

# Business

THURSDAY, SEPTEMBER 24, 2020

## Boursa Kuwait sponsors '2020 MEIRA Virtual Annual Conference and Awards'

### Fahad Al-Besher addresses panel discussion on effects of COVID-19 pandemic

**KUWAIT:** In line with its longstanding partnership with the Middle East Investor Relations Association (MEIRA) and its Kuwait chapter, and as part of its commitment to playing a vital role in the development of the practice of investor relations, Boursa Kuwait sponsored the '2020 MEIRA Virtual Annual Conference and Awards' event, themed MEIRA 20/20 Vision: Driving Stakeholder Value.

The two-day virtual conference, which took place on 22 and 23 September 2020, is the largest IR event in the Middle East and North Africa (MENA) region, bringing together participants from locally listed firms, international corporations, investors, research analysts and advisors, as well as representatives of the region's regulatory bodies.

Sponsored by Boursa Kuwait, the panel session 'Kuwait IR Challenge: Facing the Pandemic' was addressed by Fahad Al-Besher, Director of Investor Relations at Boursa Kuwait, who shed light on the swift actions taken by the exchange in general throughout the pandemic, and by the Investor Relations department specifically, to ensure minimal ramifications on all stakeholders and their interests.

"Over the past few months, the COVID-19 crisis has resulted in many uncertainties across financial markets, creating economic anxiety and driving volatility. It is with no doubt that this external event has affected some plans during this calendar year for Boursa Kuwait and other companies, due to some of the ramifications it brought about, including the shutdown of some businesses, travel restrictions, and imposed healthy and safety measures. Despite these challenges, Boursa Kuwait remained committed to its standard of communications and transparency with its stakeholders, utilizing its multiple platforms from the company website to its social media channels to ensure timely and clear updates. In addition, a slightly altered yet robust framework for trading operations was put in place immediately to minimize the negative impact on trading actions



Fahad Al-Besher

and results while ensuring the safety of all involved stakeholders," Al-Besher explained to attendees.

Boursa Kuwait highlighted the operational decisions taken during the pandemic to mitigate the impact of the outbreak, such as modifying the security circuit breaker and reducing the lower limit from -10 percent to -5 percent, while maintaining the upper limit at 10 percent. Boursa Kuwait has rolled out the reduction in the security circuit breaker, in compliance with its Rulebook, which allows it to intervene in such challenging conditions and take the necessary action to ensure the protection of all dealers and minimize any negative impacts. This was one of many precautionary measures that the bourse undertook to ensure the seamless operation of the Kuwaiti capital market, working with the Capital Markets Authority, the Kuwait Clearing Company and the Central Bank of Kuwait to ensure minimal negative impact on transactions.

"Boursa Kuwait has announced an altered framework for trading operations to minimize the negative impact on trading actions and results. The company has also taken all necessary precautions to ensure the safety of all internal and external stakeholders, cancelling all its external meetings, holding them only in cases of extreme emergency, while internal meetings have been held using virtual audiovisual methods. The number of employees with access to the exchange premises has been limited to those essential to in running the basic activities and necessary operations only, while a system of rotation within key departments was activated. The

company also closed the doors to its premises for the safety of all market participants, prohibiting any visitors from entering the building while allowing service providers to utilize electronic communications to complete their transactions with market participants," Al-Besher added.

One of the key highlights was the successful roll-out of its first electronic Annual General Assembly, and its electronic Extraordinary General Assembly in June, in collaboration with the Kuwait Clearing Company, where the Boursa Kuwait IR department was adamant to address all investor related inquiries, in addition to the publication of the Annual Report on the company website.

Addressing the panel questions on knowing more about Boursa Kuwait's IR function as an entity and how it aspires to lead by example, Al-Besher said: "As an organization that strives to advance a sustainable capital markets ecosystem in Kuwait, Boursa Kuwait has long recognized the importance of the investor relations function. The stock exchange has adopted best-in-class international practices to establish and maintain meaningful relationships between the various capital market participants. A result of its extensive market development initiatives and inclusion in major global indices is a growth in Boursa Kuwait's issuer and investor base. This has led the company to intensify its efforts in promoting investor relations practices over the last two years, which included an addition of IR related terms and procedures that all companies currently listed and wishing to list on the "Premier" Market must adhere to."

The panel session was concluded with thoughts shared by each of the participants, on how they evaluate the concept of virtual IR, and how they foresee the future of IR post the pandemic. Al-Besher stated that in order to adapt with the ongoing Covid-19 crisis, Boursa Kuwait's plans are

continuously being assessed to maintain an effective and strategic communication plan, in an effort to sustain an open dialogue with the company's investors and participants, leveraging on technology and using virtual communication options.

Commenting on the virtual conference, John Gollifer, General Manager MEIRA said: "Today, in the midst of the changes and uncertainties, one thing that remains constant and that is the importance of a solid investor relations framework, one that will function under all circumstances. This is made evident as we hold the '2020 MEIRA Virtual Annual Conference and Awards', discuss experiences of leading companies across the MENA Region, how they have managed to thrive in the time of COVID-19, and recognize IR excellence."

Gollifer added, "MEIRA remains committed to raising awareness of IR best practices, taking the function to the next level in a region where investor relations is booming, and continuously providing a credible networking platform to share latest industry trends and bring experts together."

The MEIRA Annual Conference and Awards sponsorship is the latest event in a series sponsored by Boursa Kuwait in collaboration with MEIRA and its Kuwait Chapter, as part of the MOU signed between both entities back in 2017 to raise awareness about IR best practices and enable listed companies to benefit from effective IR processes and frameworks to drive business growth while helping advance the capital markets in Kuwait. As a longtime partner of the Middle East Investor Relations Association and its Kuwait chapter, Boursa Kuwait's support of this conference goes hand in hand with its corporate sustainability strategy to promote financial literacy in all aspects of the community, as well as the overall company strategy of promoting best-in-class international practices and standards with regards to the thriving field of investor relations.

## Oil majors not in sync with global climate goals

**PARIS:** Oil and gas giants are far from aligning with the global climate change goals they purport to uphold, and only a government-managed decline of the sector can prevent climate catastrophe, according to an analysis released yesterday. "We have seen a wave of announcements from oil companies over the last nine months claiming to be part of the solution on climate, but none of their plans measure up to what is needed," co-author Kelly Trout, a senior research analyst at Oil Change, told AFP.

Oil majors have touted measures such as reducing the carbon intensity of their products, transitioning into renewable energy, storing "captured" CO2 underground, and offsetting emissions through reforestation. The report stacked up the climate commitments of eight oil and gas companies against the Paris climate goal of curbing global warming at 1.5 degrees Celsius above pre-industrial levels.

Under the 2015 treaty, nations are enjoined to cap the planet's average rise in temperature at "well below" 2C, and 1.5C if feasible. A subsequent report from the UN's IPCC climate science panel showed 1.5C to be the safer limit by far, and laid out scenarios for achieving that goal by slashing or sequestering greenhouse gas emissions. The IPCC has calculated that the additional release of more than 500 billion tons of CO2 into the atmosphere would push temperatures above the 1.5C threshold.

If global CO2 emissions continue at the recent level of about 40 billion tonnes a year, this "carbon budget" would be used up in less than a decade and a half. BP, Chevron, Eni, Equinor, ExxonMobil, Repsol, Shell and Total, all based in Europe or the United States, have to varying degrees laid out strategies they say are compatible with the Paris targets.

Using the 1.5C threshold as a benchmark, Trout and colleagues graded 10 components of each company's climate plan along the spectrum of "fully aligned" to "grossly insufficient".

Pledges to stop approving new extraction projects, for example, were judged "grossly inefficient" in all eight oil giants. The same failing mark was given across the board for committing to a date to end oil and gas extraction; being "honest" about the high carbon content of gas; and with the exception of BP-promising to stop exploration. Even if global use of coal—which powers 40 percent of electricity generation worldwide—were phased out overnight, developed gas and oil reserves would still push the world beyond the 1.5C threshold, earlier research has shown. — AFP

## Bangladesh weavers hanging by a thread

**RUHITPUR, Bangladesh:** In small tin sheds in a town outside Bangladesh's capital Dhaka, wooden looms are deftly operated by a group of men and women—some of the country's last traditional weavers—as huge garment factories churn out cheaper alternatives.

The nation's centuries-old traditional weaving was once highly sought after, with nobility from Asia and Europe wearing the fine muslin clothing. But over the past two decades, Bangladesh has become one of the world's largest ready-made garment exporters, with 4,000 factories making clothes for the likes of retail giants Primark and H&M.

Left in its wake are traditional weavers such as 55-year-old Mohammad Abu Taher, who is the last of his family to take up the once celebrated vocation. "My great-great-grandfather was a weaver and all my ancestors were into weaving," Taher told AFP as he sat in a tin shed with several other arti-



DHAKA: Weavers prepare threads to make fabric with a handloom in Ruhitpur on the outskirts of Dhaka. — AFP

sans in Ruhitpur, a town 20 kilometers (12 miles) from Dhaka. Taher's two sons have left Ruhitpur for the capital to seek work, unwilling to pick up the dying art-form.

### 'Once prized'

Three centuries ago, Ruhitpur was one of the region's biggest hubs for manufacturing lungis—traditional sarongs worn by men. There were 4,000

that they all add up to batteries that can be made faster and cheaper and provide longer vehicle range. Innovations include using plentiful silicon in batteries in place of more expensive material and designing battery cells themselves into the very structures of vehicles, according to Brauer.

### Sustainable future

Musk and Baglino were adamant that a shift away from fossil fuels toward sustainable energy is a vital part of tackling climate change. "It's really important that we take action," Baglino said.

"We're going to run out of these fossil fuels, so let's just move to the future." Making lithium-ion batteries cheaper and more abundant is essential to a global shift to renewable power, which is Tesla's over-arching goal, according to Musk. "We are going to work our darndest to transition the world to sustainable energy as soon as possible," Musk said. Along with making electric cars, Tesla has a battery division devoted to power cells for its vehicles, as well as storage packs for electricity at homes, businesses or disaster scenes.

Tesla makes batteries at its plants in the US and China, and is building a factory in Germany. Lithium-ion batteries for Tesla models are made by Panasonic at the electric vehicle company's "gigafactory" in Nevada. Musk said in a tweet on Monday that Tesla intends to increase battery purchases from Panasonic, LG and China-based CATL. "However, even with our cell suppliers going at maximum speed, we still foresee significant shortages in 2022 and beyond unless we also take action ourselves," Musk said. Tesla is already ahead of other automakers when it comes to batteries, the key to the future of electric vehicles.

The battery event followed an annual shareholders meeting, with attendees sitting in Tesla cars parked in a lot facing an outdoor stage to reduce COVID-19 risk.

handlooms in Ruhitpur and nearby villages, employing 12,000 weavers. A handwoven lungi from Ruhitpur was a "prized asset", said local trader Chowdhury Abdur Rahman, recalling stories of his father and uncles buying the cloth for their weddings. "It was a big part of Bengal's heritage," historian Hameeda Hossain said of the historical region now known as Bangladesh and West Bengal state in India. "Unfortunately, it can't compete with power looms."

Now, just three dozen weavers—with an average age of 50 — remain in Ruhitpur, serving a small group of customers still willing to shell out for the softer, handmade lungis. "Our lungis are expensive. Still, some people haven't deserted us because of the softness of handmade clothing," 45-year-old Ruhitpur weaver Mohammad Rafiq said.

But he admits his profession is dying out. Employment in the town has shifted to almost a dozen factories manufacturing plastic, textiles and jute that have more than 10,000 people on the payroll. "They (factories) have set up electric-powered weaving industries worth hundreds of millions of dollars," he said. "They can make lungis and saris very cheaply. We can't compete with them in terms of price." — AFP



Tesla employees work outside a Tesla showroom in Burbank, California. — AFP

Honking greeted Musk as he walked on stage, prompting him to laugh. "We've got the Tesla drive-in movie theater, basically," Musk quipped.

"It's a little hard to read the room with everybody being in cars." Sound was missing from videos streamed at the start of the event, but the apparent glitch was fixed by the time speakers began presenting. Colorful founder and chief executive Musk has a pattern of envisioning wondrous innovations, from colonies on Mars to meshing minds with computers and "hyperloop" tunnel systems, with people zipping along underground.

Tesla's new method of battery making will potentially enable the company to field a \$25,000 model in "three years-ish," according to Musk. Despite a long-stated goal of making electric cars for the masses, Tesla models currently start at a bit more than \$35,000 and quickly leap in price. "It is absolutely critical that we make cars that people can actually afford," Musk said. — AFP