearly was a corporate governance issue. Companies shouldn't aim for more diversity because it looks good but because it delivers better results. They said that the first thing to change is the culture; only once the right culture is in place practical programmes will work. The CEO plays a key role in changing the culture as he is the cultural lead for the entire organisation and will influence the tone in the middle which is in turn is crucial for women's career advancement. Training and development were also identified as important for the career advancement of women: female top talent has to be groomed within the organisation and thereby building the pipeline of talent for senior positions. Specific leadership programmes developing a group of highly promising female candidates have proven to be an effective method. Another effective mean of promoting more women is make sure to have a diverse set of candidates - including at least one woman - for each open position. The panel also discussed other ways in which companies could

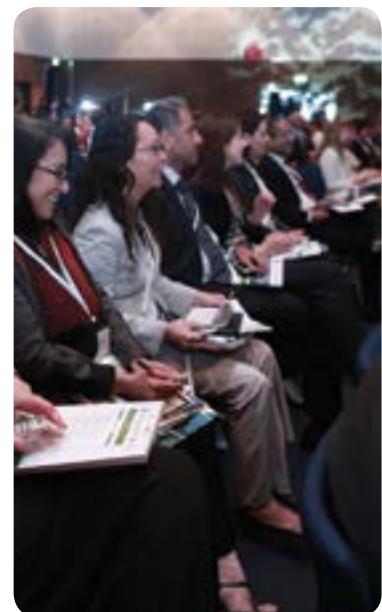


attract and retain more women in their workforce: they mentioned the importance of role models and the possibility for companies to provide more benefits to their employees than the law requires in order to retain them. Striking a good career-family balance is very difficult for career-driven women and organisations have to come up with creative solutions to support them.

The panelists also echoed a view shared by many: Quotas will not solve the issue. Advancement should be based on meritocracy and equal opportunities and for these to work they have to be embedded in the culture. The message in organisations should be clear: Employees are expected to adopt the culture of equal opportunities or they should leave.

The panelists also repeatedly said that there was no lack of female talent and ambition and companies had to find ways to capture this talent.

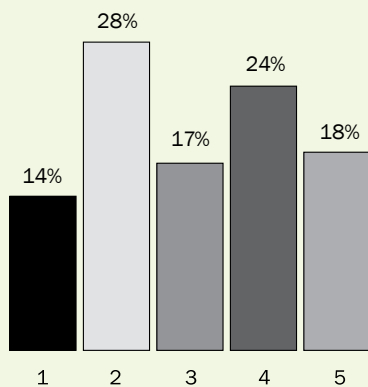
The panel also briefly discussed the situation in Saudi Arabia. One panelist noted that attitudes were slowly changing and that a lot has been achieved in the last 10 years. Today, government agencies are encouraged to employ women and today around 20% of the members of the Shura Council are women. He also added that people were realising that a second income could significantly improve their living standards and that this was a very important driver for more women into the workforce.



# SECOND PLENARY – DIVERSITY IN LEADERSHIP TEAMS – THE BUSINESS CASE

## Achieving gender diversity at senior executive level is becoming a key strategic business priority for most CEOs in the Gulf Region

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree

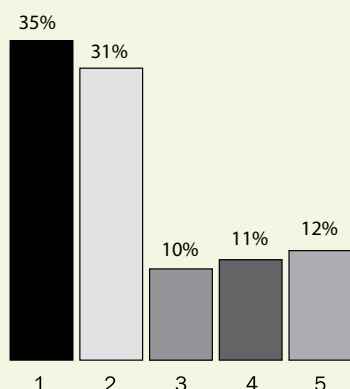


The audience participated by asking questions to the panelists and had an opportunity in expressing their views through the live voting questions that took place during the session:



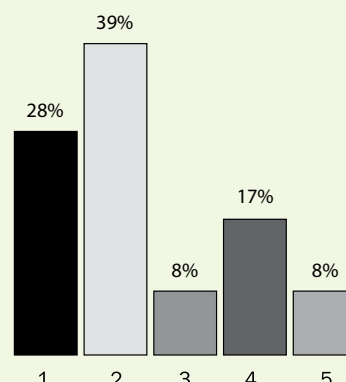
## Active intervention, in the form of performance targets or quotas is required to achieve gender balance at senior levels within companies

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree



## In 5 years time, we will see a significant increase in the number of women in executive and Board roles in the Gulf Region

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree





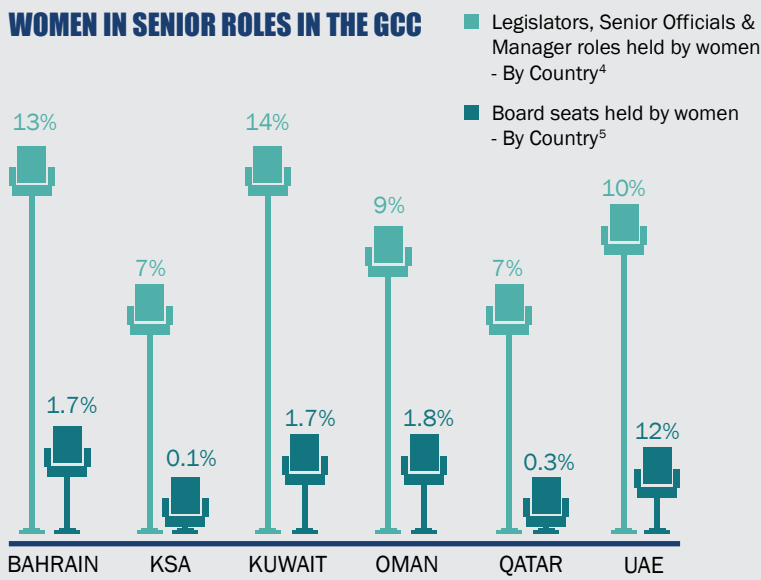
# NEW REPORT LAUNCH: WOMEN'S CAREERS IN THE GCC – THE CEO AGENDA

The second plenary session marked the launch of the new Pearl Initiative Report “Women’s Careers in the GCC - The CEO Agenda” which details research findings on women and their careers in the region and offers some practical recommendations to business leaders on how to address the ‘leaking pipeline’ of female talent in our organisations. The report presents the culmination of several months of research and a survey of over 600 women in senior positions across the GCC countries.

## KEY FINDINGS AND RECOMMENDATIONS

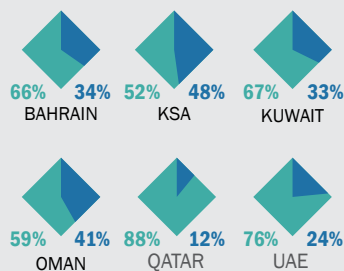
Significant progress has been made in the GCC in terms of the number of women in tertiary education and in the workforce, but the number of women in senior management and Board roles in the GCC is still very low. In the GCC female enrollment in tertiary education is on average 68% (UAE 76%) but the female workforce participation ranges from 20% in Saudi Arabia to 34% in the UAE. Moreover, less than 2% of listed Board positions are held by women.

### WOMEN IN SENIOR ROLES IN THE GCC



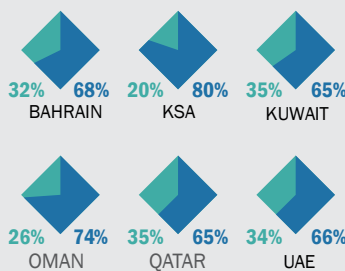
### EVIDENCE FOR THE GENDER GAP

#### ENROLLMENT IN TERTIARY EDUCATION (BY GENDER)<sup>4</sup>



Female enrollment ratio in tertiary education exceeds that of males

#### LABOUR FORCE PARTICIPATION (BY GENDER)<sup>4</sup>



Male labour participation ratio largely exceeds that of females

Sources:  
 1 World Population Prospects, UNFPA, 2013  
 2 Grant Thornton International business report, 2014

3 The leaking pipeline: Why are our female leaders? Grant Thornton, PwC, 2008  
 4 The Gender Gap Report 2014, World Economic Forum & United Nations Statistics Division  
 5 <http://www.csis.org/knowledge/women-boards>

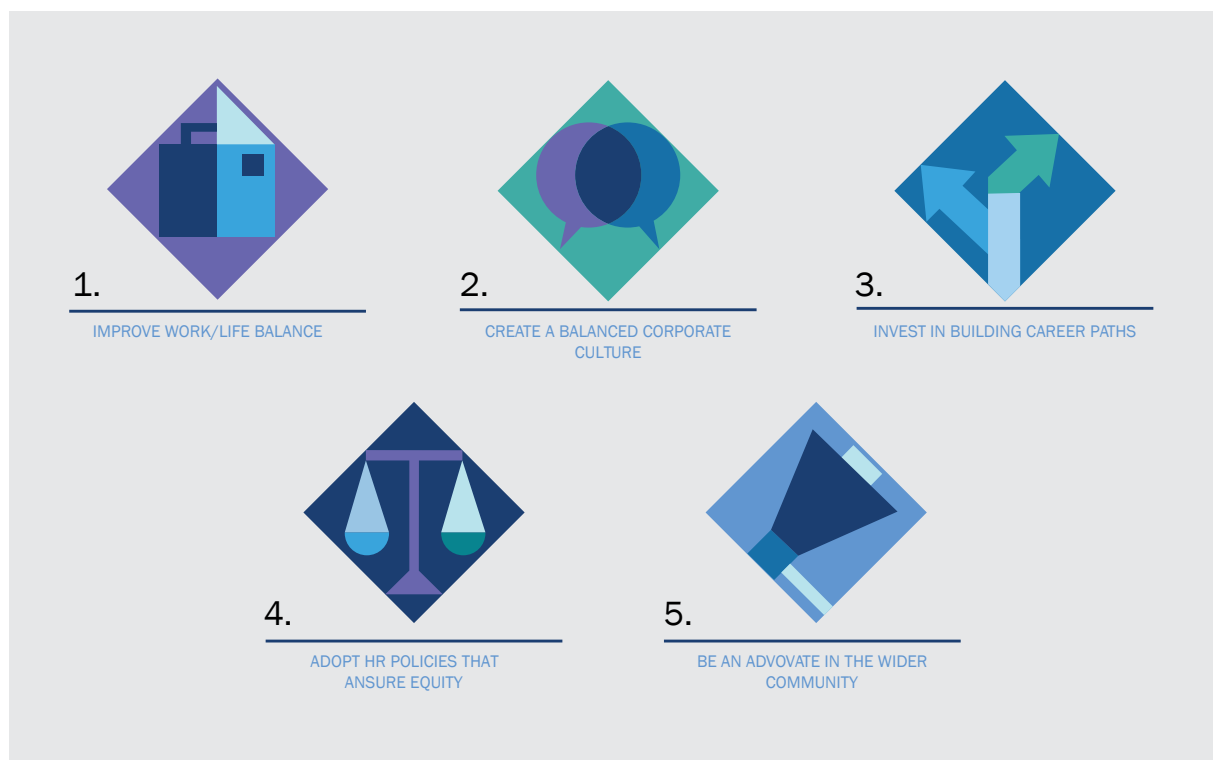
## THE BUSINESS CASE: RESEARCH HOWEVER SHOWS THAT THERE IS A STRONG BUSINESS CASE FOR MORE DIVERSITY AT SENIOR LEVELS:

- Access to a larger talent pool
- Creativity and innovation
- Better decision-making and better corporate governance
- Better financial performance (47% ROE and 55% EBIT)
- Pearl Initiative's new research focused identifying the causes for this talent gap in the GCC and to find what GCC CEOs can do to achieve gender diversity at senior levels.

## KEY FINDINGS: WHAT IS CAUSING THE TALENT GAP?

- Over 50% want to reach senior positions (Personal Ambition)
- 75% feel that their families are supportive; however traditional role models are still prevalent
- Only 45% find it feasible to achieve a good work/life balance
- Only 35% believe men are open to having a female manager
- 76% believe that the most important direct influence in the workplace is their line manager
- Only 27% believe that their organisation's leadership is committed to having women in senior roles
- 80% feel that simply being a woman puts them at a disadvantage at work
- 1/2 of the women opt out by taking career break, other opt out by starting their own business leaving the workforce entirely

## RECOMMENDATIONS: WHAT CAN ORGANISATIONS DO TO IMPROVE THE SITUATION?



# ROUNDTABLE SESSIONS

3 roundtable sessions were held in parallel in the afternoon:

## ROUNDTABLE 1 INTEGRITY THROUGH THE VALUE CHAIN

Despite increasing public attention and impatience with the status quo, corruption comes at great cost for mature and emerging regions alike. What can the private sector do, together with governments and civil society, to take necessary steps to apply ethical standards abroad as well as at home. What are the key imperatives in ensuring integrity across the entire value chain?

The discussion was led by **Saleh Hussain**, President, Saleh Hussain Consultancy and included **Arjen Radder**, CEO Middle East & Turkey, Philip, **Raza Jafar**, CEO, Enshaa, **Hala Abu Alwan**, Head of Advisory and Educational Services, Thomson Reuters and **Neil McInnes**, Partner, Pinsent Masons.

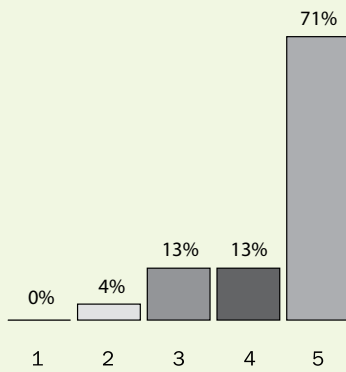




The audience voting results during this roundtable were:

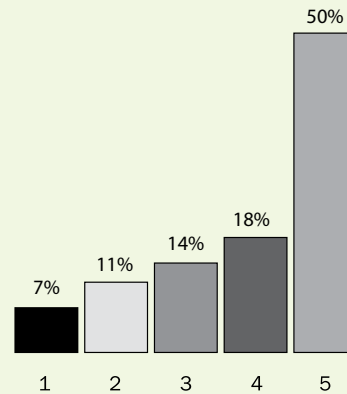
**The majority of firms in the Gulf Region insist on their agents and third party business partners complying with the company's integrity policies and standards**

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree



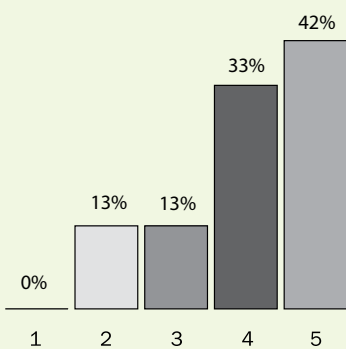
**The Gulf Region will lead in the highest corporate standards of governance and accountability within next 5 years**

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree



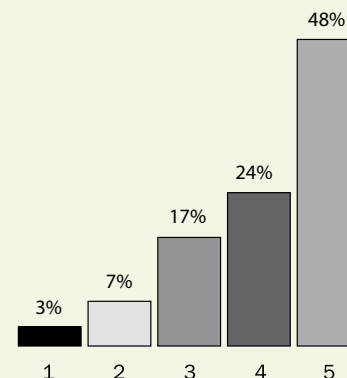
**Organisations in the Gulf Region are carrying out comprehensive, systematic and regular risk assessments**

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree



**The majority of firms in the Gulf Region have a specific policy on anti-bribery and corruption that is embedded throughout their business**

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree



## ROUNDTABLE 2

# GOVERNANCE AND TRANSPARENCY IN BUSINESS AND CIVIL SOCIETY

Good practices in governance and transparency are important in achieving successful outcomes whatever the organisation's mission. What principles and good practices can be shared between private sector companies and not-for-profit entities to ensure effectiveness and accountability? What is the outlook for stakeholders in this region to feel they are getting the information they need to make effective decisions?

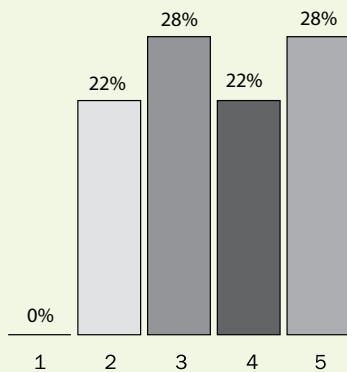
**Clare Woodcraft-Scott**, CEO, Emirates Foundation led the panel discussion which included **Adnan Al Mahmood**, I.T. & Knowledge Manager, GPIC, **Lance Croffoot-Suede**, Senior Partner, Linklaters, **Sunil John**, CEO, ASDA'A Burson-Marsteller and **Alissa Amico**, Manager - Middle East & North Africa, OECD.



The audience voting results during this roundtable were:

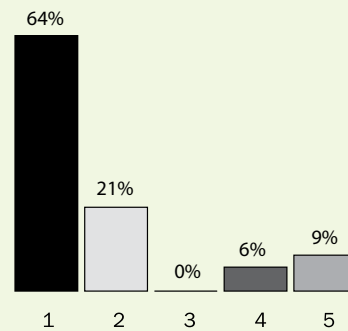
**Rigorous and fully implemented governance and accountability systems are the norm in the Gulf Region - in the not-for profit sector**

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree



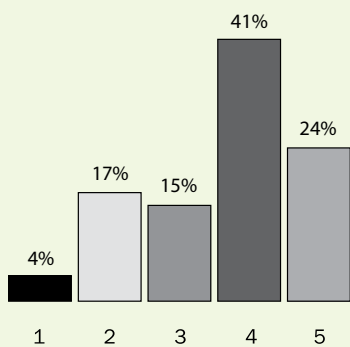
**Not-for-profit and charity organisations in the Gulf region should be obliged to implement good governance and accountability practices and report them publicly**

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree



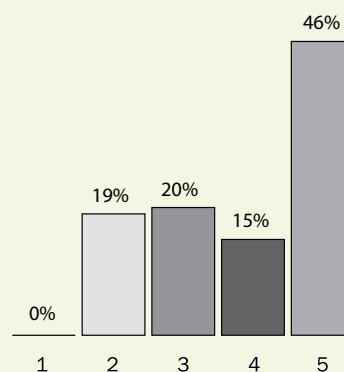
**Rigorous and fully implemented governance accountability systems are the norm in the Gulf Region - in listed companies**

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree



**Rigorous and fully implemented governance accountability systems are the norm in the Gulf Region - in privately-held firms**

1. Strongly agree
2. Partially agree
3. Neutral
4. Partially disagree
5. Strongly disagree



## ROUNDTABLE 3

### FAMILY MATTERS; GOVERNANCE MATTERS

Family firms are the backbone of the Gulf Region's economy and over \$1 trillion of assets is set to be handed over to the next generation of family owners in the next five to ten years. What lessons can be shared and learned about the governance principles and frameworks that work in the Gulf region and can ensure the transition of healthy, well-governed and sustainable businesses through to the next generation and beyond? To what extent can and should investors and business partners be exerting their influence to drive change?

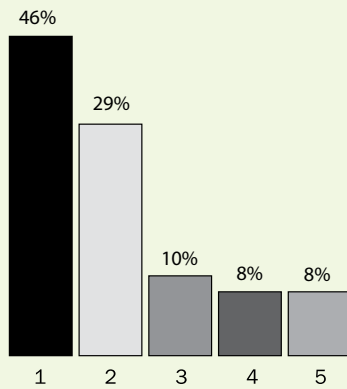
The panel was led by **Ludo van der Heyden**, Chaired Professor of Corporate Governance, INSEAD and included **Muna Al Gurg**, Director, Easa Saleh Al Gurg Group, **Anees Sultan**, General Manager, W.J Towell Company, **Roberta Calarese**, Chief Legal Officer, Majid Al Futtaim and **Adib Rashid**, Partner, EY.



The audience voting results during this roundtable were:

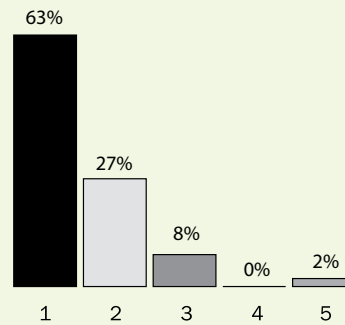
**Gulf Region family-held firms will in the future need to invest and do business in markets outside of their home markets in order to grow and remain competitive**

- 1. Strongly agree
- 2. Partially agree
- 3. Neutral
- 4. Partially disagree
- 5. Strongly disagree



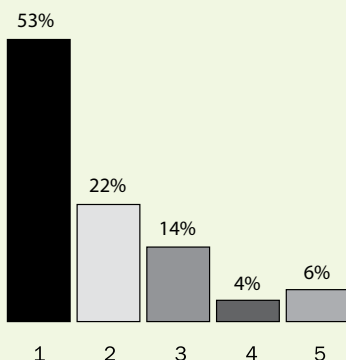
**Family firms should make greater efforts to increase their level of transparency to their stakeholders**

- 1. Strongly agree
- 2. Partially agree
- 3. Neutral
- 4. Partially disagree
- 5. Strongly disagree



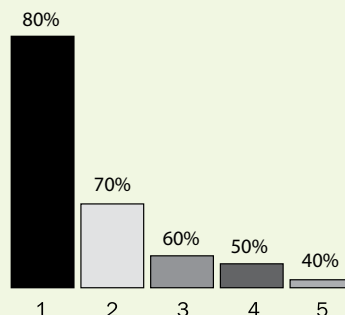
**Governance systems and structures amongst Family Firms in the Gulf Region are a major contributor to the performance and sustainability of these firms**

- 1. Strongly agree
- 2. Partially agree
- 3. Neutral
- 4. Partially disagree
- 5. Strongly disagree



**Gulf Region family firms ought to strengthen their Boards by inviting strong independent members to join their Boards**

- 1. Strongly agree
- 2. Partially agree
- 3. Neutral
- 4. Partially disagree
- 5. Strongly disagree



## GALA DINNER AND RECOGNITION CEREMONY

The Forum concluded with an evening Gala Dinner at the Ritz Carlton Hotel DIFC. His Excellency Sheikh Nahayan Mubarak Al Nahayan, UAE Minister of Culture, Youth and Community Development, and Honorary Chairman of the Pearl Initiative, joined regional and global business leaders at the evening ceremony to honour and recognise the efforts of three distinguished business leaders for their services to promoting a culture of corporate responsibility, fighting corruption and advancement of Arab women in leadership in the Gulf Region.

**H.E. Dr. Abdullah Al Abdulkader** received an honourable recognition for his efforts and dedication in fighting corruption. Established in 2011 by Royal decree in Saudi Arabia, Nazaha aims at protecting integrity and combating corruption and creating work environment of transparency, honesty, justice and equality in the organisations within the Commission's official mandate.

**Georg Kell**, a key architect of the UN Global Compact who has led the world's largest voluntary corporate sustainability initiative since its founding in 2000, establishing the most widely recognized multi-stakeholder network and action platform with over 8,000 members in 145 countries, to advance responsible business practices, was honoured for his longstanding career in promoting corporate responsibility.

**Haifa Al Kaylani** was recognised for a career dedicated to the advancement of Arab women in leadership. In 2001, Al Kaylani has established The Arab International Women's Forum (AIWF), an independent not for profit organisation that has been an agent of change for women in the Arab region encouraging their potential to take greater leadership roles and reach higher levels of responsibility in all sectors of business, public life and in civil society.

Pearl Initiative's Board Members joined Sheikh Nahayan on stage to present the Pearl Initiative Recognitions to the honorees.

*"Throughout our country, there is a strong conviction that we must work with both national and international organisations to guarantee the continued progress of our global-interconnected world. The Pearl Initiative and United Nations Global Compact Forum has helped propel us toward that goal," His Excellency added.*

Speaking at the recognition ceremony, Sheikh Nahayan said: "Improving corporate accountability, transparency, and governance in the Gulf Region will help strengthen society. These measures will help foster future competitive economic growth, spur job creation, and enhance sustainable social development," Sheikh Nahayan said.

The celebratory evening continued as the guests enjoyed a live music performance from the violinist artist, Vanessa Nassar who played a number of international and regional popular music pieces.

The Gala dinner concluded with an enlightening speech by the evening's guest speaker; Dr Michael Hastings: Lord Hastings of Scarisbrick CBE. Lord Hastings shed light on issues at the intersection of business and society helping the audience to see the path forward more clearly.





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## THE LEADING PARTNER FOR LUXURY ACROSS THE MIDDLE EAST

In 2015, the Chalhoub Group, the leading partner for luxury across the Middle East, celebrates 60 years of building brands in the region with passion and excellence. As an expert in retail, distribution and marketing services based in Dubai, the Group has become a major player in the beauty, fashion and gift sectors regionally.

The adventure began in 1955 when Michel and Widad Chalhoub opened the first Christofle boutique in Damascus, Syria. Sharing a special cultural and personal bond with France, the couple created a luxury hub linking the East to the West. Today, with a growing workforce of more than 11,000 people across 14 countries and managing over 600 retail outlets, the Group's success is attributed to its most valued asset: highly skilled and dedicated teams. The Chalhoub Group is a family-owned business chaired by co-CEOs Anthony and Patrick Chalhoub and bound by three main values:

- **Respect for its partners, suppliers, community and environment**
- **Excellence as a role model in everything it does, including providing the best in service**
- **Entrepreneurial Spirit by always pushing its boundaries, creating new initiatives and taking risks**

The Group places its people at the heart of its business by creating specific programmes to attract and retain local national talent, by providing an internationally-recognised education programme through its three retail academies and by offering professional development. People are the key to ensuring the longevity of the business.

Patrick Chalhoub, co-CEO of the Chalhoub Group, said: "Our dedication to sustainable engagement is rooted in our Group values—these have nurtured our environmental and social responsibility. Therefore, to ensure long-term sustainability of the business, the Group has decided to focus on three main pillars: empowering youth through education, environmental sustainability through behavior change and humanitarian assistance through awareness and fundraising for social issues. As a new member of the UNGC, we pledge to align our operations and strategies to the 10 universally accepted principles of the UN, further demonstrating our commitment to the region and its people. We know that it is only the beginning of the journey and we are very excited about the next chapter."





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# FUELLING THE REGION'S FUTURE

Feature Project: Kurdistan Region of Iraq

After signing contracts with the Kurdistan Regional Government for the Khor Mor and Chemchamal gas fields in 2007, Crescent Petroleum and Dana Gas have invested over US\$1 billion and are now producing 80,000 barrels of oil equivalent per day.

The integrated, fast-tracked project has involved upstream development, the construction of a two gas train processing plant and 180km of pipeline across challenging terrain; supplying gas to the main power stations in Erbil and Suleymania and ensuring an uninterrupted power supply for over 4 million people, in contrast to the electricity shortage in other parts of Iraq.

Crescent Petroleum and Dana Gas have not only revitalised the Region's energy infrastructure, but have also impacted the development of Kurdistan's economy as a whole; creating thousands of jobs as well as improving local access to water, healthcare and education.

Furthermore, the use of clean gas instead of diesel for the power plants has also benefitted the government with savings of over US\$3.7 billion annually, and has provided it with the option to redirect its own investments on profiting the community.

The power to change the lives of those who need it the most is one of Crescent Petroleum's most rewarding achievements. It is therefore no surprise that when Crescent claims to be invested in the "future of a nation" it is determined to create that future.

For a full report on what Crescent Petroleum has achieved in the Kurdistan Region of Iraq, visit [crescentpetroleum.com](http://crescentpetroleum.com)



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**Pearl Initiative**

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