

# INVESTOR RELATIONS

## INSIGHT



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## Evolving Investor Relations: Lessons from Australia and UAE

**In our 14<sup>th</sup> edition of IR Insights, we take a deep dive into regulatory environments, market dynamics, and strategic economic visions across UAE and Australia with Harsh Vardhan, Investor Relations Executive at Abu Dhabi Commercial Bank.**

### **How would you compare the IR landscape between Australia and UAE?**

“The investor relations landscapes of the UAE and Australia display unique characteristics shaped by their distinct regulatory environments, market dynamics, and strategic economic visions, and present different expectations, challenges, and opportunities.

Australia’s investor relations landscape is more mature, structured, and regulatory-driven, while the UAE’s is evolving rapidly, with increasing global alignment. The UAE offers significant growth opportunities for Investor Relations Officers (IROs) as more companies recognise the importance of investor engagement.

One area of difference is market maturity and investor expectations. As an emerging market, UAE is a growing and evolving capital market with a strong push toward attracting foreign investment. In 2023 UAE ranked 2<sup>nd</sup> globally in terms of net FDI inflows (USD31bn). In comparison, Australia is a mature and highly transparent market with more targeted investor discussions around disclosures and expectations from organisations.

The investor base in UAE includes a mix of regional institutional investors, sovereign wealth funds, and an increasing presence of global investors. Face-to-face engagement, particularly through conferences and roadshows, is crucial.

Whereas in Australia, there is relatively stronger institutional investor presence, both domestic and international. Digital engagement, earnings calls, and comprehensive investor presentations are standard practices.

And lastly, the UAE is seeing a surging demand for quality IROs as companies are on a growth trajectory and seeking to improve transparency and attract global investors.”

### **Does the regulatory environment in UAE influence your IR strategy?**

“The UAE offers a highly favourable regulatory framework with incentives like free zones and tax exemptions, overseen by the Securities and Commodities Authority (SCA). Its market is characterised by rapid growth and diversification into sectors such as tourism, real estate, and financial services, supported by strategic initiatives and a bold future-focused vision.

UAE was recently ranked world’s most economically stable country and Abu Dhabi was the world’s top city for sovereign wealth fund capital. This backdrop offers a dynamic and evolving investment landscape. We’ve seen a big influx of family offices, asset managers and

“An underrated nuance is maintaining cultural sensitivity: adapting tone, language, and emphasis based on regional investor expectations.”

hedge funds opening a regional presence out of Abu Dhabi and you will see that trend continue in the medium-term. As an IRO, engaging with these stakeholder groups presents an invaluable opportunity to diversify your investor base.”

### **Are there differences in financial disclosure and transparency requirements?**

“The reporting and transparency requirements in the UAE and Australia differ significantly due to variations in regulatory frameworks, corporate governance standards, and financial disclosure obligations.

In terms of financial reporting standards, companies in UAE follow the International Financial Reporting Standards (IFRS), but enforcement varies depending on the regulatory body (e.g., Dubai Financial Services Authority for DIFC, Abu Dhabi Global Market). In Australia all companies must comply with Australian Accounting Standards (AAS), which align with IFRS but have additional local requirements.

In terms of corporate transparency and disclosure, public companies listed on UAE stock exchanges (DFM, ADX) must disclose financial statements, but private companies have limited obligations. Free zone entities may have different disclosure rules. Whereas in Australia there are strict disclosure laws under the Corporations Act 2001 requiring listed companies to provide continuous disclosure of material information to the Australian Securities Exchange (ASX). And lastly, In Australia, most organisations follow a bi-annual reporting cycle i.e. half and full year results disclosures, supplemented by Trading updates as required. The UAE meanwhile follows a quarterly reporting cycle.”

### **How do you approach ESG communication? Is the topic growing or is it not requirement for Middle Eastern investors?**

“The European and Australian markets have traditionally been more mature when it comes to all things Environment, Social and Governance (ESG). At various

times we have seen the focus shifting between these elements, e.g. in Australia the spotlight was on Governance in 2018-19 with the Financial Services Royal Commission Misconduct in the Banking, Superannuation and Financial Services Industry, and then over the last few years it has really moved into all things Environment.

The topic has been gaining much prominence within the Middle East over the past couple of years, with increasing investor focus during meetings. We have seen the commitment of the UAE towards environment and its net zero by 2050 ambition including hosting the 28th United Nations Climate Change conference (COP28) with tangible commitments towards sustainability. I expect ESG to continue to be front of mind for investors given the importance.

In most investor meetings, as an IRO I am able to provide the investor with a good overview of the bank’s philosophy, approach and progress on all things ESG. That said, given the generalist nature of an IRO’s role, when investors seek to have a deep-dive on this topic, I tend to schedule a follow-up conversation with the Head of ESG to ensure I am best able to address the investor’s needs.”

### **Have you had to adapt your approach to handling earnings calls or shareholder meeting?**

“While working in investor relations for one of the largest banks in Australia (ASX Top 5, with presence in over 32 markets globally), an earnings call was usually telecast live to the investors and media (i.e. much like a media press conference). In UAE, there is a preference towards an earnings call being held in a teleconference format (no video). I tend to engage and invite investment banks to host these calls for us, as they also foster strong relationships with the sell-side. In-person investor meetings are always the preference, but recognising that virtual meetings help break the geographical barriers, and help you cover much more of the investor base.”

### **How do you balance tailoring investor messages to local markets, while maintaining a global perspective?**

“To balance local investor messaging with a global perspective, it is important to ensure core communications align with their long-term strategy while tailoring content to regional investor expectations. This includes adhering to local regulatory requirements, adjusting financial metrics, and

## “74% of UAE’s GDP contribution now comes from non-oil sectors”

emphasising market-specific growth opportunities. Maintaining consistency in financial reporting and corporate governance across markets helps build investor trust while allowing flexibility to highlight regional successes.

An often-underrated nuance is maintaining cultural sensitivity: adapting tone, language, and emphasis based on regional investor expectations. I find that market-specific Insights can be very effective i.e. highlighting factors relevant to local investors, such as economic conditions, currency risks, and local market trends.

Effective engagement also involves leveraging local media, investor relations channels, and industry forums to strengthen market-specific credibility. I lean towards leveraging country-specific investor roadshows, analyst briefings, and media engagements.

My approach is one of integrating regional storytelling within a global growth narrative, as an example sharing local success stories that align with the broader global strategy. A "glocal" approach blending global consistency with local adaptation enhances investor confidence, ensuring a stronger, more sustainable financial impact.”

### **What are some of the biggest worries or misconceptions for investors, before they invest in the UAE?**

“One of the biggest concerns for investors entering the UAE market is regulatory transparency and legal protections. While the UAE has made significant strides in improving its financial regulations, some investors worry about unclear dispute resolution mechanisms, ownership restrictions, and the enforcement of contracts outside free zones. Additionally, the legal framework can vary between mainland businesses and free zone entities, requiring careful due diligence.

Another common misconception is that the UAE is solely a petrostate-dependent economy, making investments highly vulnerable to oil price fluctuations. However, the country has diversified significantly, with strong growth in finance, tourism, logistics, and technology. 74% of UAE’s GDP contribution now comes from non-oil sectors.

Some investors may also assume that corporate tax-free benefits still apply universally, whereas the new 9% corporate tax introduced in 2024 (and to rise to 15% in 2025) impacts many businesses. Additionally, while the UAE is a business-friendly environment, cultural and operational differences such as the emphasis on relationship-based business dealings and government influence in key sectors require an adapted approach. Understanding these nuances helps investors navigate risks effectively and capitalise on the UAE’s growing investment potential.”

### **What do you think the future holds for the Middle East, compared to more established markets?**

“The UAE’s future looks bright as a global hub for capital, investment, and talent, driven by its business-friendly policies, strategic location, and diversified economy.

The country has rapidly evolved beyond its oil-dependent past, with major investments in technology, finance, renewable energy, AI and infrastructure. Initiatives like the Dubai Economic Agenda (D33) and Abu Dhabi’s Vision 2030 focus on innovation, sustainability, and digital transformation, attracting global investors seeking stable, high-growth markets.

The introduction of a corporate tax aligns the UAE with international standards while remaining highly competitive compared to global financial centres. Furthermore, continued government-led incentives, such as 100% foreign ownership in key sectors and free zone expansions, make it an attractive destination for foreign direct investment (FDI).

The UAE is also becoming a magnet for top global talent, thanks to its pro-business environment, tax benefits, and world-class infrastructure. Policies like the Golden Visa, Green Visa, and Remote Work Visa have encouraged high-skilled professionals, entrepreneurs, and digital nomads to relocate.

The country’s focus on ESG, smart cities, and AI-driven industries ensures long-term economic resilience, making it a preferred destination for businesses and investors looking for innovation-driven growth. With its geopolitical stability, strong financial sector, and ongoing economic diversification, the UAE is well-positioned to remain a key global investment hub in the years ahead.”



## Meet the expert

Harsh Vardhan is a global banking executive with over two decades of experience in investor relations, risk management, treasury, and strategic transformation. He has held key leadership roles at the ANZ Banking Group Ltd. (Australia), including Senior Manager of Investor Relations and Chief of Staff (Office of the Chief Risk Officer), as well as treasury and risk positions at Qantas Airways Limited (Australia).

Currently heading global Investor Relations at Abu Dhabi Commercial Bank (UAE), Harsh drives strategic financial communications, ensuring investors, analysts, rating agencies and stakeholders are fully aligned with the bank's vision and performance. His expertise bridges finance, marketing, and regulatory compliance, making him a trusted advisor to the Board of Directors and Executive Management.



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