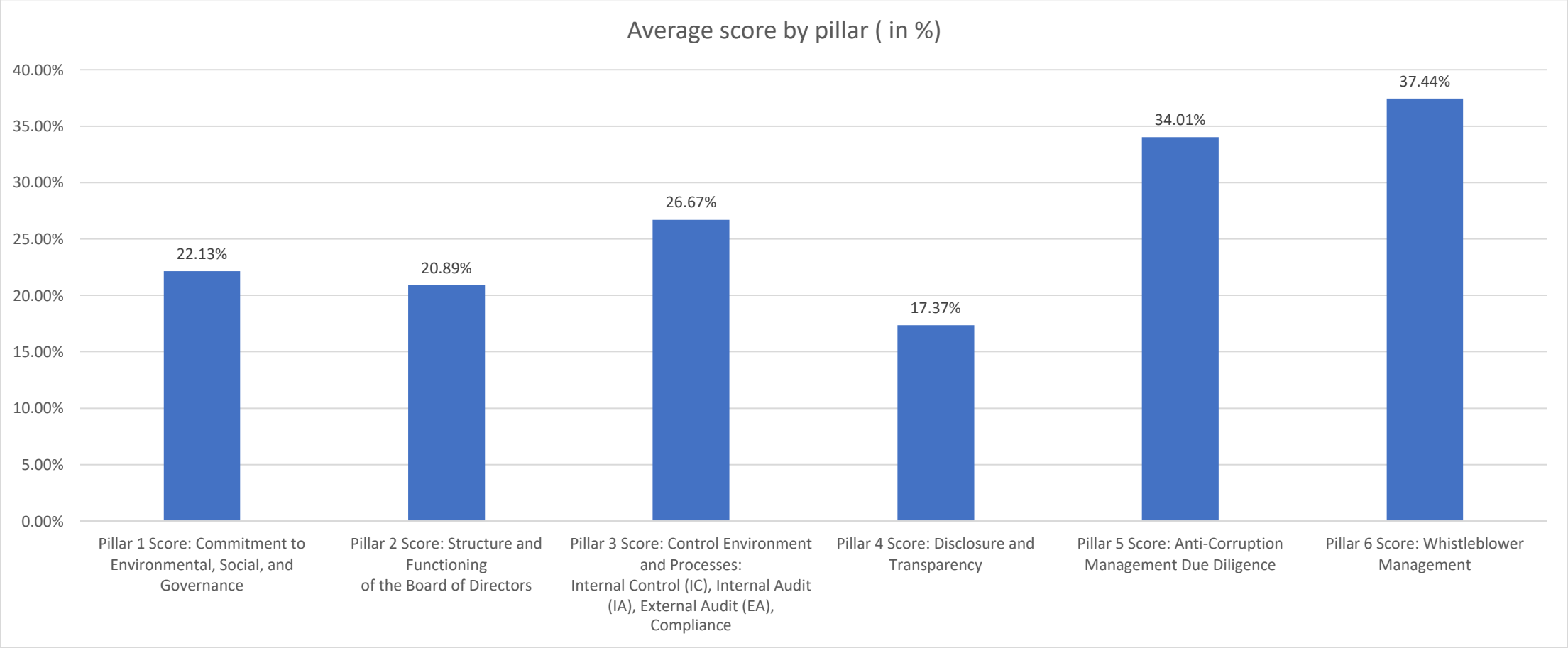
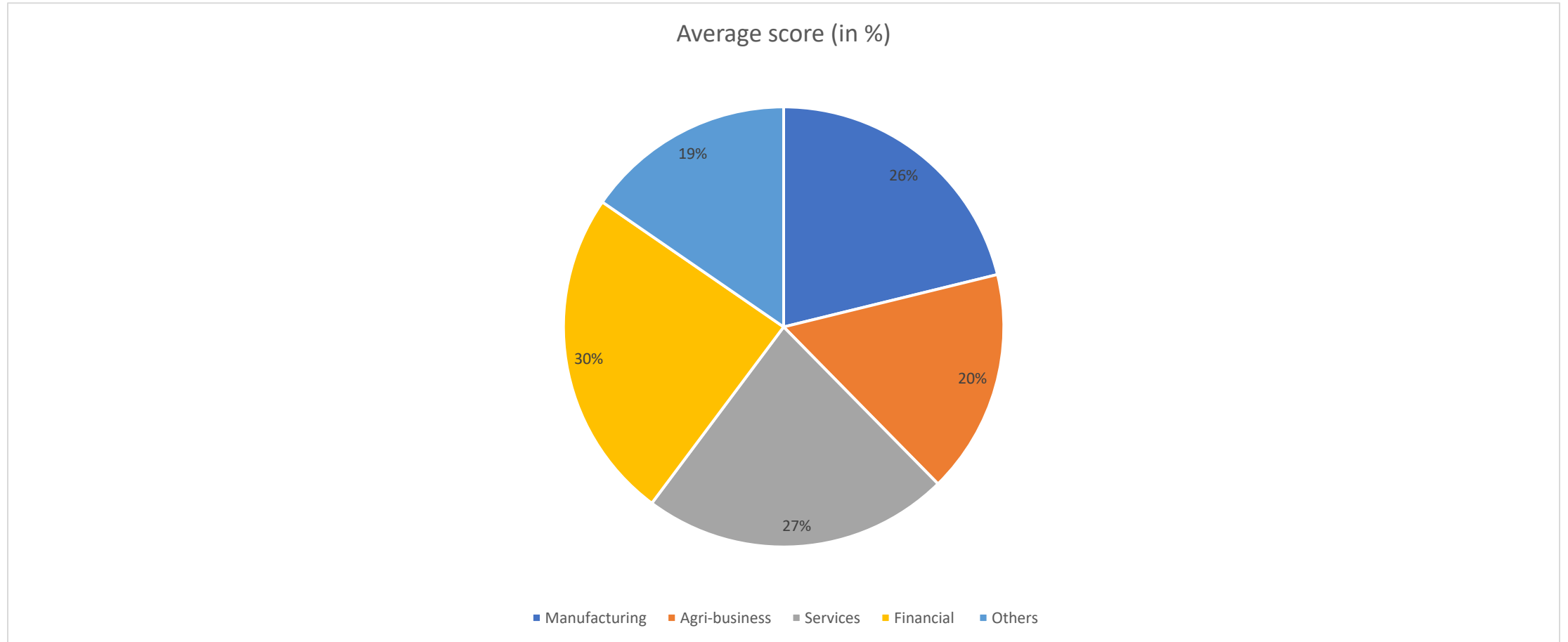


Nexus between Anti-Corruption and Private Sector Development in the MENA Region

Sample 1: Lebanese SMEs that aspire for improvement of their governance and integrity structures in the absence of any ESG or anti-corruption compliance legal and regulatory requirements.

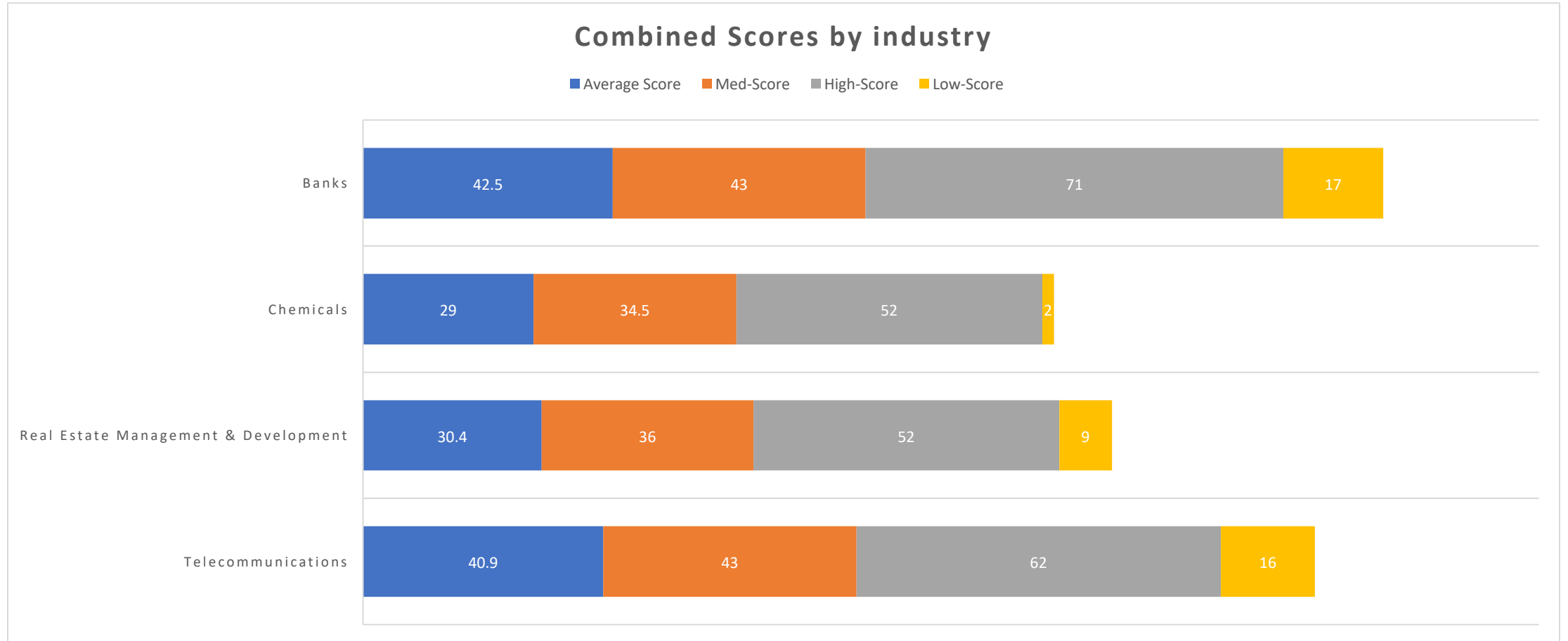


Scores by Industry



Women-led and female-merit-led companies have outperformed men-led companies in terms of average ESMS scores and one-year score improvements, our findings emphasize the leadership potential of companies with active roles female leadership for driving a company's ESG strategy and better integrating ESG values into the fabric of the Lebanese business landscape.

Samle 2: Large 100 listed companies



Scores By Pillar

Industry	Pillar 3 Control Environment	Pillar 2 BoD	Pillar 4 Discloure & Transparency	Pillar 5 Anti- Corruption	Pillar 6 Whistleblower mgt
Banks	47%	38%	72%	22%	28%
Chemicals	33%	26%	56%	11%	14%
Telecommunications	55%	29%	69%	23%	39%
Real Estate Management & Development	45%	30%	48%	11%	23%
Average Across Sectors	45%	31%	61%	17%	26%

Pillar 3: Anti-Corruption

Pillar 3 Indicators	Banks	Chemicals	Telecommunications	Real Estate	Average
Does the company have Code of Ethics? And is this posted in full public view?	19%	13%	9%	10%	13%
Does the company publish its Policy and Procedures against bribery and corruption?	12%	0%	9%	10%	8%
Does the company provide a whistleblowing mechanism accessible to all stakeholders (internal/external)?	14%	0%	18%	20%	13%
Does the company's annual report and investor relation page entail a Chairman/CEO statement regarding corporate governance?	47%	0%	9%	10%	16%
Does the company provide a Discussion of Corporate Strategy (mission, vision, strategy...)?	65%	38%	55%	40%	49%
Does the company disclose information about investment plans in the coming years?	16%	38%	18%	26%	23%
Does the company indicate market shares for any or all of the company's businesses?	30%	13%	20%	10%	25%
Does the company publish an output forecast?	7%	7%	9%	7%	7%
Does the company provide an overview of trends in its industry?	14%	0%	27%	0%	10%
Is the company a Signatory to national or international declarations on good governance?	0%	0%	0%	0%	0%
Average	22%	11%	23%	11%	14%

ESG guidelines of researched Securities Markets in MENA

Exchange	Country	No of top 100	Year of establishment	Relevant law or authority and year	Current ESG/ESMS rules and year of issuance
SSE (Tadawul)	Saudi Arabia	39	Informal since 1950s, index creation (TASI) 1985	Capital Market Authority and Capital Market Law 2003	CMA strategy 2024-26 under Saudi Vision 2030 (Shareholder protection focus)
ADX	UAE	19 (UAE total)	2000	Securities and commodities authority (2002)	ADX Rule booklet (no ESG references)
DFM	UAE		2000	Securities and commodities authority (2002)	ESG Guide of 2023
QSE	Qatar	18	1995	Financial Market Law of 2012 and QSE Rulebook of 2023	Homepage tab on ESG and related disclosure resources under Qatar Vision 2030 umbrella
KSE	Kuwait	11	Established 1977, privatized 2016-19	Capital Market Authority and Law of 2010, Boursa Kuwait Rulebook 2019	Corporate Sustainability commitment in 2017, ESG Reporting guide (optional, 2023) under New Kuwait 2035 umbrella
EGX	Egypt	5	1883	Capital Market Authority, Capital Market Law of 1992, last amended in 2022	Model guidance for reporting on ESG performance and SDGs (2019, non-binding)
CSE	Morocco	5	1929	Capital Market Authority (AMMC), various laws since	Creation of ESG benchmark index in 2018, publication of ESG guidebook (2017, French language) 'in preparation of future reporting obligations'
ASE	Jordan	2	1999	Jordan Securities Commission Securities law of 2002	Sustainability and climate related disclosure frameworks to be phased in from 2026, first for ASE 20 index companies
MSX	Oman	2	1988	Capital Market Law (1998)	ESG disclosure guidance for listed companies (2023)
BSE	Bahrain	1	1987	Central Bank of Bahrain Capital Market Law (2009)	Voluntary ESG reporting guideline (2020) integrated under goal of Bahrain 2030

Reality Check

- **Companies**

All Arab companies, if they aspire to grow in international markets or attract investors to fuel domestic growth, are highly advised to build the capabilities of managers and board directors and take the lead in changing the indifferent attitudes that so far have prevailed in regard to corporate governance.

- **Regulators**

Compliance across the nine countries and 100 companies, current disclosure practices reveal much need for increased market regulations and compliance mandates against the fact that there is a lack of voluntary commitment to corporate governance principles on behalf of firms and on behalf of regulators. It is apparent that appeals of self-regulation are insufficient.

- **Shareholders**

Investors and shareholders can use the data of corporate governance assessments to pinpoint cases where firms have failed to comply with minimum legal requirements.

- **Governance and Integrity stakeholders**

A soft infrastructure of reliable and accurate information compilation, analysis, and dissemination is a vital need of investors and regional economic planners alike. The development of a culture of ESG compliance and governance integrity will establish and strengthen a nexus of mutual reinforcement between integrity and sustainability in the regional economy and within national economies of the MENA region.

To address today's most pressing global challenges, government action alone is insufficient. The ethical private sector must play a pivotal role in identifying innovative and efficient technical solutions and adopt behaviors that mitigate corruption risks.

Their engagement is critical in combating corruption, fostering economic development, ensuring fair and secure markets, and safeguarding the overall well-being of societies.

Multi-Stakeholder Program of Collective Arab Action (MSPCAA)

The aim of a **Multi-Stakeholder Program of Collective Arab Action (MSPCAA)** is to provide MENA corporations with practical knowledge and capabilities to help them establish a solid structure in line with international best ethical practices.

The core objective is to nurture a vibrant corruption-mitigated ecosystem with innovation and investment, fortifying the long-term viability of companies and increasing their intrinsic value.

MSPCAA program will encompass but are not limited to:

- Equipping companies with essential skills and capabilities necessary for attracting investment;
- Enhancing the market readiness and competitiveness of companies;
- Increasing access to finance for gender-responsive, women-led businesses;
- Reaching positive inflection points in corporates' growth trajectories;
- Facilitating access to capital for investment-worthy enterprises;
- Fostering economic growth and development through increased FDI inflows.