



Fostering a Corporate Culture of Accountability and Transparency

The Gulf region's business community celebrates a decade of collective action with the Pearl Initiative

- Over the past decade, the Pearl Initiative convened 12,500 business leaders, conducted 222 training sessions and workshops, and published 155 reports, case studies making the business case for corporate governance across the Gulf region.
- 74% of 200 business leaders who attended the forum believe that artificial intelligence and big data tools will help inform and accelerate accountability and transparency of companies

Sharjah, xx February 2022: The Pearl Initiative, a leading Gulf-based, business-led, non-profit organisation, hosted its global virtual forum: “The State of Affairs of Corporate Governance in the Gulf Region”. Attended by over 200 business leaders and executives from across the Gulf region, the forum celebrated the Pearl Initiative's 10th anniversary and the journey of the collective business community in the Gulf region in achieving economic and sustainable business growth.

The forum featured fifteen prominent business leaders, entrepreneurs, international and regional policymakers and government ministers from the Ministry of Youth and Sports Affairs of Bahrain, the Basel Institute on Governance, OECD, World Economic Forum, Careem, GetBee, Jubaili Bros., KPMG, Letswork, Meta (Facebook), Nesma, stc, talabat, and Tharawat Family Business Forum. All delegates reflected on how corporate stewardship and governance improved their organisations and the wider business community.

The forum welcomed His Excellency Aymen Tawfiq Almoayed, Minister of Youth and Sport Affairs of Bahrain, who discussed the Gulf region's next-generation business leaders and incoming workforce and ways to employ governance, measurement, and evaluation into government entities. His Excellency stated, “A hopeful community, becomes a productive community, and therefore the mandate of the Ministry of Youth is to simply synthesise hope. In order to turn this into operational excellence, we have developed dashboards to measure whether Bahraini youth feel safe, seen, supported, wanted, trusted, and hopeful. It is also important to ensure that young individuals know and understand their psychometric readings, and can identify their strengths and skills, while readily providing them with the opportunities



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that fit their unique skillsets and personality traits. Such insights are shared with the business community to develop programmes and initiatives to support our future business leaders.”

Jamal Fakhro, Managing Partner of KPMG-Bahrain & Chairman of Pearl Initiative’s Board of Governors highlighted the Pearl Initiative’s vision, and said: “While we celebrate the journey and achievements of the Pearl Initiative and the business community over the last ten years, we also acknowledge the ongoing journey towards enhancing corporate governance in the Gulf region. The COVID-19 pandemic from 2020-2021 highlighted that corporate stewardship and environmental, social and governance principles (ESG), are not ornamental, but are rather fundamental to the resilience and prosperity of our businesses and future generations.”

Global and regional experts from the World Economic Forum, Basel Institute on Governance, stc and Meta (Facebook), shed light on the significant developments in the anti-corruption landscape, and the shift towards making it a business priority to create a proactive and holistic model that combines business ethics and integrity. Jaleel Ghani, General Manager of Corporate Ethics & Compliance at stc, highlighted: “The essence of compliance goes beyond following rules. At stc in Saudi Arabia, we focus on implementing a culture of sustainable change, making sure we provide our employees with the required education and training to move away from enforcing rules and policies, but rather clarify the intent behind these policies.”

As micro, small and medium-sized enterprises (MSMEs) account for over 90% of all companies operating in the Gulf region and contribute to the bulk of the economic growth and job opportunities, the forum hosted prominent leaders of start-ups and tech companies to discuss the importance of ethics and values as the underpinnings of a company’s culture and key drivers of business growth. The panel agreed that corporate governance is an important investment that will pay off for the growth and sustainability of businesses who are attracting investment and expanding their business beyond their borders. Omar Al Mheiri, Co-Founder of Letswork, stated, “As an Emirati tech start-up, our main concern is culture as we grow our team from two to twenty employees. This involves integrating the culture into a formal structure of corporate governance and that means bringing the right people in to help us make decisions while still maintaining our own internal ethics and culture”.



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The forum's program included a dedicated session on family firms, a segment that contributes to over 60% of the Gulf region's non-oil GDP. During the session, prominent family business owners shed light on the importance of good governance for business sustainability and longevity, especially through succession planning and diversity in leadership. With an imminent generational shift in leadership and 1 trillion USD in assets expected to be passed onto the next generation in the next decade, the Gulf region family business community is increasingly adopting high standards of governance and accountability.

Noura Alturki, Vice President of Nesma, said: "Diversity and inclusion are often associated only with women and gender diversity. However, for family firms and businesses, diversity in leadership must be all-encompassing, looking at the role of independent directors and board of governors and the need for diversity of leadership in terms of age, sector experience, and opinion."

ESG principles remain an ever-increasing business imperative within the Gulf region and globally and go beyond just reporting and regulatory measures. The Pearl Initiative is a non-profit action-oriented platform underpinned by the business case for adopting a culture of strong corporate governance within the Gulf region. It strives to create measurable impact by 1) conducting applied research and disseminating relevant knowledge on governance best practices; 2) convening relevant stakeholders and facilitating conversations and networking opportunities; and 3) providing locally relevant training and educational opportunities for the business community and future business leaders. The organisation spearheads programmes that deliver data-driven insights and amplifies the importance of corporate governance principles as a business imperative to support corporations, family firms, micro, small and medium-sized enterprises (MSMEs), and philanthropic organisations in applying governance standards including through diversity and inclusion, anti-corruption practices, and environment, social and governance (ESG) reporting.

Over the past decade, the Pearl Initiative has developed and published 155 research reports and data-driven publications, and convened 12,500+ business executives in 222 roundtables, workshops, and webinars held across the Gulf region. The work of the organisation also cuts across the student community, engaging with 43 universities across the Gulf and reaching



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over 11,000 university students in activities promoting the business case for governance and sustainability.

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About the Pearl Initiative

The Pearl Initiative is the Gulf region's leading independent, non-profit organisation working to promote the business case for a corporate culture of accountability and transparency. The organisation was established in 2010 by regional business leaders in cooperation with the United Nations Office for Partnerships. The Pearl Initiative is the only private, non-profit Gulf business network to receive special consultative status from the United Nations Economic and Social Council.

The Pearl Initiative runs a series of corporate governance-related programmes, including Anti-Corruption Best Practices, Diversity in Business Leadership, Governance in MSMEs, Governance in Family Firms, Governance in Tech, and Governance in Philanthropy. The organisation also conducts locally relevant research, hosts workshops and executive education training sessions, and convenes business leaders, policy makers, students, and non-profit executives to encourage a proactive approach to implementing best practices in the workplace across the Gulf region.

With a growing network of over 40 regional and international partners, the Pearl Initiative continues to strive to be the leading business-led action-oriented platform to advance corporate governance as a key driver of competitiveness, job creation, and sustainable economic growth across the Gulf region.

For more information, please visit www.pearlinitiative.org and check out our Social Media Channels: @PearlInitiative on Facebook, YouTube, and Twitter and @ThePearlInitiative on LinkedIn.