



Press Release

Corporate stewardship to become necessity to company operations in post-pandemic era, the Pearl Initiative report finds

- ***The Pearl Initiative launches exclusive report on Gulf business leaders' insights on trends and impact of COVID-19 pandemic***
- ***62 per cent of CEOs say corporate stewardship influence their CSR and ESG initiatives***
- ***76 per cent believe having a robust reporting standard is essential to enhancing corporate stewardship***

June 7, 2021

The Pearl Initiative (PI), the leading independent, non-profit organisation working to improve corporate accountability and transparency in the Gulf region, has launched its exclusive report on corporate stewardship in the Gulf region.

The report, titled 'CEO Perspectives Report: Corporate Stewardship in Times of Crisis', provides in-depth insights from 35 regional business leaders, including eight female executives, from across 14 industries on their perceptions on corporate stewardship, its implications, as well as the impact of COVID-19 on corporate stewardship and its future in the Gulf region. Corporate stewardship is defined by the Pearl Initiative as a principle based on creating shared values across the company while also addressing the triple bottom line which is people, planet, and profit.

The launch took place at a virtually held roundtable, convened by Ranya Saadawi, Executive Director at Pearl Initiative, in the presence of eminent industry leaders like Jamal Fakhro, Managing Partner of KPMG Bahrain; Ayman Tamer, Chairman and Managing Partner of Tamer



Group; and Zahara Malik, CEO and Co-founder of Grosvenor Capital, along with other PI officials and prominent media personnel.

As per one of the findings from the report, 62 per cent of chief executive officers (CEOs) in the Gulf region consider corporate stewardship as the guiding principle that influences their decision on the corporate social responsibility (CSR) and Environment, Social and Governance (ESG) initiatives of their organisations.

Badr Jafar, Founder of Pearl Initiative and CEO of Crescent Enterprises, said: “We mustn’t see the individual components of E, S and G as being mutually exclusive. They are linked, and we cannot do justice to any one of them without the other. Environmental and social goals are two sides of the same coin, and I like to think of the governance dimension, the G, as the edge of that coin, which binds everything together. In fact, governance in many ways is the most important aspect of the ESG agenda, as strong corporate governance creates the foundations upon which a business’ agenda of corporate stewardship is built.”

According to the report, most of the participating companies found it essential to implement corporate stewardship from the top of the organisational hierarchy for it to become effective and be followed by employees. It further revealed that while corporate stewardship is primarily led by the C-suite executives and the HR department, internal stakeholders such as employees and investors have been gaining influence on the social mandates of their organisation.

The report also underscored that while corporate governance ensures meeting the minimum standards, corporate stewardship opens the opportunity for organisations to take the maximum benefit for both the company and its wider stakeholder community.

Of the CEOs featured in the report, 76 per cent agreed that having a robust reporting standard is essential in their business processes and believed that aligning them with international



reporting standards such as the Global Reporting Initiative (GRI) would enhance corporate stewardship.

The COVID-19 pandemic also weighed on companies, prompting them to review their corporate stewardship and ESG commitments, which are areas often given the least priority during tough times. However, businesses are now revisiting their internal governance frameworks to readjust policies to ensure business continuity. Companies also reassessed their risk management protocols to ensure stakeholder value, regulatory compliance, and business resilience.

“We believe that firm and forward-thinking corporate stewardship will determine the future of economic success across the Gulf, in tandem with the trends we are witnessing in other regions,” Ayman Tamer said.

The report further suggested that it is crucial for companies to evaluate the long-term effects of COVID-19 across the region, both from economic and geopolitical perspectives, and an understanding of how other industries and sectors are coping. These are critical for the development of the business going forward, it added.

The report also found that the pandemic has initiated companies to refocus their CSR investments to support other components such as activities that are more responsive to the needs of their stakeholders, community and frontline staff who deliver essential services. Technology adoption and improved employee health and safety, as well as employee retention scored high in terms of priorities following the pandemic.

Jamal Fakhro highlighted the importance of engaging and educating the youth, who will inevitably comprise the future workforce.



“As it stands, the corporate environment is fast-paced and has ever changing policies. Meanwhile, the youth make up more than half of the total population in the Gulf region. They have a huge influence on raising awareness on various areas of concerns today, which will be the catalyst for positive change as they live in an environmentally challenged world,” Fakhro said.

Prior to the global health crisis, companies had a strong focus on environmental initiatives such as switching to energy-saving appliances and establishing standards to reduce the consumption of resources. Going forward, people will see a growing link between nature, environmental protection, urban design systems and the overall health of the public.

Commenting on the report, Ranya Saadawi said it examines how c-suite executives manage their businesses despite challenges posed by unprecedented events such as the COVID-19 pandemic.

“The pandemic had a far-reaching impact on the future of corporate stewardship, bringing it to the forefront where companies need to start creating stewardship agendas to remain relevant and resilient to future uncertainties. Most of the executives who responded to the interviews have a firm belief that corporate stewardship will become an essential aspect of the daily operations of businesses across the Gulf,” Saadawi said.

Regardless of sector or industry, COVID-19 has made companies address key trends such as embedding environmental sustainability practices across the business’ supply chain; engaging and educating youth and the future workforce; prioritizing the physical health and mental well-being of employees and their families; and establishing effective reporting and communication channels.

--End--



Media Coverage

The press release was featured in numerous new outlets across the Gulf Region, Middle East & North Africa and Europe, including:

- Gulf Today

Corporate stewardship to become necessity for firms' operations



Dubai: The Pearl Initiative (PI), the leading independent, non-profit organization working to improve corporate accountability and transparency in the Gulf region, has launched its maiden report on corporate stewardship in the Gulf region.

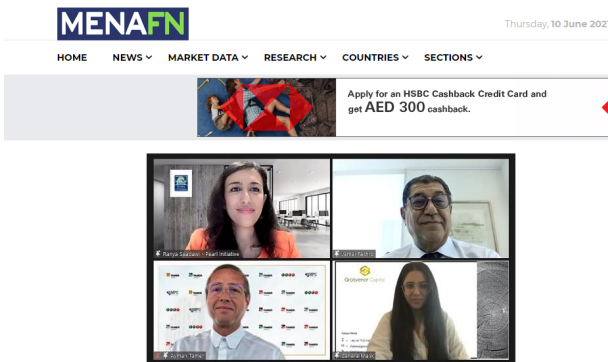
The report, titled "Corporate Stewardship in the Gulf Region: A Framework for the Future", provides a comprehensive overview of the current state of corporate stewardship in the region, highlighting the challenges and opportunities ahead.

The report also outlines the Pearl Initiative's vision for the future of corporate stewardship in the Gulf region, emphasizing the need for a holistic approach that encompasses all stakeholders, including employees, customers, and the community.

The Pearl Initiative's report is a landmark document that sets the benchmark for corporate stewardship in the Gulf region. It provides a clear framework for companies to follow, ensuring that they are not only profitable but also socially responsible and sustainable.

The report is a testament to the Pearl Initiative's commitment to transparency and accountability. It is a call to action for all companies in the Gulf region to embrace corporate stewardship as a core part of their operations.

- MENA FN



Corporate stewardship to become necessity to company operations in post-pandemic era, the Pearl Initiative report finds

Date
6/7/2021 12:00:00 AM

Share on Facebook

Tweet on Twitter

G+

in