

الشبكة العربية للمسؤولية
الإجتماعية للمؤسسات
Arabia CSR Network®

CSR ARABIA

Arabia CSR Network

newsletter

May 2015 Issue 45



Arabia CSR Awards 2015 Clinic guided the participants as well as potential participants in their Awards; journey



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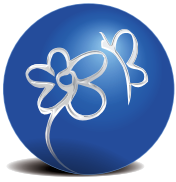
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Note from the President & CEO Arabia CSR Network

Change as a pre-requisite for continuous success

It is not the strongest species that survive, nor the most intelligent, but the ones who are most responsive to change - Charles Darwin

Change is indeed the essence of life. We change continuously throughout our life in sheer physical ways and also mentally. Much of this change is organic and inexorable, and we are not always conscious of the changes. The same precept, as latent in Darwin's words, can be applied to business. Those that change in response to the tectonic forces working within markets and societies, are much better equipped for survival, success and

continuity. Risk management is only one way of getting there. From resource efficiencies to waste eradication, building human capacity to societal engagement, there are a myriad ways by which an organisation can frame suitable responses to changing pressures and drivers while simultaneously transforming its own strategy for success.

However the need for change must come from within and be felt in the core. There is another famous saying, - you cannot do today's job with yesterday's methods and be in business tomorrow. Businesses in today's complex world need to be able to intercept the value of sustainability by seizing the opportunities it throws up. In the Ethical Corporation report featured in this newsletter it states that 69% of the corporate respondents (of the survey on which the report is based) reported that their CEOs were convinced of the value of sustainability, while 89% said that it was an important part of business strategy. This is a very welcome indication of corporate responsibility and sustainability climbing in importance and even featuring in boardrooms. Our upcoming trainings on CSR Strategy and Leadership, CSR Advanced, and the CSR Fundamentals and GRI G4 in Arabic, will offer an excellent platform to broaden your approach to CSR and corporate sustainability and recognize its potential to help you evolve, change or transform into sustainable and successful businesses.

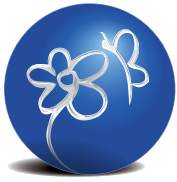
It has always been our intention to collaborate with companies for knowledge and capability development, dialogue and exchange, sharing of good practice, and recognition of the best in class. The Arabia CSR Awards, which combines all of the above, is still open to participants from the Gulf, Levant and North Africa. The Arabia CSR Forum 2015, another reputable regional platform, is being planned to be even bigger and better than it was in the previous years. We invite participants, sponsors and partners to come forward and engage in the Region's most prestigious and renowned CSR initiative that reflects the progress made by organisations in the Arab world towards corporate responsibility and sustainability.

Arabia CSR Awards Clinic 2015

The Annual Arabia CSR Awards 2015 Clinic was organized by the Arabia CSR Network on Tuesday, April 7th hosted by Villa Rotana Hotel, Dubai. The event received past, current and potential applicants of the Arabia CSR Awards to provide a complete outline of the evaluation methodology, the categories and the submission process along with useful hints on submitting a successful application. Emphasis was placed on the 3 new categories (Energy, Financial Services and Social Enterprise) introduced in the 8th Cycle and the new aspect areas that have been added to the questionnaire (Partnerships and Innovation) across all the categories.



The Awards Clinic was conducted by Hanan Abbas, a member of the ACSRA Jury Panel and previous Awards winners. Clare Woodcraft, Chief Executive Officer of Emirates Foundation was invited to define and explain the term Social Enterprise in order to ensure that the applicants had a proper understanding of the term in light of the new category. The Awards Secretariat was also present to provide further support and provide comprehensive answers to any questions or concerns. The Clinic provided an excellent platform to gather the Arabia's CSR participants and build the necessary rapport with the Arabia CSR Awards Jury and Secretariat for future engagement throughout the application process. Winners of the 7th Cycle comprised a panel to reflect on their journeys of the Arabia CSR Awards and the approach they had undertaken to submit Award winning applications.



Meetings & Events

GRI Training

The year's first GRI certified training on the G4 guidelines on sustainability reporting in English was held from April 28-30th. This was the 20th GRI certified training conducted by Arabia CSR Network so far, that have collectively helped to build strong foundations for GRI based sustainability reporting for close to 150 participants from all over the Middle East. More than 30 reports have been produced by the organisations that have participated in these training sessions, while more are in the pipeline. The training course is comprehensive and covers lectures, interactive exercises and published material that help participants to dive deep into the GRI guidelines, pose queries and receive clarification, and acquire practical tips on how to produce a structured and credible sustainability report for multiple stakeholders. "The GRI trainings have always been a great source of learning on CSR and sustainability, and not just reporting" stated Mrs. Habiba Al Marashi, President and CEO of the Arabia CSR Network commenting on the successful nature of the GRI trainings.



Organisations have gained tremendous insights into sustainability principles and good practices from these trainings, and have been able to design much better aligned sustainability strategies. Organisations already practicing CSR have been able to assess their performance, identify gaps and errors, undertake course correction and develop more integrated and mature policies and systems benchmarking the GRI guidelines." The course gave insights into the GRI as an organisation, what it offers to reporters, as well as step by step guidance on the GRI reporting process. The participants came from different industry sectors and the companies they represented operate in the UAE, Qatar, Jordan and Lebanon. This cross-sectional participation was useful in learning about the diversity of sustainability issues in each represented country and specific markets in the region. The participants returned a very positive feedback on the course and the trainers, and their observations and recommendations will be used by ACSRN to improve future training sessions. Every participant was issued an e- certificate from GRI upon successful completion of the course.

GRI Stakeholder Council meeting focuses on internal processes and the SDGs

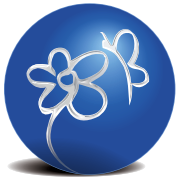
The Global Reporting Initiative (GRI)'s multi-stakeholder governance body, known as the Stakeholder Council (SC), met on April 29th via a webinar to discuss the nomination of members to the GRI board and the upcoming SC elections. The council also heard from the GRI's Deputy Chief Theresa Fogelberg, who gave an overview of GRI's work on the Sustainable Development Goals. This was followed by brief updates from SC members on what their respective organisations have done in the domain of SDGs.

Arabia CSR Network's Habiba Al Marashi, a member of the council, shared a few insights about ACSRN's partnership with the United Nations Environment Programme (UNEP) which is geared to promoting the SDGs and the principles that will drive its implementation. The collaboration is activated at different points of engagement, such as the Arabia CSR Awards, the ACSRN trainings and the UNEP's 10YFP programme on Sustainable Consumption and Production (SCP). Sustainable Consumption and Production is an integral component of the SDGs. It is reflected as a crosscutting enabler (in the form of both targets and means of implementation) for the achievement of many of the proposed SDGs as well as in a stand-alone goal 12 on "ensuring sustainable consumption and production patterns".

Arabia CSR Network takes part in GRI Stakeholder Engagement

The GRI's Sustainability Management and Reporting Team (SMART) has been tasked with compiling the 2014-2015 GRI report which will combine an annual report with a G4 based Sustainability Report. For this purpose the team has drawn up a stakeholder engagement plan to decipher the most important economic, social and environmental impacts of the organisation in the view of key stakeholders.

As a GRI Certified Training Partner, ACSRN was invited to participate in a Stakeholder Engagement Survey developed by referencing the GRI's G4 guidelines and the NGO Sector Disclosures. The objective of the stakeholder engagement is to ascertain the most material aspects related to the top most critical impacts that GRI should address and report back to its stakeholders. The results of the survey will inform the processes of issue identification and prioritization for reporting, and will be reflected in the report when it is finally published by GRI.



UN Global Compact and Pearl Initiative Regional Forum on Corporate Accountability

The President and CEO of Arabia CSR Network, Habiba Al Marashi, was invited to the forum and gala dinner organized by the UN Global Compact and partner, the Pearl Initiative on the 16th of April. The inaugural forum, themed 'Corporate Accountability Matters – Business Integrity and Value Creation Beyond 2015', was held under the patronage of HH Sheikh Hamdan Bin Mohammed Bin Rashid Al Maktoum, the Crown Prince of Dubai. It was targeted at organisations in the Gulf Region with a view to widening the debate on corporate accountability, transparency and governance in order to facilitate the role of business in the implementation of the post 2015 agenda of sustainable development, and accelerate regional economic competitiveness.

The objective of the forum was 'to provide a vehicle for business, UN organisations, government, civil society and other stakeholders to share lessons and explore effective ways to enhance their capacity to engage in activities and partnerships that advance sustainable development priorities across the Region'. Various high profile leaders spoke to the audience during the forum, among them were HE Reem Al Hashimi, UAE Minister of State and Board Representative Higher Committee & Director General Bureau, Dubai Expo2020; Sir Mark Moody Stuart, President & Chairperson, Foundation for the UN Global Compact; Georg Kell, Executive Director, UN Global Compact, and others. The plenary sessions focused on sustainable leadership and regional competitiveness, and the business case of diversity in leadership teams. An executive roundtable was organized on the subject of Integrity and Transparency, and other roundtables were held on the topics, - integrity through the value chain; governance and transparency in business and civil society; and governance and sustainability in family run businesses. The guest speaker in the gala dinner was Lord Michael Hastings, Global Head of Corporate Citizenship, KPMG. The keynote address in the forum was delivered by Ban Ki-moon, Secretary General of the United Nations, through a video recording.

CSR in Action UAE 2015

The CSR in Action UAE 2015 took place in April in Dubai. It targeted 20 participants, comprising of 15 students and 5 CSR professionals. The initiative comprises of the following steps; - building capacity and mentoring through a set of training workshops for project conceptualization, followed by a month-long pilot project implementation, an assessment of projects and selection of 3 best projects by a reputed jury panel and awarding to conclude the program. The initiative brings together business, academia and the government, to achieve the following:

- Help shape the CSR and sustainability divisions within the private sector, government and community development authorities and make them more responsive to community needs
- Enhance knowledge, awareness and understanding of CSR practices among Arab university students and CSR practitioners in the Arab world
- Build the participants' capacity in developing new sustainable social enterprises and CSR projects that will positively contribute to their society, university and CSR divisions in private sector CSR.

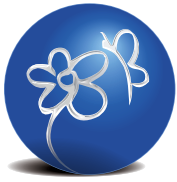
The Arabia CSR Network supported the event and held circulate the invitation in its commitment to promoting CSR and Sustainability awareness among students and the larger community.

Best Practice Case Studies Publication

The Arabia CSR Best Practice Case Studies 2014 came out last month. All organisations that are featured in the publication received complimentary copies of the publication. Here is what some of them wrote back to express their appreciation:

- Emirates Transport is proud to have some of its best practices featured in the ACSRN Best Practices 2014 publication, which is regarded as an important reference by organizations, educational institutions and individuals who work in the fields of sustainability and corporate social responsibility. The report highlights leading CSR practices from around the region, helping disseminate knowledge among public and private institutions, and inspiring business leaders to greater achievements in the field. In addition, the publication illustrates eloquently the supporting role that can be played by institutions in achieving community development and environmental objectives. – Emirates Transport
- Arabia CSR Network once again leads from the front in MENA Region's CSR and Sustainability endeavors by publishing its latest CSR- Best Practices Publication 2014. An outstanding compilation of the best practices of the award winning companies and businesses. Each best practices section is crafted professionally and written in a precise and imposing way. An excellent piece of work that will go a long way in lessons learned from the best in class when it comes to corporate citizenship. Well done ACSRN team led by the CSR dynamo Mrs. Habiba Al Marashi and thank you for taking CSR and Sustainability to even greater heights in the MENA region. - Dr. Abdulrahman Jawahery, President, Gulf Petrochemical Industries Company





Upcoming Trainings & Events

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 enables them to issue a well-balanced and reliable report, but also aids them to better assess the impact of their operations on the environment and the community. ACSRN is offering the certified GRI G4 training tailor made to suit Arabic speaking delegates and organisations planning to produce a sustainability report in the Arabic language for regional audiences. The one of its kind training will help reporters, report users and sustainability professionals to grasp the principles and requirements of the world's most preferred reporting framework. This certifiable training comes with a certificate from GRI.



Certified Training on CSR Strategy and Leadership **May 25-26, 2015, Dubai, U.A.E.**

Close on the heels of the first certified training on CSR, the Arabia CSR Network is presenting the next certified training, on the topic, CSR Strategy and Leadership. Integrating sustainability into strategy and leveraging CSR to achieve both competitive advantage and leadership are at the heart of every successful CSR practice. Therefore ACSRN is offering a two day training course that will allow participants to have a strong grasp of these crucial issues. The course will help delegates focus on the key elements to be considered in order to correctly understand the CSR environment and make a successful transition to social responsibility and sustainability. It will teach organisations to frame appropriate sustainability strategies that align with the market and social environments, create sustainable value portfolios for their organisation and develop the competencies required for CSR leadership. This high quality training comes with an end-of-course assessment and certification for successful participants.



Certified Training on Fundamentals of CSR and Sustainability (Arabic) - June 9-11, 2015, Dubai, U.A.E.

CSR and Sustainability have emerged as a strategic priority for organizations, leading them to find ways to realize the full potential that CSR offers as a strategic management tool. The Arabia CSR Network is organizing this training in Arabic to infuse in participants a clear understanding about the fundamental tenets of CSR and the link between CSR and the organisation's performance. The course has been designed to offer pedagogical content and real world examples using a combination of lecture, discussion and exercise. The training would be very useful for a wide range of participants that are looking to build their knowledge and capacity for designing and implementing CSR strategies that are in tandem with their core goals and objectives. The training will be suitable for CSR or any other team member tasked with Environmental, Social and Governance (ESG) responsibilities, as well as consultants, freelancers and researchers.

Social Impact Assessment Workshop - June 14, 2015 (half day), Dubai, U.A.E.

Social impact is usually measured intangibly on the basis of direct feedback from beneficiaries, surveys, or other soft methods of comparing organizational targets or societal goals. More often they are reported in terms of capital invested or number of beneficiaries. In other words, current social measurement trends are not at all indicative of real success. Our social impact measurement (which is in accordance with the global SROI - Social Return on Investment - model) converts social change into -financial terms, parallel to and in the same language as a year-end financial report. This works by measuring the impact based on modern stakeholder engagement, accounting methods and creating -financial proxies and indicators on how the project or initiative has created measurable quantifiable value to the society. This training is suitable for companies, social enterprises and non-profit organizations looking for practical ways to start measuring the social impact of their social and community programs.

Hawkamah Corporate Governance Forum – Islamic Finance and Sukuk Workshop - May 22-23, 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 or call +9714 3622551



Feature Article

State of Sustainability 2015

The practice of sustainability in organisations has been through several stages of evolution – from something done, sometimes grudgingly, for public relations or regulatory purposes, to ever greater integration into the other operations of the organization. More recently, sustainability concern and strategy have been elevated to broad level. Nevertheless, we would expect significant differences to still exist between organisations and the evolutionary stage of sustainability that they have reached.

Of course, the captain of the ships sets the course the ship takes. Any organisations in which the top level commitment to sustainability is lacking is going to struggle to effectively and seriously implement sustainability strategies and programmes. Happily, we found that corporate leaders are becoming increasingly persuaded of the value of sustainability of their company. Of our corporate respondents, 69% said the CEO was convinced of the value of sustainability. For the Wider range the figure was 71% only 9% of corporate respondents, and 8% respondents overall answered this question negatively. The remainder were unsure – which might suggest that if sustainability is taken seriously at the top level in their organisations, it is not being effectively communicated down the line.

Q: Is your CEO convinced in the value of sustainability?

Our finding chimes with other surveys, which have identified the increasing boardroom acceptance of the importance of sustainability. For example, McKinsey in 2014 found that sustainability was a top priority for 49 CEOs' up from 34% in 2010

Taking Action

When we asked our respondents if sustainability is becoming increasingly important part of their business strategy, we found out that a resounding majority said yes 89% of corporate respondents answered in the affirmative, which fell to 87% when all respondents were included. It is interesting that this proportion exceeds that our respondents – about 70% - who said their CEO takes sustainability seriously. It is suggest that even for organisations where the CEO's is not serious about sustainability or where the CEO's attitude is unknown quantity, other factors are at work putting the issue on the agenda. This could include external pressures in various forms, such as consumer demand, supply chain issues or regulatory requirements.

Q: Is sustainability becoming an increasingly important part of your business strategy?

Higher Levels

We further captured the seriousness that the organisations accord to sustainability with a question regarding the level of seniority held by the head of the sustainability team. Our survey showed that responsibility for sustainability has elevated for the higher level in a large proportion of companies covered by our results. Of our corporate respondents, 57% identified the head of the sustainability team as director, vice president or other person at board level. For all respondents, this proportion was 53% nevertheless, although responsibility for sustainability has been allocated to high-level management in majority of cases, the most senior managers in the C-suite shoulder direct responsibility in only 3% of cases according to corporate respondents (this slightly higher, at 5% when all respondents are considered).

Q: What level of seniority is the head of sustainability team? (Corporate/brand respondents)

Where does the buck stop?

The increasing seriousness with boardrooms treat sustainability is also shown by information from our respondents on reporting lines. Of our corporate respondents, nearly half (48%) said the sustainability team ultimately reports to the board directly to the CEO. A further 21% report to ahead of sustainability. Meanwhile the overlap between marketing and sustainability is not present in only few organisations – 75% of corporate respondents said their sustainability team reports directly to board level of the CEO, while 19% said that reporting is done to the head of sustainability.

Q: Who does the 'sustainability team' ultimately report to?

Our results overall show that not only are CEOs and senior executive becoming, by a large majority, increasingly convinced of the need for a strategic approach to sustainability but they are really increasingly taking a hands-on approach, putting in place reporting lines to feed up information needed for strategic decision making.

Source: Ethical Corporation: State of Sustainability 2015 (www.ethicalcorp.com)

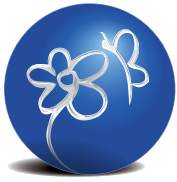
Our Family Member Updates

DEWA organizes the 17th WETEX exhibition

Dubai Electricity and Water Authority (DEWA) organized the 17th Water, Energy, Technology and Environment Exhibition (WETEX 2015) in Dubai in the third week of April. The event this year was themed 'At the forefront of sustainability' and drew together around 1500 exhibitors from 42 countries across the MENA region and thousands of visitors including leaders, experts, researchers, students, NGOs, governments, etc.

DEWA wins award for smart services

Dubai Electricity and Water Authority (DEWA) have achieved the remarkable feat of successfully migrating all the services on offer to customers to smart applications within a year of announcing a smart transformation strategy. In recognition of this accomplishment, DEWA was awarded the top honours in the 6th Smart Government Best Practices conference and exhibition, organized by the Pan Arab Excellence Awards Academy in Kuwait in March. The competing countries were Bahrain, Egypt, Jordan, Kuwait, Lebanon, Oman, Qatar, Saudi Arabia and UAE. DEWA bagged the Best Smart Application Award in the Official and Government Entities category at the level of the UAE.



Case Study from the Archive - Qatargas



Abstract

Qatargas is truly desirous of being known worldwide for Quality, Safety and Sustainability. Qatargas is a live example of the commitment of Qatar's oil and industry sector to Sustainable Development. The company is a founding member of a national initiative called the Sustainable Development Industry Reporting, which aims to make Sustainability Reporting a norm among companies within this sector. The initiative led to the birth of the Qatar Energy and Industry Sector Sustainability Programme (QEISSP) in 2010, in which the Chairman of Qatargas had a presiding role. Qatargas has used these initiatives, along with the Qatar National Vision 2030 and National Development Strategy 2011-2016, as tools to develop and enhance its CSR in the past three years. These national programmes have been very useful in putting together Qatargas' CSR roadmap, and driving continuous improvement. Sustainability in Qatargas emanates from the Direction Statement and pores into the covenants, policies, codes and practices of the company.

The integrated management system applied by Qatargas is the bespoke 'QGMS' (Qatargas Management System), held together by the 'One Team, One System' guiding theme. The central pillars of the QEISSP are Health & Safety, The Environment, Climate Change & Energy, The Economy, Society and Workforce; - these five elements are the lynchpins of Qatargas' CSR and Sustainability practice. The top leadership, i.e. the CEO and the Board of Directors, have oversight and overall management responsibility for CSR and Sustainability, while the day to day management has been entrusted to committees comprising of cross functional departments that report to the management team on a regular basis. A specific CSR team has also been created to monitor progress and manage sustainability reporting. Qatargas has several awards and accomplishments to its credit, earning acclaim for their operational performance, sustainability reporting, etc.

Conclusion

Qatargas has been convincingly playing the role of exemplar in the Energy and Industry sector of Qatar, providing leadership and setting a precedent by embracing high standards of CSR and Sustainability. Moving ahead from being a responsible business committed to ethics and transparency, Qatargas has also advocated pro-actively to make the industry more responsible and accountable. Apart from the economic contribution, that is perhaps Qatargas' central input for which it deserves special mention. The nature of the business upholds global sustainability efforts, and makes fighting climate change a business, rather than a moral, imperative. This gives Qatargas an edge in terms of Sustainability and helps it to tune the business vision, objectives and KPIs to it. Qatargas has used this advantage ably, and positions itself as a forward thinking business and business of the future. Using various renowned standards and industry guidelines to like GRI, IPIECA/API, OGP and the Qatar Petroleum HSE Regulations and Enforcement Directorate, Qatargas has produced a comprehensive and credible summary of its sustainability performance, and very importantly, a balanced and unbiased narrative of its impacts.

Some recommendations on how to accelerate ESG performance are:

- *Use international standards and frameworks to inform policies on Human Rights, Labour and corruption*
- *Share more information about any involvement in R&D projects and technological breakthroughs in Natural Gas, use Innovation more visibly*
- *Promote gender employment and empowerment at workplace, create appropriate channels for it in the company, aim for parity in the gender ratio*
- *Make CSR an independent function with a more strategic role*
- *Create a more inclusive stakeholder engagement and materiality roadmap for greater accountability*
- *Consider using third party verification for sustainability reports.*

Arabia CSR Best Practices: 2014

This abstract has been taken from the ACSRN publication titled 'Arabia CSR Best Practices: 2014'. For more details on Qatargas other companies that have been recognized for their innovative and effective CSR strategies write to us at admin@arabiaccsrnetwork.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@arabiaccsrnetwork.com For more information on the Arabia CSR Network visit www.arabiaccsrnetwork.com