



*Organisation granted Special
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ECOSOC since 2019*

Reporting period: 2018 - 2020

Communication on Engagement

Demonstrating the Pearl Initiative's continued engagement with the UN Global Compact

Submitted to: United Nations Global Compact

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The Pearl Initiative

UN Global Compact – Communication on Engagement

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Pearl Initiative

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Executive Director's Letter of Continued Support

06 June 2021

Dear Esteemed Stakeholders,

It is with great pleasure that I would like to affirm the Pearl Initiative's continued support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In the following Communication on Engagement (CoE), you will find attested, an overview of our activities, and the numerous projects and events we have undertaken to support and encourage the UN Global Compact's mission.

The Pearl Initiative also pledges and commits to knowledge-sharing through our programmes and interventions that bring together the business community and civil society. In alignment with our vision as an organisation, we commit to continued transparency in sharing this information [every two years](#) to our stakeholders, to whom we remain accountable.

As a nonprofit organisation working in a diverse spectrum of areas across the Gulf region, the Pearl Initiative has had the opportunity to collaborate with a variety of partners and stakeholders, all of whom support our work towards furthering transparency and accountability for business innovation. Through a range of longstanding partnerships, we have widened the scope of our work as highlighted in this CoE.

Yours Sincerely,

Ranya Saadawi

Executive Director
Pearl Initiative



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About the Pearl Initiative

Business leaders from across the Gulf region formed the Pearl Initiative in 2010 to create a non-profit organisation for the Private Sector to collectively embrace the business case of adopting higher standards in corporate governance, accountability, and transparency to enhance business innovation, opportunity, and value creation.

With over 40 regional and international partners, the Pearl Initiative brings together business, policy, and social sector decision-makers to share best practice and help maximise sustainable and inclusive growth across the region. The Pearl Initiative also supports Gulf-based university students to identify and embrace strong ethics and integrity as they embark on their future careers.

What We Do



With its growing network of Partner Companies, the Pearl Initiative is committed to driving collective action, exhibiting positive leadership, and sharing knowledge and experiences to positively influence regional businesses and student communities. Through this approach, the Pearl Initiative is committed to assisting its stakeholders implement higher standards in corporate governance, anti-corruption, diversity, integrity, and reporting.

To reach and influence the business and student communities, the Pearl Initiative develops and tailors programmatic activities based on community demand, by conducting a market needs assessment to identify gaps and challenges within the business ecosystem and address the topic areas that are of key interest to our stakeholders and the Gulf region.



Our Programmes

Anti-Corruption Best Practices

Pearl Initiative's Anti-Corruption Best Practices Programme (ACP) was launched in 2015, with the goal to influence the mindset and behaviour of business leaders, government representatives and students across the GCC through education, incentivisation, and by building a local community to share good integrity practices.



A majority of privately held businesses in the Gulf do not have well-defined or fully implemented integrity practices; including a lack of anti-bribery and corruption policies, and code of ethics. Many organisations struggle with how to implement and embed such practices rigorously, often due to the perceived time investment and complexity. Through building a community of regional organisations, the ACP supports businesses with embedding culturally relevant solutions to embed and drive better internal integrity practices; in-turn strengthening the wider regional ecosystem.

Diversity in Business Leadership

Companies across the Gulf region are taking notable strides in implementing Diversity & Inclusion (D&I) initiatives within their companies. A distinct characteristic of Gulf region is that there are more than 200 nationalities; and this diverse workforce raises the need for employers to consider cultural differences and inclusion at every level of their organisation.

The Pearl Initiative's Diversity in Business Leadership programme was launched in 2014 in collaboration with Sharjah Business Women's Council (SBWC) and NAMA to raise awareness of how diversity and inclusion (D&I) are pillars of effective corporate governance. Ever since, the programme has taken great strides in informing the corporate space on the significance of Diversity and Inclusion as an essential framework of business operations.

"It has been an interesting, insightful, and very educational webinar. I liked the best practices implemented by a variety of companies, and this will certainly help me to enhance our policies and build a stronger inclusive culture."

Director Human Resources, Hyatt International

Pearl Initiative interacts with corporate, government, educational, public sector, and non-profit entities to ensure a holistic approach to understanding the D&I needs of businesses across the Gulf.

Governance in Family Firms

Family firms are the backbone of the regional economy – comprising over 90% of private commercial activity. Yet still, only 14% of family-owned businesses continue to be profitable in the third generation. Launched in



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2012, Family Firms is one of the Pearl Initiative's flagship programmes, addressing key governance issues, trends and existing best practices adopted by family firms across the Gulf region with the aim of promoting family business longevity and sustainability.

With a sizeable wealth and asset generational transfer imminently occurring, it is now more pertinent than ever for family firms to have an effective and timely succession plan in place. Research has highlighted that succession planning is a key issue for family firms across the Gulf region – with over 53% raising it as a point of concern.



The integration of the next generation of family members is key to effective succession planning. Most next-gen members are struggling to merge their interests with the objectives and values of their family business; particularly as their vision for the business is often divergent from that of the Patriarch. An alignment between the goals of the next-gen and that of the family business is key to the longevity and sustainability of business operations.

As such, the Governance in Family Firms programme aims to strengthen the overall ecosystem in which regional family businesses operate by providing capacity building opportunities through research, networks, trainings, and student engagement.

Governance in Philanthropy

As the landscape of philanthropic giving continues to evolve in the Gulf region, marked by the growing role of the private sector in addressing social and environmental challenges, so has the demand for knowledge, tools, and resources to devise strategic philanthropic and corporate responsibility plans. As part of the Pearl Initiative's mission to drive good corporate governance across the private sector, the Governance in Philanthropy programme, supported by the Bill & Melinda Gates Foundation, strives to achieve the same in the way that businesses and family firms engage in philanthropic giving.

“Hearing about the Circle members’ experience with their sustainability strategies as well as their experiences with vendors in the industry and how they went about to develop and implement their strategies helped us in crafting and putting together a long-term strategy for our flagship programme.”

SEDCO Holding, KSA

By raising awareness, creating networks, and inspiring action, our programme provides individuals and professionals working in the sector with the knowledge and know-how to improve their giving practices and optimise the impact of their investments. On a higher level, our programme promotes the regional transition away from the traditional way of thinking about philanthropy, CSR, and corporate giving, to a more strategic understanding of the vehicles to drive greater impact.



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Governance in MSMEs

Micro, small and medium-sized businesses (MSMEs) account for over 90% of all companies operating in the Gulf and are anticipated to provide the bulk of the economic growth and job creation in the short and long-term. Global research has shown that MSMEs with good corporate governance policies and frameworks demonstrate increased stability and trustworthiness.



The Pearl Initiative's Governance in MSMEs programme was launched in 2017, to enhance the competitiveness of the Gulf Region's micro, small, and medium-sized enterprises (MSMEs) sector by raising its standards of corporate governance. Now more than ever, MSMEs are facing pressure to provide evidence of robust corporate governance to shore-up interim emergency support from investors and government alike.



Engagement with the UN Global Compact

Pearl Initiative is an active member of the **UNGC-LN UAE Board**, contributing to discussions around key activities and priorities for the local network in the UAE. We also provided valuable insights into the non-profit set-up of the entity in 2019.

Over the past few years, we have engaged with key members to raise awareness on the SDGs, sustainable finance, and ESG. This includes launching a bespoke webinar series in partnership with the UNGC-LN UAE and the World Green Economy Organisation in 2020. The series brought together **over 400 participants in 5 different sessions** that highlighted best practices in **sustainable finance, corporate leadership, and workplace cultures**.

As part of the webinar series, we supported the network by enhancing their reach across the Gulf region through our outreach activities to secure both participants and speakers. Introductions to many companies were made, including Emirates NBD, Naboodah Group, and Asda'a-Burton.

In addition, we collaborated with ampUz, an active member of the UNGC, to raise awareness on the SDGs and their alignment to business operations and CSR initiatives.

Further, we participated in the network's **Women's Empowerment Principles (WEPs) taskforce**, which was set up to improve the implementation of D&I strategies across the private sector.

UNGC Webinar Series
5 videos • 2 views • Last updated on Jan 12, 2021

1 **Webinar | Corporate Leadership in Times of Crisis: Embracing Uncertainty**
Pearl Initiative
WATCHED 1:05:35

2 **Webinar | Gulf Businesses Beyond COVID 19: Shaping New Realities**
Pearl Initiative
WATCHED 1:01:36

3 **The Corona Effect: Changing Circumstances, Changing Cultures**
Pearl Initiative
58:21

4 **COVID 19 and the Green Economy: Youth Engagement for Regional Success**
Pearl Initiative
59:32

5 **Sustainable Finance and the Private Sector Responsibility: Sustainability in the time of COVID 19**
Pearl Initiative
59:21

About ampUz

- We are an independent, mission driven, impact & sustainability company
- We help corporates, foundations, and social enterprises share data driven stories
- We help organizations with impact & sustainability strategies, measurement, thought leadership, and reporting
- We believe people & technology can be smarter and more responsible together

Webinar | Deconstructing the SDGs for Impact
40 views • May 21, 2020

Webinar | Corporate Leadership in Times of Crisis: Embracing Uncertainty
400 views • May 19, 2020

Pearl Initiative, GCN-UAE and World Green Economy Organization Webinar Series

Corporate Leadership in Times of Crisis

18 May 2020
12:00 - 13:00 GST

Speakers: Patrick Chelchobol (CEO, Chelchobol Group) and Dr. Diana Aswad (United Nations Resident Coordinator for the UAE)



Programme Measurement & Impact

At the Pearl Initiative, we strive to promote and incorporate a company culture of transparency and integrity. Our flagship programme, 'Anti-Corruption Best Practices', was launched in collaboration with support from Siemens Integrity Initiative, to create a **collaborative platform** that engages with stakeholders from the private sector, universities, and students, with the objective to enhance their ability to envision and action integrity best practices within their organisations and in their corporate lives.

To conclude the grant, the Pearl Initiative conducted an Impact Evaluation to assess the programme's outreach, and social impact to all the stakeholders involved. Over 5 years, the programme convened more than **500 business leaders, 4000 students** and conducted **25 region-wide events**, both in person and virtually. Among business leaders and government representatives who participated in the evaluation survey, **53% increased their knowledge** while **57% implemented some sort of change** in their organisation. Among students, **70% increased their knowledge** in anti-corruption best practices.

Our day-to-day operations align with corporate sustainability and establishing a resilient company culture. The Pearl Initiative equips the private sector with the knowledge and tools to engage in and implement **robust sustainable restructuring** while also allowing smaller businesses to remain resilient over the years. All our partners have the opportunity to showcase their **best practice initiatives** in business as part of their **social responsibility efforts** in the region.

During the pandemic, the Pearl Initiative pivoted its programming to a virtual platform. In 2020, we **held 75 events**, featuring **95 expert panelists** from the Gulf. These sessions attracted a mixed audience of **business leaders (over 2900)** and **students (450)**. We have also published over **30 resources and toolkits**, delivering practical guides to enhance the governance frameworks of the business community.

With every activity or intervention undertaken at the Pearl Initiative, we aim to record and measure data that ultimately delivers impact. We measure our impact through:

- Post-event surveys that aim to understand both the satisfaction of our interventions (roundtables, panel discussions, workshops, etc) and the acquisition of relevant information of primary interest areas from our stakeholders for future programming,
- Stakeholder engagement via qualitative interviews to better understand how the Pearl Initiative's programmes have addressed the needs and challenges faced on the ground,
- Benchmarking exercises that allow us to make a comparative analysis of organisations' across different sectors, industries, and sizes; and the attribution rate of impact we have on them.