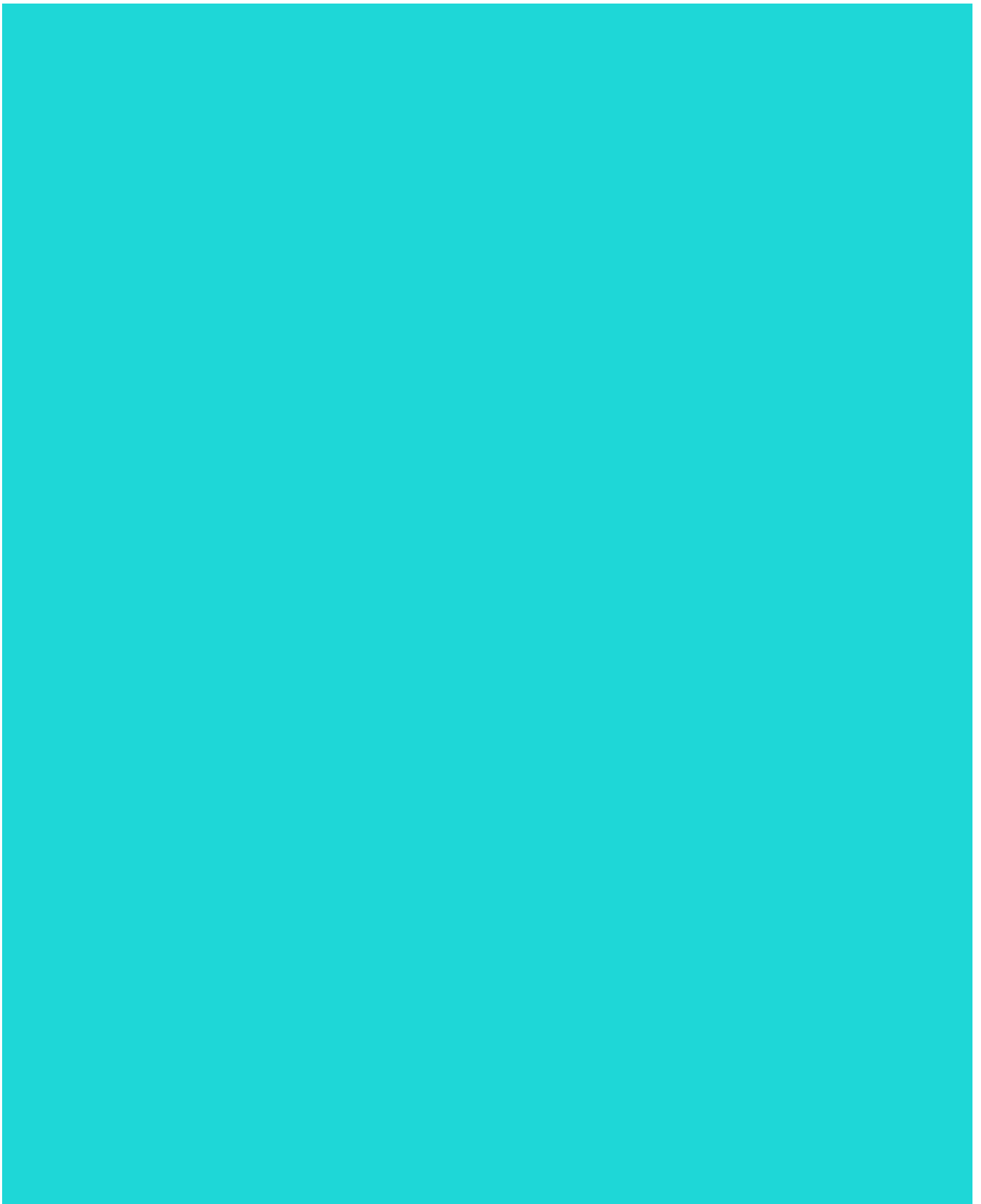


Middle East Investor Relations Practitioners Survey 2017



Introduction

Welcome to the Premier Edition of the Middle East Investor Relations (IR) Practitioners Survey.

For the first time, the Middle East Investor Relations Association (MEIRA) partnered with recruitment specialists Hanson Search to produce an analysis of the IR profession in the region.

Based on the answers drawn from over 60 IR practitioners that participated in the online survey, this report is designed to offer a comprehensive review of the IR industry in the Middle East. The report looks at key areas such as recruitment, salaries, reporting lines, KPI's, team composition and gender diversity.

Given a relatively recent history of the IR profession in the region, it is often challenging for IR practitioners to evaluate and compare their salaries, bonus and scope of responsibilities with their peers. The data in this report is designed to help IR practitioners better understand the opportunity and so position themselves within the industry and their companies more effectively.

Additionally, this report includes a study on internal perceptions and value credited to the IR function, as well as providing some perspectives on recruitment and retention.

To continue supporting this fast-growing profession, the Survey will be run on a regular basis, offering trend and market analysis including year-on-year comparisons, sector developments and other insights.

We would like to thank all the IR Practitioners who participated in this Survey. Should you have any questions or suggestions, please contact the MEIRA team directly.

The 2017 Middle East IR Practitioners Survey is presented by MEIRA, in partnership with Hanson Search.



Methodology

63 individuals completed an online survey from June 1st to August 20th, 2017. All participants were IR practitioners (i.e. individuals leading on or supporting investor relations within their organisation, such as Head of IR, IR team members, CFO, representatives of the Finance function, etc)

Participants were working for companies from the following countries: Egypt, Kuwait, Lebanon, Oman, Palestine, Qatar, Saudi Arabia and United Arab Emirates (UAE).

This report reflects the results from the 63 surveyed practitioners and do not represent the market in general.

The analysis and report was sponsored by Hanson Search and conducted by Brunswick.

What's Inside

Introduction	3
Methodology	3
Key Findings	5
Today's IR Practitioners	6
The IR Role	9
The Value of the IR Role	11
Structuring the IR Division	12
Impact of Arabic Fluency	14
Salary Variations in IR Roles	16
About Us	18

Key Findings

While global statistics on Investor Relations (IR) have been published before, previous analysis has not included the Middle East region. This report provides much needed information on the IR function in the region. This is the inaugural Middle East Investor Relations Association (MEIRA) IR Practitioners Survey in the Middle East.

The results of the 2017 survey show that IR practitioners are well-positioned in the region. In fact, **87%** of surveyed individuals **agree that their roles are strategic** in nature. Moreover, **73%** of surveyed practitioners feel **valued by Management** and **60%** feel **valued by the Board of Directors**. Three in four (**78%**) have at least some **access to the Board of Directors**.

The region recognises the importance of the IR function. **83%** of surveyed individuals identified they **have dedicated Investor Relations departments** within their companies. Most commonly, the teams are only a few individuals – **61% of IR departments have one to two members**. But even these smaller departments draw upon top leadership. **CFOs and CEOs are the most involved** executives in IR programmes, ahead of Legal, Finance and Communications by over 40%.

The survey also reveals that for most IR practitioners, **language is not a barrier** in the Middle East. 40% of surveyed practitioners are not Arabic speakers, but it has little impact on their perceptions of the IR role. **Speaking Arabic does not suggest greater access to the Board of Directors**.

There are areas that pose challenges to the IR function, particularly with regard to salaries. Among all survey participants, **54% earn USD \$100,000 or more**. The data shows that income increases consistently with age and experience, as expected. However, salaries for surveyed female practitioners tend to be lower than male practitioners. While **63% of men** earn **over USD \$100,000**, only **39% of women** fall in that range.

Overall, the outlook on the IR profession is positive. Virtually all (**98%**) companies surveyed plan to **keep the size of their IR teams stable or recruit** in the next year.

54%

**Earn salaries of
US\$100,000+**

61%

**IR teams have 1
or 2 individuals**

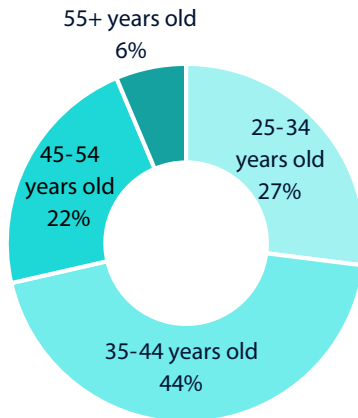
78%

**Have access to
the board**

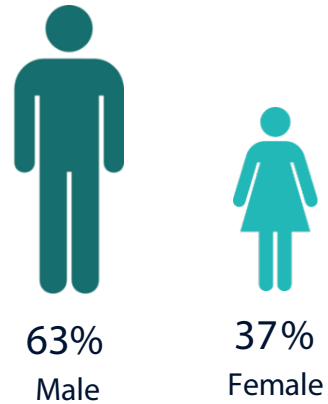
Today's IR Practitioners

Who are today's IR practitioners in the region?

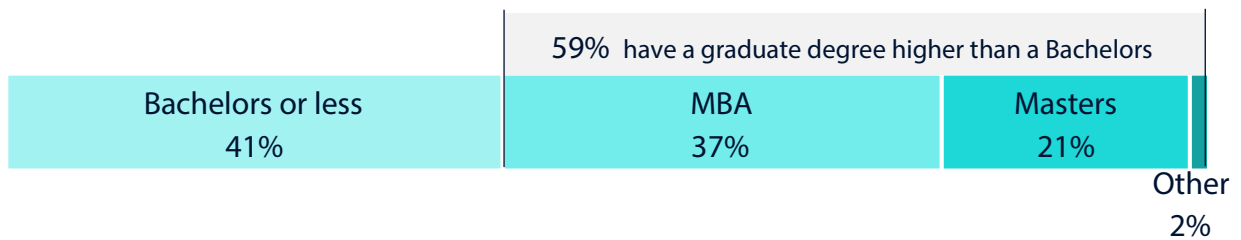
Age



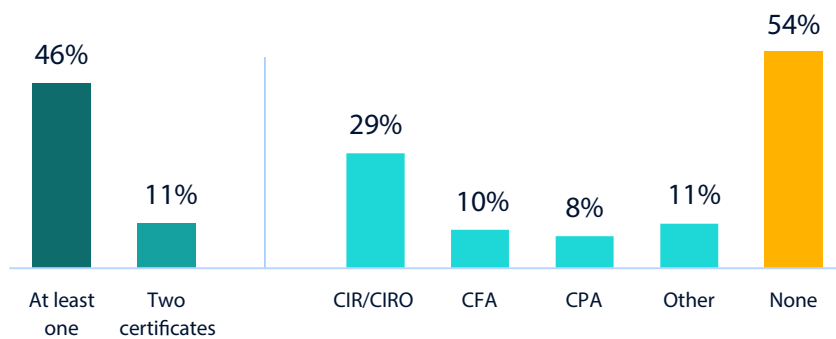
Gender



Level of Education

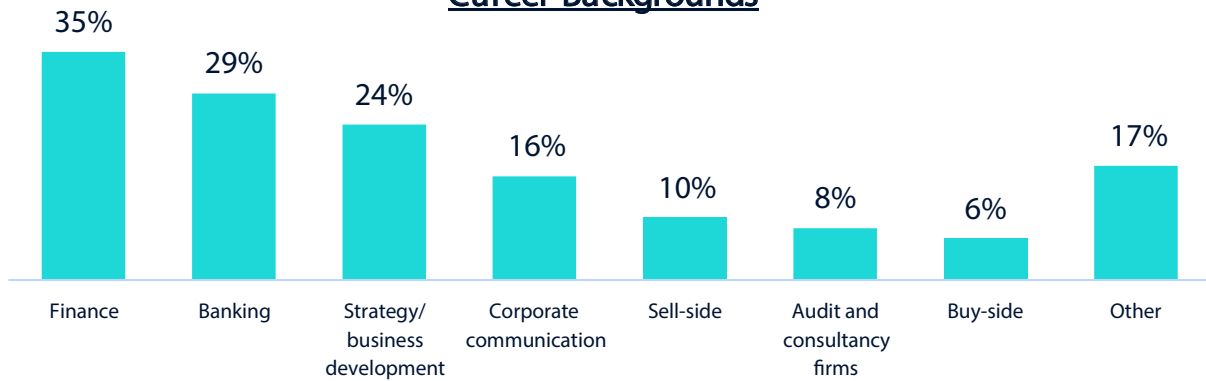


Professional Certifications

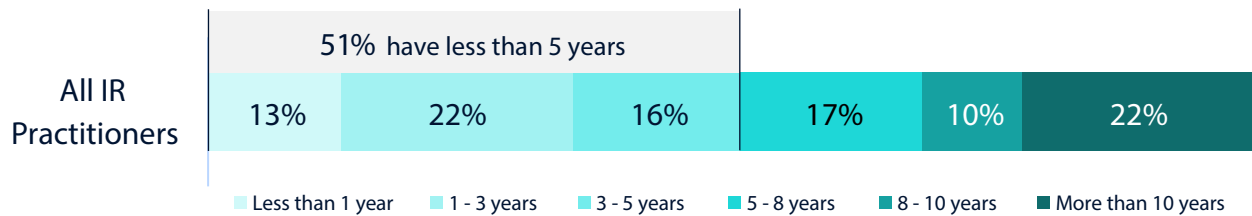


63%
of practitioners surveyed are members of MEIRA

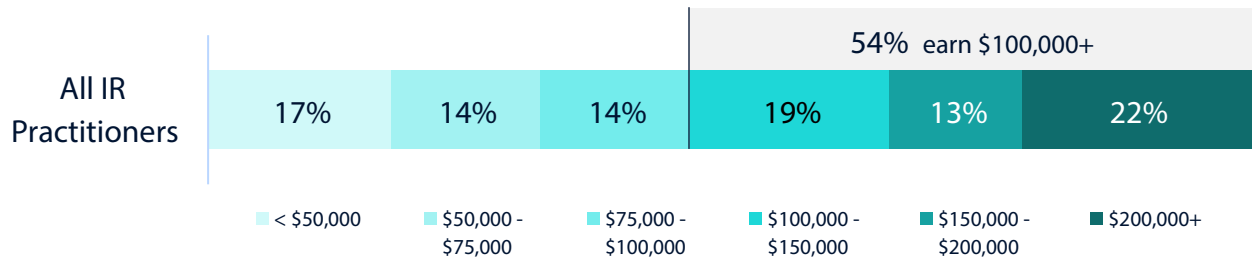
Career Backgrounds



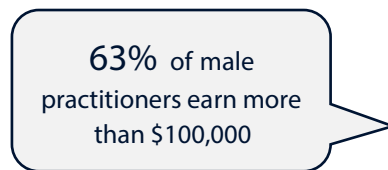
Years of IR Experience



Current Salaries



39% of female practitioners earn more than \$100,000



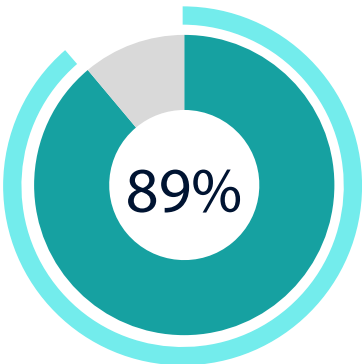
63% of male practitioners earn more than \$100,000

Practitioners in the Middle East have different levels of experience. Among those surveyed, one-fifth (22%) of practitioners have one to three years of experience and one-fifth (22%) have practiced IR for more than 10 years. Despite the diversity in experience, nearly half of practitioners (44%) are 35 to 44 years old. Over one in three (37%) have an MBA, and over half (59%) have a graduate degree greater than a bachelor's. The most common career background for practitioners surveyed is Finance (35%) followed by Banking (29%).

Salaries range widely with just over half (54%) earning USD \$100,000 or more per year, excluding bonuses. The median salary among Middle East practitioners surveyed falls in the \$100,000-\$150,000 range, less than the median global IR salary in 2016 which fell in the \$150,000-\$199,999 range¹.

Practitioners Who Earn Bonuses

Size of Annual Bonus



<1 month salary 9%	1 month salary 18%	2 months salary 18%	3 months salary 18%	>3 months salary 38%
-----------------------	-----------------------	------------------------	------------------------	-------------------------

Among practitioners surveyed in the Middle East, a majority (89%) earn an annual bonus; for 38% is a larger sum than three months' salary. These figures are on par with global results from 2016; 90% of practitioners in 2016 reported receiving a bonus, which was 35% of their base salary², on average.

Almost half of practitioners surveyed (46%) have some form of professional certification. 29% of Middle Eastern IR practitioners have a CIR/CIRO certification, making it the most commonly held certificate. However, a strong majority (79%) are members of at least one IR association; 63% are members of MEIRA. The second most popular membership is NIRI (14%).

¹ "Global Salary Report 2016." Bloomberg and IR Magazine.

² Ibid.

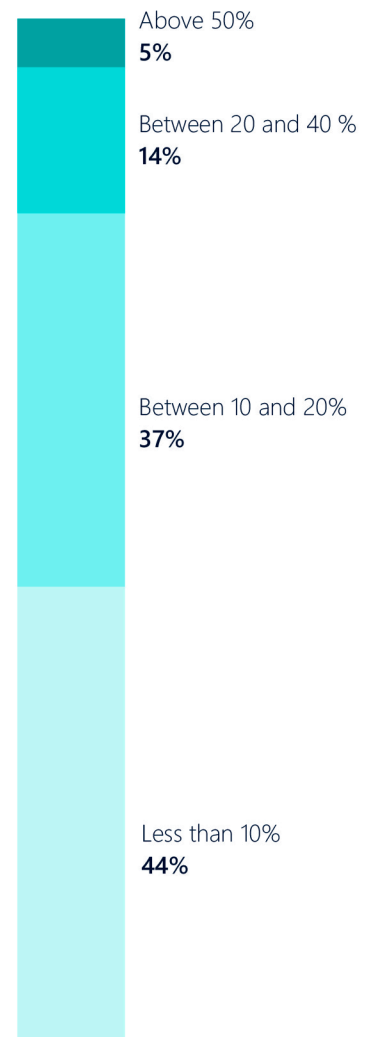
The IR Role

What defines the IR job?

Scope of IR Responsibilities

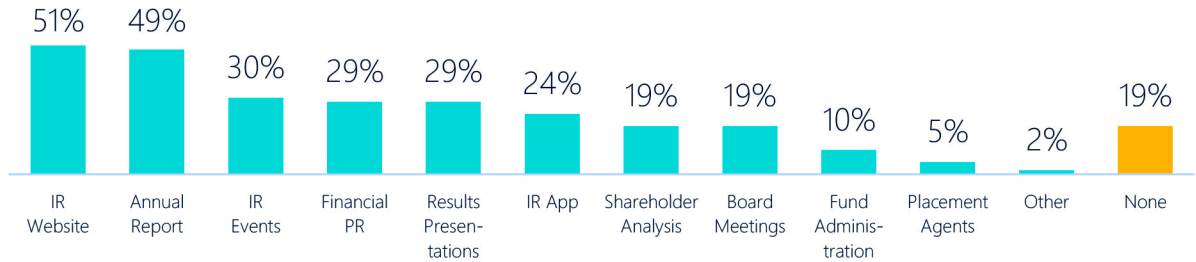


Time Spent Travelling



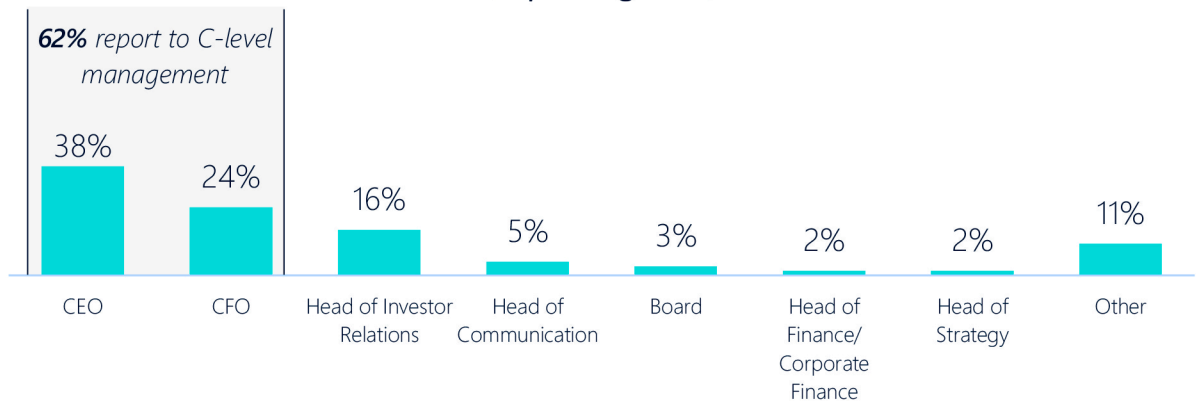
Practitioners' scope of responsibilities is varied: almost all are responsible for meeting with investors (92%) and putting together quarterly and annual results (87%). Four out of five practitioners surveyed also participate in international conferences (83%) and liaise with existing shareholders (81%). A plurality (44%) spend less than 10% of their time traveling for IR related activities, and 37% travel between 10% and 20% of the time.

External Service Providers Used



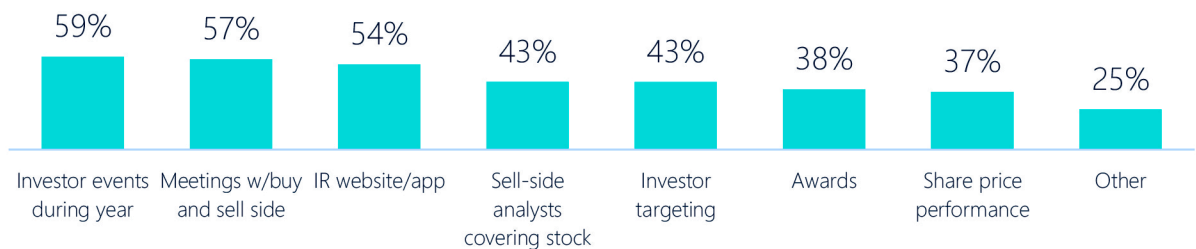
The scope of responsibilities of the IR departments being wide, they often externalise some of those responsibilities to external suppliers. In line with the tools that practitioners use, IR websites (51%) and annual reports (49%) are the most commonly used types of external providers. IR events, financial PR and results presentations, all follow with less than one-third of practitioners reporting usage.

Reporting Line



The strategic nature is reflected in the reporting line: the average IR practitioner surveyed reports to the company's top leadership. Over a third (38%) report to the CEO, and another 24% report to the CFO.

IR Key Performance Indicators

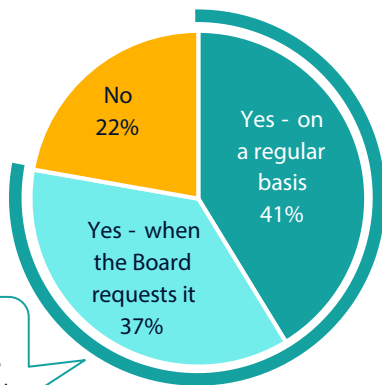


When it comes to identifying key performance indicators (KPIs) for the IR function, 11% of surveyed practitioners have not established any or do not have clear ones set. Among those who do, the most widely used metrics are yearly investor events organised (59%) and meetings with buy-side and sell-side analysts (57%), closely followed by the IR website/app (54%). Over one in three practitioners use share price performance as an indicator.

The Value of the IR Role

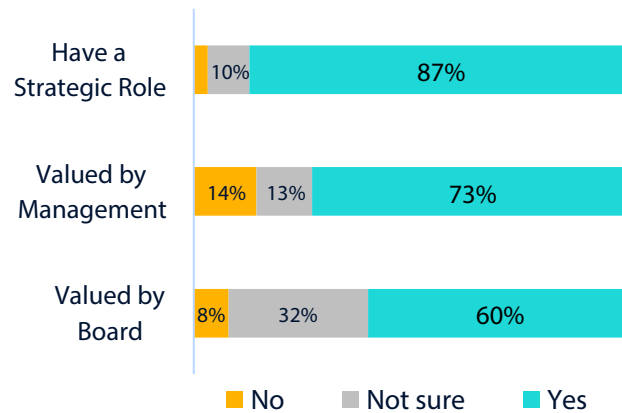
How are IR practitioners perceived ?

Access to Board of Directors



78%
have at least some access to the Board

Role Perception

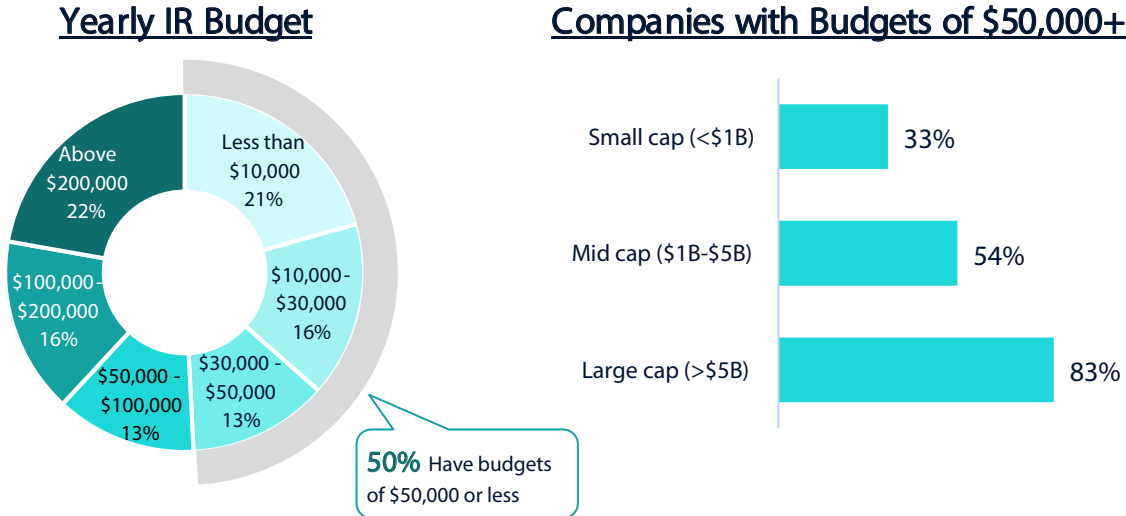


The IR role matters to companies. Three in four practitioners surveyed (73%) agree that Management values the IR function, and well over half (60%) agree that the Board values the IR function. IR practitioners also agree that their roles are strategic within the company (87% agree).

A majority (78%) of practitioners surveyed have at least some access to the Board of Directors, and for two in five (41%) practitioners, the access is on a regular basis.

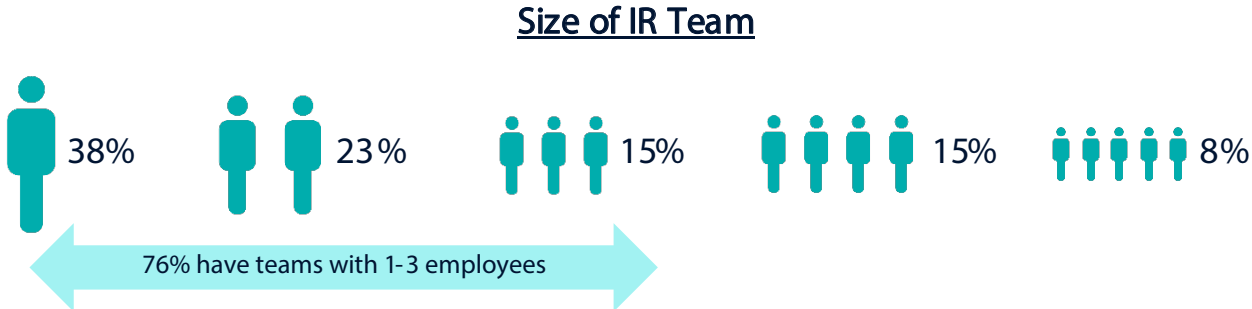
Structuring the IR Division

What does the average IR department look like in the region?



IR is a valuable investment for companies in the region: most surveyed companies (83%) have dedicated IR departments. However, IR budgets vary widely – one in five (21%) has a yearly IR budget of less than USD \$10,000 and one in five (22%) has a yearly IR budget of over USD \$200,000.

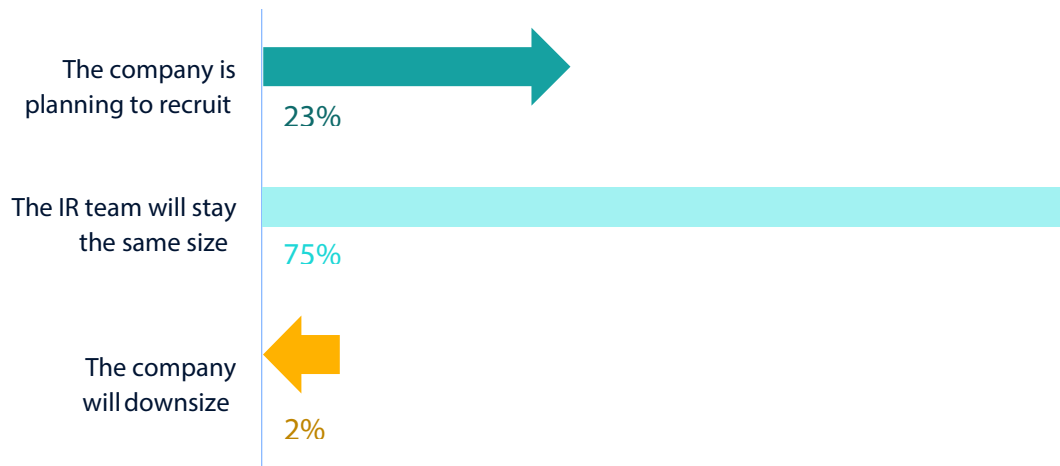
It’s worth noting that IR budget is strongly correlated with a company’s market capitalization. Of the 78% of companies surveyed that are publicly listed, smaller companies tend to allocate less to the IR function than companies with large market caps.



Despite the budget variations, three in four companies surveyed (76%) have teams of 1 to 3 people. This suggests that teams in the Middle East are smaller than the European counterparts: in the UK, 62% of companies have IR teams with 0 to 3 employees³. Only 8% of surveyed companies in the Middle East have 5 members, with no teams being any bigger.

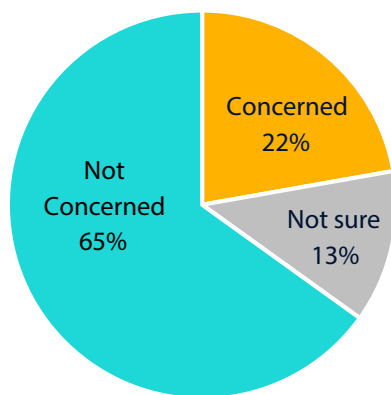
³ “Investor Relations Talent Survey.” EMR, 2015.

Expected Team Growth

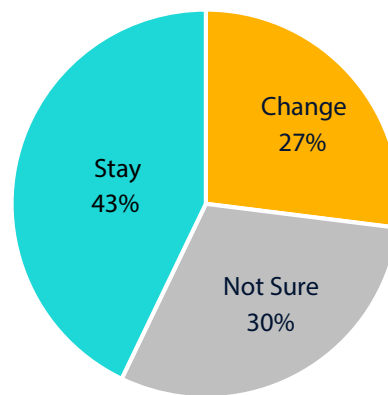


Overall, companies are optimistic about the profession, with only 2% of companies surveyed expecting to downsize their IR team. Three in four (75%) expect the IR team will stay the same in the next year compared to 23% who expect that their companies are planning to recruit.

Concern about Job Security

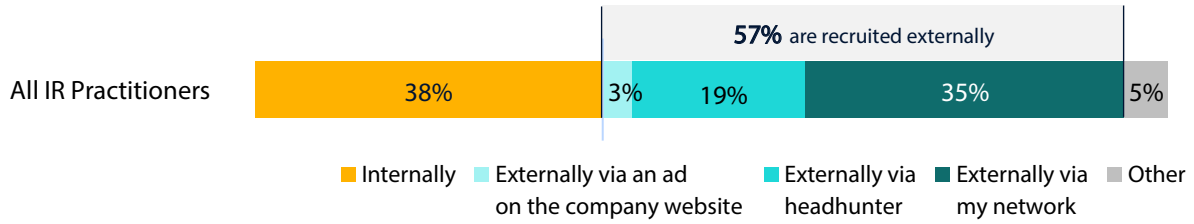


Looking to Change Companies



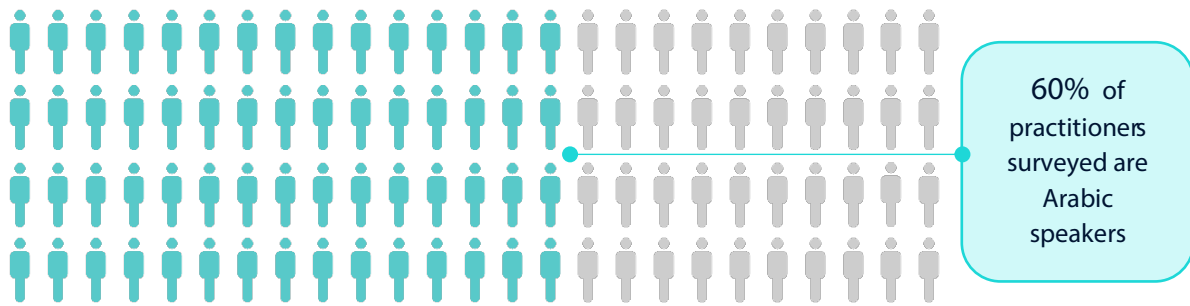
A majority of IR practitioners surveyed (65%) are not concerned about their job security: roles in IR in the Middle East are generally seen as stable. However, fewer than half (43%) are looking to stay at their companies. Almost one in three (30%) are uncertain if they want to stay or look for new job opportunities.

Recruitment Type

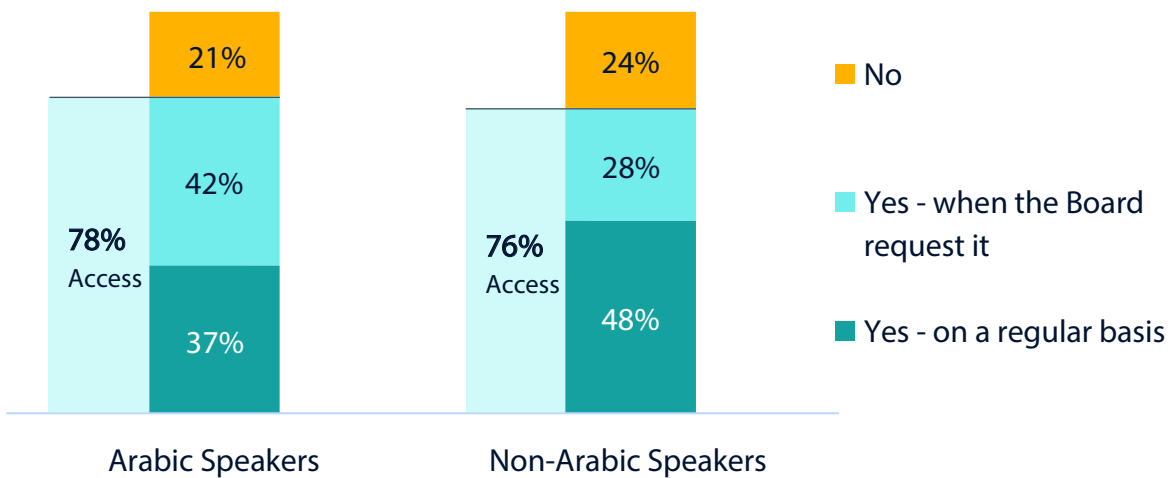


Impact of Arabic Fluency

Is speaking Arabic essential to the IR role?

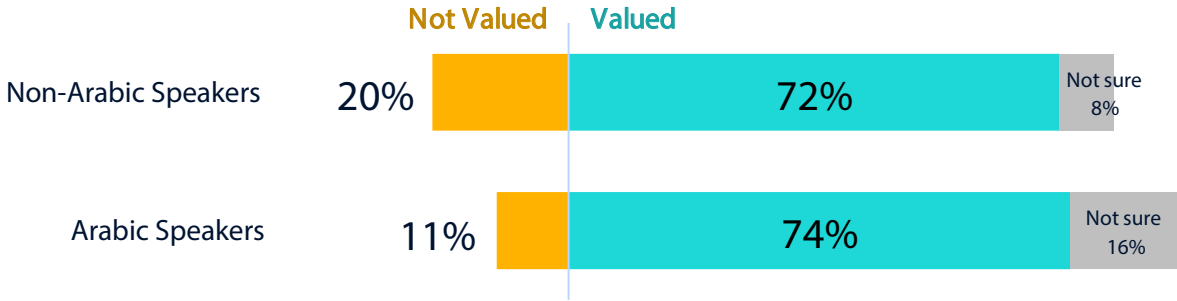


Access to the Board by Language



Being fluent in Arabic does not impact the IR practitioner's role and reputation within the company. Non-Arabic speakers surveyed report almost identical access to the Board of Directors as do those who are fluent.

Value by Management of IR Function by Language



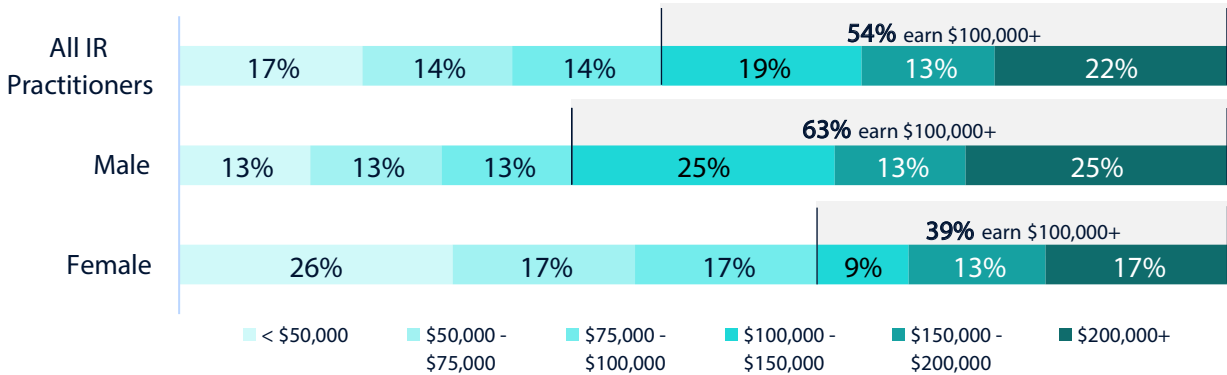
Moreover, three in four IR practitioners surveyed agree that Management values the IR function, regardless of Arabic fluency. Speaking the language does not seem to be requisite for succeeding in IR in the region.

This pattern repeats across various aspects of the IR role, making it clear that for IR practitioners, fluency in Arabic has little impact on the job and the ability to succeed within the function.

Salary Variations in IR Roles

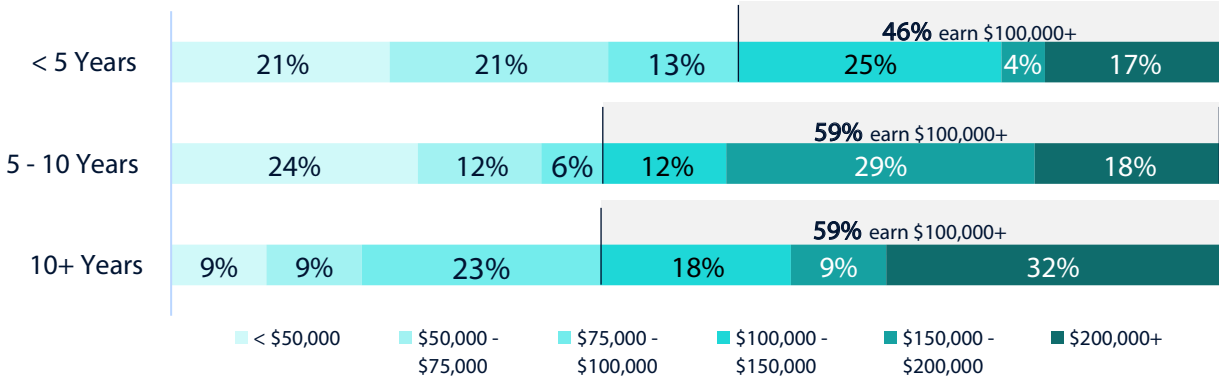
How do earnings vary within the IR function?

IR Salaries by Gender



While IR salaries range widely, women in the profession tend to earn less than their male counterparts, particularly around the six-figure threshold. Well over half of men surveyed (63%) earn USD \$100,000+, with only 39% of women surveyed in that same range. The wage gap extends to bonuses – while equal proportions of men and women have annual bonuses, men are 20% more likely to earn three months of salary or greater. These pay differences are not unique to the Middle East. A 2016 global salary report⁴ by Bloomberg and IR Magazine reveals similar salary gaps in North America and Asia. The report shows that in North America, nearly twice as many male IR managers (52%) as women (28%) earn USD \$150,000. Moreover, while 45% of male IR managers in Asia earn less than USD \$50,000, nearly two-thirds (66%) of female IR managers fall in that range.

IR Salaries by Experience

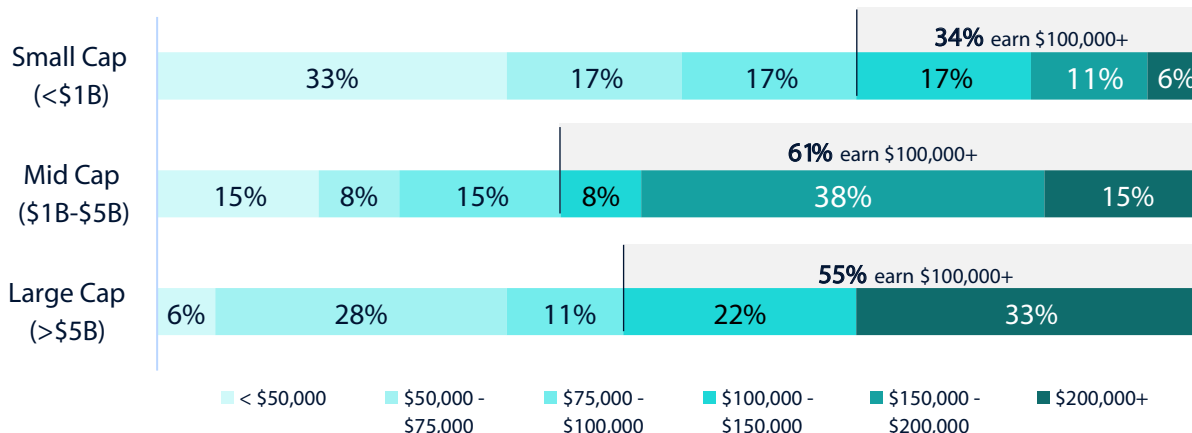


Experience in IR work is also correlated with salaries, among surveyed practitioners. Fewer than half of practitioners with less than 5 years of experience earn more than USD \$100,000, and of those that do, a majority earn less than USD \$150,000. With experience, salaries tend to rise. Among those surveyed with 5 or more years

⁴ "Global Salary Report 2016." Bloomberg and IR Magazine.

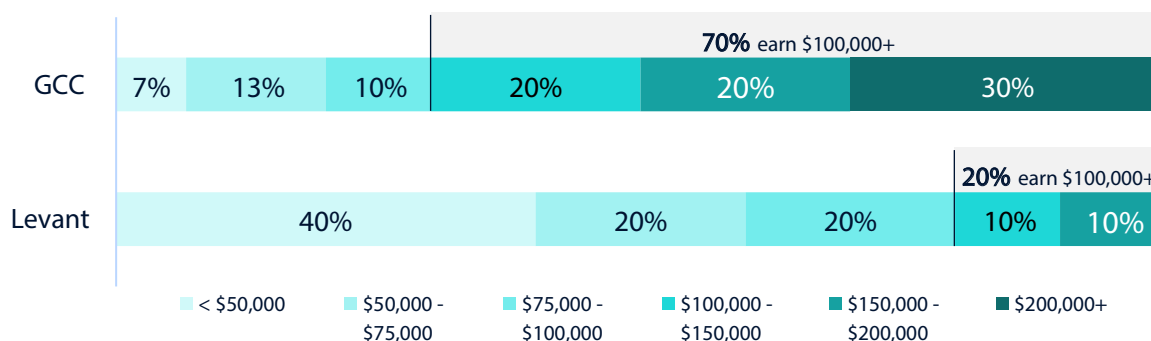
of experience, a majority of practitioners with 5-10 years earn between USD \$100,000 and USD \$150,000, while practitioners with 10 or more years tend to earn over USD \$200,000.

IR Salaries by Company Market Cap



Market capitalisation may also be a strong indicator of salary ranges, as public companies with smaller market caps tend to offer much smaller salaries than their larger counterparts. One in three (34%) IR practitioners surveyed at small cap companies (<\$1B) earn more than USD \$100,000, compared to 55% of practitioners at large cap companies (\$5B+). The same pattern exists for annual bonuses.

IR Salaries by Geography



Salary variations are also evident when comparing the two main Middle East regions, GCC and the Levant. Almost three in four IR practitioners surveyed in the GCC region earn USD \$100,000 or more. In contrast, less than one in four practitioners in the Levant region pass the six-figure range. It's worth noting that IR practitioners in the GCC region tend to be more experienced and older, which are correlated to higher incomes.

Ultimately, practitioners in the Middle East may experience salary variations for a range of reasons. While age, market capitalisation and experience are positively correlated with salary, gender and geography are not. The gender gap is not unique to the Middle East as evidenced by other research, but it is among the starkest.

About Us



The Middle East Investor Relations Association (MEIRA) is an independent non-profit organisation dedicated to promoting the Investor Relations (IR) profession and industry standards in corporate governance. The mission of MEIRA is to enhance the reputation, efficiency and attractiveness of the Middle East capital markets.

This involves a commitment to fostering increased dialogue among its members and to encourage them to share and adopt best practice techniques within the field of IR. In partnership with stock exchanges, regulators and other market participants, MEIRA supports companies through its professional development and certification programmes as well as its membership community and network of country chapters.

Contact us:

www.meira.me

Phone: +971 (0)4 309 7034

Email: info@meira.me

PO Box 9576, Dubai



We are an award -winning international executive search consultancy specialising in strategic communications and marketing service. At our offices in London, Paris, and Dubai, our team of expert consultants source the best talent globally – from PR pros to CMO's, IR practitioners and beyond.

Although we are a boutique consultancy, our scope is global. We help people transform their careers and businesses around the world.

We work with some of the biggest brands, fortune 500's, some of the most successful agencies, banks and investment houses as well as innovative start-ups, governments and public sector, offering life-changing opportunities to talented professionals. Our reputation, quality of service and the calibre of our candidates have made us global leaders in recruitment.

Contact us:

www.hansonsearch.com

Phone: +971 (0)4 454 9838

Email: feliceh@hansonsearch.com

PO Box 127632, Dubai, Media City

Disclaimer:

This material has been prepared by MEIRA and Hanson Search and is provided for informational purposes only. Any liability is expressly disclaimed. MEIRA and Hanson Search give no undertaking to give the recipient access to any additional information or update this presentation or any information or to correct any inaccuracies in it which may become apparent.

The information provided herein is for use by the recipient only, and is not to be shared with others. No part of such information may be made available, published, reproduced, displayed or redistributed to any third party without the prior written consent of MEIRA. Logos, brands and other distinctive signs used herein are among the registered and unregistered trademarks of MEIRA, Hanson Search or other companies of their respective groups or partners.

The information contained herein is believed to be reliable as of the date on which this material was issued and has been obtained from sources believed to be reliable. Whilst the material has been prepared in good faith, neither MEIRA, Hanson Search nor any other party referred to in the material makes any warranty or representation (express or implied) and accepts no responsibility or liability for the accuracy of any factual information, opinions, forecasts or other material presented which have not been independently verified. In particular, no representation or warranty is given and no responsibility or liability is or will be accepted as to the achievement or reasonableness of any projections, estimates, prospects or returns contained or referred to in the material or in any additional information provided.

