

الشبكة العربية للمسؤولية
الإجتماعية للمؤسسات
Arabia CSR Network®

CSR ARABIA

Arabia CSR
Network newsletter

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Note from the President & CEO Arabia CSR Network

Clearing up some misconceptions about CSR

Organisations must make a clear distinction between what CSR is and what it is not. CSR is not only about Philanthropy; no matter how entrenched it is in the organisation's commitment to provide assistance for a certain cause or issue. It would only become a source of value creation if it is elevated to Strategic Philanthropy, which is in alignment with the core of the organisation's activities and interests, where the organisation has an active role, is long term and addresses a deep-seated problem or area of social need. However, even Strategic Philanthropy has its critics who contend that it fails to provide solutions to complex social problems facing the world today.

CSR is not a tool for PR or Marketing. It cannot be used as a leverage point to satisfy stakeholders and gain their acceptance. Neither should it be used for 'green washing' the business. CSR should be seen as the means to capitalizing the opportunities that arise from stakeholders needs and issues, and within this context, marketing and research can play a positive role in the identification, communication and strategization of these issues and building of long term relationships that support value creation.

Successful CSR is not only a part of business; it is a component of the core business. Sustainability should be embedded into the vision and mission of the organisation. It deals with the organisation's daily impacts, and hence cannot be assigned to only a part of its activities.

CSR is not a substitute for products and services. Having a good CSR initiative does not mean that an organisation that has the potential to develop sustainable products and services, should consider its job done. There is no substitute for products and services that address societal needs, and the primary aim of a sustainable organisation should be to contribute to sustainable development of the economy, society and communities. Many opportunities to pioneer innovations to benefit both society and a company's own competitiveness can arise in the product offering and the value chain.

CSR is also not a substitute for profitability. An organisation that does not make profit will not be able to sustain CSR in the long term, for CSR will always compete for resources internally. CSR implies creating inclusive value, which means value not only for stakeholders, but also for the shareholder constituency within the broader stakeholder group.

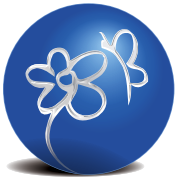
So, finally, what is CSR? CSR is a CULTURE. It is an ethos that drives an organisation to be successful in the present term and sustainable in the future. It should be embedded, lived and practiced on a daily basis. It represents the values that an organisation eventually comes to symbolize, towards that it is indeed a culture that goes beyond mere practice.

Finally, a word of caution! It seems that there is an Islamic sustainability reporting standard that has been developed outside of the Region. I hope we will be smart enough to distance ourselves from such dubious and questionable claims.

8th Cycle of the Arabia CSR Awards is up and away!

The Arabia CSR Network launched the 8th Cycle of the Arabia CSR Awards in a Press conference hosted by the Oberoi Hotel in Dubai on February 16th. The Press conference was organised to announce the launch of the 8th Cycle of the Arabia CSR Awards and to share the features of the 8th Cycle with the media, potential participants and other stakeholders. In addition, The Press Conference highlighted the winners of the 7th Cycle from various categories and provided them a space to share their experiences and insights on their Awards journey.

This was meant to further recognise their success and also inspire other organisations to follow in their footsteps. Furthermore, the Press conference provided a platform for public and private organisations who were interested in applying to the Awards to become acquainted with the platform. Through the Press Conference, ACSRN aimed to promote awareness about the Awards through extensive media coverage in order to reach all target audiences through the relative media channels including Press, TV and radio stations to drive sustainable development in the region. ACSRN wishes all of the participants the best of luck and encourages all its members and stakeholders to embark on the Awards journey to learn, celebrate and inspire.



Meetings & Events

ACSRN in the Rotary District Conference

At the invitation of the Rotary Club in Bahrain, ACSRN joined the Rotary 2nd District 2452 Conference, held on March 19th in Manama. The event was considered very important since it coincided with 50 Years of the Rotary in the Kingdom of Bahrain, and was held under the patronage of HRH Prince Salman Bin Hamad Al Khalifa, the Crown Prince, Deputy Supreme Commander and First Deputy Prime Minister. The conference was dedicated to economic development, water, medical care, humanitarian assistance and importance of peace in District 2452, the region as well as to the whole world based on the Rotarians' commitment to "Service Above Self". The event brought together the members and associates of the Rotary Club's local chapter in Bahrain and other VIPs and guests. Four plenary sessions were organized on the following topics:

- Integrating Sustainable Development Goals (SDGs) in the Economic plan of the Developing Countries. What the Countries of the Region have achieved?
- Water as the main cause of future conflicts between Nations.
- How to provide the required medical care and meet the increasing costs.
- The Importance of Peace to the Economic Development of the Region.

ACSRN took part in the plenary session on the SDGs and the one on the required medical care, joining a host of experts, academics and UN officials.

First virtual meeting of the GRI Stakeholder Council

The Stakeholder Council, which is one of the governing bodies of The Global Reporting Initiative (GRI), had the first series of on-line meetings in March. The Council meets annually to discourse important issues related to the governing processes of the GRI, the GRI guidelines for sustainability reporting and ongoing related work, and various other key issues. ACSRN President & CEO, Habiba Al Marashi, is serving her second term as an elected member of the GRI Stakeholder Council. This year GRI took the decision to hold all but one of these meetings via the virtual space, which will offer more flexibility and will increase the frequency of these meetings. The two meetings that took place in March addressed key aspects of the GRI's newly introduced strategy. The members deliberated the role of the Council with respect to the implementation and outreach related to the strategy, and formulated recommendations that will be submitted to the GRI Board for consideration and possible approval.

ACSRN attends Emirates Foundation's Social Investment Forum titled: "Enabling Environment for Social Enterprise Development"

Emirates Foundation for Youth Development has organized a Business Breakfast as a part of a Social Investment Forum hosted by His Excellency Sheikh Sultan bin Tahnoon Al Nahyan on the 30th of March 2015 in Dubai. The focus of the event was to create an enabling environment that will foster the growth of social enterprise to play its role as a link between the government, NGO's and the private sector. Social Enterprise is a highly significant emerging sector in the UAE and the region as it is increasingly recognized as a sustainable medium to foster both social and economic development as opposed to traditionally philanthropic models or irresponsible corporate models.



Mrs. Habiba AlMarashi, ACSRN President and CEO attended the Forum in line with her strong belief in the importance of supporting the Social Enterprise Sector. This belief has been translated in the introduction of a separate Social Enterprise Category in the 8th Cycle of the Arabia CSR Awards. ACSRN hopes to raise awareness to this vital sector and encourage existing Social Enterprise to showcase their achievements and pave the way for rising Social Enterprises to contribute to sustainable development.

The Arabia CSR Awards
50 applications in 40 days and counting!





Upcoming Trainings & Events

Arabia CSR Awards Clinic (English), April 7th, 2015, Dubai, UAE

As it has been doing in the past, the Arabia CSR Network is once again organizing a half-day practical workshop on the Arabia CSR Awards. As readers will know, this award is highly coveted across the Arab Region. It is supported globally and is highly regarded by CSR and sustainability experts and practitioners alike. The Awards Clinic is a workshop that has been specifically designed to help applicants in developing an articulate, relevant and competitive submission. Delegates to the Clinic will benefit tremendously from the presentations, discussions and walk-throughs related to the application process, the award questionnaire and supplementary materials required to be submitted. The Winners of the 2014 or 7th Cycle of the Arabia CSR Awards will be present in the Clinic to discuss their experiences, including the challenges they have faced and the benefits they have gained out of applying to the award.

In addition, a representative of the awards' 2015 Jury Panel will be on hand to give valuable guidance on how to post a winning submission. A team from the awards secretariat will also attend the Clinic to provide information and logistical support, wherever required. Participation in the clinic is strongly encouraged for applicants and those interested to apply to the Arabia CSR Awards. It will aid them considerably to understand the important aspects of the Application process well in time before the submission deadline on June 30th 2015. Analysis has shown that applicants that have attended the Awards Clinic in the past have considerably improved their application and their chances of winning.

All registered applicants to the 2015 Awards will receive 2 complimentary seats. Any additional seat will be chargeable.

Training on GRI G4 Framework for Sustainability Reporting (English) **April 28-30th, 2015, Dubai, U.A.E.**

Global studies show that Sustainability Reporting is growing; stakeholders are increasing using these reports to form opinions and take decisions about various organisations. The Global Reporting Initiative (GRI) offers one of the most trusted reporting frameworks on Sustainability, which is tested by thousands of reporters every year. The new generation of the GRI framework, known as G4, is different from the previous version. It places greater emphasis on material issues, management, ethics, governance, stakeholders and supply chain.

The Arabia CSR Network will conduct the first certified training of the year in English on the GRI G4 Sustainability Reporting Guidelines in April. Earlier in the year the Network delivered a G4 training exclusively for Arabic speaking delegates.



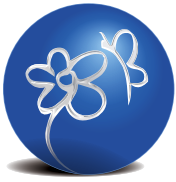
The Training will enable participants to:

- Go through the five step process of reporting - prepare, connect, define, monitor and report
- Plan and Coordinate GRI Reporting Process
- Understand, Identify and Manage the concept of Stakeholder Engagement
- Learn how to prioritise and document Material Issues
- Select the "in accordance" criteria and assure the collected information and data.

Professionals interested to obtain a certified GRI training and those with prior exposure to GRI G3 / G3.1 can attend the training. Certificates will be issued to all the participants by the GRI Headquarters in Netherlands.

Hawkamah Corporate Governance Forum – Islamic Finance and Sukuk Workshop (May 12-13, 2015)

Keeping with the recent initiative from Dubai's Leadership to promote Dubai as the international hub for Islamic economy and finance, with particular emphasis on Sukuk Hawkamah, the Institute for Corporate Governance has partnered with Dar Al Sharia Legal & Financial Consultancy LLC to offer a 2-day workshop covering Introduction to Islamic Finance and The Sukuk structures. The workshop will benefit professionals working within the finance industry who seek to better understand the functional comparison between conventional and Islamic finance. The participants will benefit from a unique curriculum that teaches simultaneously the academic and practical elements of Islamic finance (focusing on securitization and Sukuks), including the role of corporate governance in Islamic finance, providing the participants an overall understanding of how Islamic finance operates. To register please [email info@hawkamah.org](mailto:info@hawkamah.org) or call +9714 3622551



**Training on GRI G4 Framework for Sustainability Reporting
(Arabic) May, 19-21 2015, Dubai, U.A.E.**

Sustainability reporting is becoming increasingly sought after in the Arab world, as cross-industry companies from both the public and private sectors are eager to use the process as a medium of unveiling their CSR practices and enhancing their transparency. The Arabia CSR Network is working to help companies in this part of the world to accurately and effectively compile sustainability reports in their native language to increase their credibility with their stakeholders. Training these organisations to use the GRI framework not only enable them to issue a well-balanced and reliable report, but also aid them to better assess the impact of their operations on the environment and the community.



Feature Article

***The Business Case for the Green Economy
– Sustainable Return on Investment***



The transition toward a resource efficient and Green Economy clearly represents an enormous opportunity for business. Those companies that understand and act on that opportunity will have an advantage in the market. However, there is also overwhelming evidence in the Green Economy Report (UNEP Green Economy Report) and a number of other research based reports that business as usual is fundamentally undermining the very resource base upon which business success depends. Decoupling economic growth from environmental damage is required to prevent large-scale economic as well as environmental disaster.

The drivers of change such as resource scarcity, stakeholder demand, and strategic opportunity are all accelerating. Business as usual is not an option. The evidence within this report and that garnered during the wider research review upon which this report was based unequivocally demonstrates that positive returns are being achieved on investing in a Green Economy. There is a compelling case that sustainable actions lead to improvements in leading indicators of success, which in turn enhance financial value drivers. Pioneers that are leading the market are reaping the rewards and positioning themselves for sustained success.

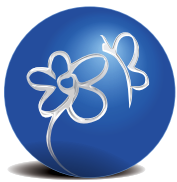
Innovating to create more sustainable products has been shown to drive customer attraction, increasing sales growth and market share. The

provision of sustainable products and services bolsters brand value and reputation, which in turn increases sales duration. Improving productivity strengthens profit margins. Business will be rewarded for sustainable actions through favorable tax regimes which can reduce cost of capital.

It is not always easy to construct and embed a business case for change in the current business climate as barriers remain. Financial short-termism, regulations that encourage unsustainable practices, and low market pull reinforce the status quo. Building a business case for an individual company to change course requires both vision and courage, and must consider the context of the company, its industry, location and resource issues.

Business alone cannot deliver the speed and scale of change required. Collaboration with regulators, customers and the financial community is essential. Public policies linked to clear principles of sustained economic success are necessary to support this transition. Financial institutions play a dual role in the transition towards a Green Economy, through both investing in sustainable projects and integrating environmental, social and governance (ESG) indicators into the decision-making criteria for lending, investment and insurance. ESG performance is increasingly seen as a proxy for management quality, which in part explains the growing interest in sustainability ratings schemes.

From utility companies in the burgeoning urban centres of tomorrow to consumer goods companies in developed markets, sustainable goods and services are moving from niche to mainstream. Leading businesses have recognized the risks of financial short-termism and have developed forward-thinking strategies. Those investing in sustainable innovation to increase resource efficiency and responsible operations ahead of regulation are achieving competitive advantage and positioning themselves to capture the mainstream markets of the next decade. As market conditions change, the business case will grow. So the question to business is: why wait?



Sustainable Return on Investment: An Action Plan for Business

1. Create a vision of what the Green Economy could mean for your business - Step ahead; consider what your company would look like if everything it did improved human well-being and social equity, while significantly reducing environmental risks and ecological scarcities.
2. Enhance resilience and business growth by adopting alternative valuation techniques - Traditional, monetary valuation techniques fail to capture the value of supplies from nature. Alternative techniques are available and developing that more adequately value human, social and natural capital.
3. Move from a singular shareholder value approach to a more inclusive understanding of value - Businesses are achieving competitive advantage by applying a 'duty of care' that looks at their company as part of a wider network of stakeholders and making better informed decisions by learning from engagement with them.
4. Drive policy change - Support market-based regulations of environmental "bads" and cuts in public funding in sectors that deplete natural capital. Responsible businesses can turn this into an opportunity by investing in the technology innovations and entrepreneurship that these new markets require.
5. Capitalize on opportunities presented by regulatory trends - As market-based regulation of poor environmental practices grows

and subsidies are reallocated towards those which enhance natural and social capital, companies are capitalizing on the benefits by investing in the technological innovations and entrepreneurship required by new sustainability-driven markets.

6. Secure access to higher quality and/or cheaper capital - Business strategies that are well informed by environmental and social risk and opportunity are increasingly gaining access to higher quality capital at reduced cost.
7. Communicate the value of sustainability to investors - By making the link between sustainability and financial reporting, organizations are better able to communicate to their management and investors the complexity of their efforts and any barriers associated with their contribution to a resource efficient and Green Economy.
8. Establish sustainability as a permanent item on the Board agenda - By placing sustainability at the core of governance, leading companies are planning for the future.
9. Create incentives and mechanisms to embed sustainability within your company's culture- Making incentives to meet your vision and engaging employees to support sustainable decision-making will reap more societal benefits and resource efficient outcomes.

Excerpted from 'The Business Case for the Green Economy: Sustainable Return on Investment'; United Nations Environment Programme (UNEP), 2012



Our Family Member Updates

Wasl Asset Management signs Cloud for Customer Agreement with SAP

Wasl Asset Management is set to deploy the latest technology to transform the UAE's property environment. As reported by the real estate and property management group, the UAE's property sector is expected to grow tremendously in the years to come as a follow through to the winning of the Expo 2020 bid. According to Zainab Mohammed, CEO, Property Management and Marketing, wasl, "Cloud solutions enable real estate companies to gain deeper customer insights, especially in analysing social media demand for neighbourhoods and properties." By signing the largest ever agreement of its kind in the UAE to apply cloud solutions wasl is confident of enhancing customer experience and providing an even higher quality of service.

DUBAL's parent company EMAL wins global award for suggestion scheme

Dubal is one of the core operating assets of Emirates Global Aluminium (EGA), the world's fifth largest primary aluminium producer. EGA continues to be globally recognized for its performance, and its commitment to improve and innovate in its business. Recently, the Deutscher IdeenPreis 2015 - Ideas International Award was won by EGA for one of the suggestions that has been developed by their employees. The winning suggestion offered ways to reduce riser voltage drop in new pot cells by welding aluminium strips. The Suggestion Scheme also won second place in the Deutsches Institut fuer Betriebswirtschaft - DIB Best Idea Management in the Aluminium and Metal Processing Industry category.

General News

Much anticipated RetrofitTech Conference highlights Sustainable Energy strategies and initiatives

The first RetrofitTech Conference, held in Dubai on March 16 and 17, was an important conference that drew focus on the need for sustainable energy consumption through demand side management, in support of the Dubai Government's initiatives in this sphere. The Dubai Supreme Council of Energy officially endorsed it.

The conference shed light on demand side management strategies in the GCC Region, including particular emphasis on the plans to retrofit government buildings in the country and soon to be released retrofitting guidelines as a first of its kind in the Region, and many other interesting aspects related to the subject. The conference was opened by H.E. Saeed Mohammed Al Tayer, MD & CEO of DEWA, who shared great insights about the advantages and opportunities latent in the shift to energy efficiency and sustainable energy consumption.

Qatar has highest concentration of Green Buildings in the GCC

Out of the 1236 'green buildings' (buildings that adhere to specific sustainability criteria) located around the GCC Region, 16% are found in Qatar, making it a hotspot for green buildings. According to recent report published by Ventures Middle East the country is ranked at the second position in the Middle East green building market, and first in the GCC.

The GSAS sustainable building rating system, developed by a Qatari non-profit organization GORD is also leading in the region with projects not only in Qatar, but also in Kuwait and Saudi Arabia. By 2016 all government buildings in Qatar will adhere to the GSAS system. Doha is also slated to

create its own world record with the Msheireb Downtown Project which will house 100 green buildings, the largest collection so far. Qatar also has an active green building council called the Qatar Green Building Council affiliated to the World Green Building Council.

Jordan's solar energy plans for all mosques



Jordan has announced a solar energy initiative whereby all the 6000 mosques in the kingdom will be run on solar energy by the end of the year. Acknowledging that mosques consume a great deal of energy through lighting and air-conditioning throughout the day and evening, the government decided to make the shift to solar energy to help them to reduce energy bills that can run up to USD 1400 per month as estimated by analysts.

Jordan is heavily reliant on energy imports and has undertaken a five year program to reduce its reliance on crude oil and diversify its energy portfolio. The move to introduce photovoltaic panels to mosques comes in the wake of the program and is initially aimed at 120 mosques; to be expanded to the rest subsequently.



Case Study from the Archive - Abu Dhabi Police

Abstract

UAE is one of the most secure states in the world which reflects a uniquely distinctive leadership and the operation of its security services. The General Directorate of Abu Dhabi Police operates to achieve a safer society in Abu Dhabi. It seeks to preserve stability, reduce crime and remove fear and vulnerability, as well as contribute to the achievement of justice among the public. Its objective is to become the most effective police force responding to the needs of society with the highest level of integrity and skills.

For more than 50 years, the change and development within the organization has resulted in highest standards of performance at all levels and locations in Abu Dhabi. Abu Dhabi Police has made great strides during the last few years in facing the challenges ahead. A modern e-police force has been created, founded on a methodical and scientific approach to work. The organization values integrity, honesty and respect for human rights and aims to provide fair service in a manner which is reasonable, tactful and compassionate. There is a strong belief in promoting teamwork and recognizing the contribution of individuals through rewards and appreciation.

Abu Dhabi Police is among the first government agencies in the Emirate of Abu Dhabi that developed a dedicated unit within the organizational structure called "Branch Corporate Social Responsibility". It has spearheaded a number of initiatives on issues such as human rights and non-discrimination in the workplace, reducing environment-impacting practices, and external outreach on social issues. It has won accolade from the government for innovative practices and is certified to ISO 14001 and OHSAS 18001. Abu Dhabi Police was selected as the First Runner-Up in the Public Sector category at the Arabia CSR Awards for the year 2013. This undoubtedly is an acknowledgment of the organization's approach and its contribution to the concept of Corporate Social Responsibility and the practice of community sustainability.

Conclusion

Abu Dhabi Police's corporate responsibility practice makes for an interesting case example, whereby a public service organization expands the scope of its services immensely and successfully by embedding sustainability in its values, strategy and operations. Moving beyond policing work, the organization becomes a player in the sustainable development of the country and sets a good precedent for all state establishments. Offering not only safety and security, but also justice, fairness and opportunities for growth and development to the community, Abu Dhabi Police shows the progressive and responsible side of its business. Moving to sophisticated technology and using it to provide vastly improved services has been advantageous. This is clearly in evidence in the multiple awards that the government has conferred on Abu Dhabi Police, for instance, for optimal use of e-services, effective government communication, innovation management, green applications, management of crises and disasters and many more.

Ensuring fair practice in its dealings with offenders and criminals and the intent to reform offenders and criminals is proof of forward thinking and bringing about change in societal behaviour and culture. For a police organization social responsibility imparts a role beyond and above that of a mere enforcer and protector. Here Abu Dhabi Police breathes life into this assumption, as corroborated by the diverse social initiatives derived from perceptiveness of stakeholder needs and expectations, and the desire to collaborate with stakeholders. Focused on social challenges and vulnerabilities, Abu Dhabi Police works side by side with other public agencies, civil society organisations and student communities in areas like human trafficking, absent girls, child abuse and family issues, rehabilitation of criminals, victim support and disease awareness.

Introspection of its footprint and impacts has further benefitted the organization and helped it to manage and improve its operations. Accreditation for international standards and good practice in OHSE points to a robust risk management system that is followed with care and precision. Advocating social responsibility across the value chain indicates that Abu Dhabi Police is aware of the pre-requisites of a matured and impactful CSR practice. The organization also clearly shows a readiness to raise the stakes to achieve its vision "to be the General Command of Abu Dhabi Police, the leading government agency in the application of the principles of corporate social responsibility at international levels".

Lessons Learnt

- *Social responsibility is a pathway to creating a safe, secure and confident society*
- *Sustainability helps organizations to adapt to changing environments and innovate*
- *Defining and allocating roles and responsibilities is key to effective management of organizational performance, be it CSR or Organisational Health, Safety and Environment*
- *Staying on top of stakeholder concerns allows for better management of own performance, sustains long term stakeholder relations and catalyzes co-creation*

Arabia CSR Best Practices: 2014

This abstract has been taken from the ACSR Network publication titled 'Arabia CSR Best Practices: 2014'. For more details on Abu Dhabi police and other companies that have been recognized for their innovative and effective CSR strategies write to us at admin@arabiacsnetwork.com and book your copy now! Please mention "Arabia CSR Best Practices" in the subject.

The Arabia CSR Network welcomes new members to be a part of its CSR journey. To learn how to be a member, and how your organization will benefit from it, call us at +971-4-3448120 or write to us at admin@arabiacsnetwork.com For more information on the Arabia CSR Network visit www.arabiacsnetwork.com