

Hawkamah and the UAE Bankers' Forum Launch Corporate Governance Award

The Hawkamah Institute for Corporate Governance (Hawkamah) and the UAE Bankers' Forum today announced the creation of an award to encourage and promote the adoption and implementation of good corporate governance practices among banks in the United Arab Emirates.

The Bank Corporate Governance Award, developed by Hawkamah, will enable the UAE Bankers' Forum to obtain an independent and credible assessment of the quality and extent of corporate governance standards within banks across the UAE. Subsequently, UAE banks will also benefit from this process and will be able to use the award as a reference to set benchmarks for further improvements.

Dr Nasser Saidi, Executive Director of Hawkamah said: "Strengthening the corporate governance of banks is important for the UAE, given the prevailing role of banking institutions as the major source of finance for the corporate sector and the economy. Improved board structures, administrative procedures and disclosure requirements result in better governed banks, generating better operating and financial results, higher valuations of their equity and improved access to finance and at better terms. By launching this award, the UAE Bankers' Forum is demonstrating its leadership and is sending a strong signal to the UAE banking sector of the importance of good corporate governance implementation."

Mr. Sulaiman Al Mazroui, Organizer – the UAE Bankers' Forum added: "This joint Bank Corporate Governance Award with Hawkamah sends an importance message to the financial community in the UAE, underlining the value and benefits of solid corporate governance practices. Good corporate governance can have a very positive effect on the way in which a corporation is directed, administered and controlled, and we strongly believe that this award will encourage UAE banks to accept their responsibility to advocate the implementation of

policies and mechanisms which will ensure good corporate behaviour and the protection of shareholders.”

The award will be given based on the results of a corporate governance survey, compiled by Hawkamah and distributed among the banks of the UAE. The questionnaire will assess banks on a number of criteria including: the roles and functions of the board; transparency, disclosure and reporting to its supervisors; the quality of risk management and internal controls; and the ability to manage conflicts of interests. In consultation with the the UAE Bankers’ Forum, Hawkamah will select and assign a prominent international expert panel to determine the winner. Each member of this jury panel will have many years of experience in international banking and finance, as well as corporate governance expertise.