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Note by the CEO / President Arabia CSR Network



Greetings from the Arabia CSR Network!

I recently came across a news item which stated that India recently passed a law on corporate responsibility, making it the first country to do so. According to this law, large companies with a profit of at least \$80 million over the past three years are required to spend 2% of each year's profit on nine kinds of initiatives that include ensuring environmental sustainability and more.

This is a big step in the field of corporate law, and one that I hope will encourage other countries to follow suit. While it is debatable how and how much we would like governments to play a role in ensuring a positively contributing private sector I believe it is a step in the right direction, as it will form the basis for greater collaboration and partnerships between the public, private and civil sector to address sustainability issues.

The role of the government for corporate responsibility is also one of the topics that we will be tackling in our upcoming Arabia CSR Forum & Awards Ceremony (24 Oct 2013). This event is one of the biggest corporate

responsibility related forums in the region; and with a line of speakers that includes global and regional experts and business leaders, we are sure that you will learn a great deal on the practical and philosophical aspects of corporate sustainability.

Another must-attend program we have coming up is the very useful GRI training that we will be conducting in Dubai from 15th to 17th September 2013. The training is extremely helpful for organizations that want to be industry leaders through transparency and effective communication of their sustainability performance. More details on this program can be found in this newsletter.

To register for our trainings, or the Awards, please email/call us or reach us on *LinkedIn, Twitter* and *Facebook* .

Meetings

Saudi Aramco visit to the Arabia CSR Network – August 21-22, 2013 – Dubai UAE

Team members of the Corporate Social Responsibility Division from Saudi Aramco recently visited the Arabia CSR Network and some of the winners of the Arabia CSR Awards to learn about CSR and benefit from sustainability best practices in the UAE.

The team from Saudi Aramco included the CSR Director and CSR Strategic Programs Supervisor. On the first day of their visit they were given a detailed presentation on the Arabia CSR Network and the impact created in the region by the Arabia CSR Awards. This was followed by visits to Tristar Transport and Bee'ah to learn about the practices in community health & safety and environmental preservation respectively.

On the second day, the Saudi Aramco representatives were taken to visit DEWA at their recently launched platinum LEED certified green building. This building - which serves as a customer service center - is the UAE's first public sector green building.



This provided the perfect setting to understand DEWA's role in creating awareness of environmental issues in the community. The team was also taken to meet the corporate responsibility team at DLA Piper, a global law firm that has taken ambitious strides in creating knowledge-based opportunities for women to play a bigger role in the legal sector.

The companies that were included in this visit were selected by the Arabia CSR Network for their mature understanding of corporate responsibility as well as their diversity (public and private sector, environmental and social initiatives etc). One of the key outcomes of the visit is the sharing of best practices amongst Saudi Aramco and the visited entities.



Upcoming Events



<u>GRI Sustainability Reporting Training – September</u> 15-17, 2013 - Dubai, <u>UAE</u>

There is one week left to avail an early bird discount for the Arabia CSR Network's upcoming GRI sustainability reporting training from 15th to 17th September in Dubai, UAE. This GRI-certified training will be divided into 2 components:

- 1. The first will focus on the GRI G3.1 reporting framework. This session is for individuals interested to obtain a detailed understanding of GRI.
- 2. The second component will cover the Bridging Module (between G3.1 and the recently launched G4). To attend this component, participants should have passed a previous G3/G3.1 training session.

This is an opportunity to recieve two trainings in one go. Participants will receive separate certificates for each training component. As always, the certificates will be issued by the GRI headquarters in Netherlands. The GRI G4 is significantly different from G3.1 in that there are no A/B/C application levels, a greater focus on the supply chain and more. The Arabia CSR Network urges you to utilize this opportunity to stay up-to-date with the latest in sustainability reporting.

Kindly confirm your participation at the earliest. For more details please visit http://www.arabiacsrnetwork.com/home/gri or contact us at admin@arabiacsrnetwork.com/+971-4-3448622.

<u>Arabia CSR Forum & Awards Ceremony – October</u> 24, 2013 – Dubai, UAE

There are less than two months left for one of the region's most prestigious CSR & sustainability related events – the Arabia CSR Forum & Awards Ceremony 2013. This event, which will be held at the Address Downtown in Dubai, UAE on 24th of October 2013, offers excellent opportunities of learning from business experts and international thought-leaders on sustainability. It also provides tremendous networking opportunities amongst CSR & sustainability representatives from organizations across the Middle East and North Africa region.

To be a part of this prominent Forum & Ceremony, please visit www.bit.ly/acsra2013.

<u>Training on Budgeting & Implementation of CSR</u> – November 17-18, 2013 – Dubai, UAE

A large number of organizations are realizing that CSR is critical for community development as well as for business success. However, good intentions are not always effectively implemented, which is why the noblest of objectives require assistance to put them into action.

The Arabia CSR Network will organize a very important training on the practical aspects of implementing CSR goals and strategies. This training will assist participants on preparing CSR programs and actions plans, setting measurable targets, conducting trainings, engage employees and the community monitoring performance and more.

The trainer – Dr. Grace Ugut, currently the Associate Dean of the Executive Education and Lifelong Learning Center of the Asian Institute of Management will answer all implementation related queries that the participants may have regarding their organization's CSR strategy.

To confirm your participation for this training, please write to admin@arabiacsrnetwork.com.

Feature Article

Increase Revenues with CSR



Maintaining good community relationships is part of the firm's licence to operate in the modern business environment. But CSR is also capable of increasing revenues for your company.

In recent years a lot has been said of the strategic virtues of Corporate Social Responsibility (CSR) in terms of its contributions to cost savings and risk management. This connection between CSR and corporate strategy is easy to understand. For example, less wasteful



use of resources saves money and the environment, while greater concern for employee welfare can reduce employee turnover costs. On the risk management side, reputation is a key factor where customer misgivings about corporate conduct can lead to reduced revenue streams or even boycotts. This is fairly straightforward. But how can corporations move past such management of costs and risks to actually increasing their revenues with strategic CSR?

Although some commentators do not agree that CSR initiatives need to be profitable "because it's their moral duty to contribute to society", all would agree that initiatives that both contribute to profitability and social welfare are desirable. In this context it is worth remembering that corporations have contributed immensely to social welfare since the industrial revolution as innovators, producers, employers, and taxpayers. These social contributions have until recently been performed unintentionally without a concern for CSR, but simply by companies pursuing their core business objectives within the rule of law. The question before us now is how corporations can intentionally contribute further to social welfare while still benefiting themselves. In particular, how can corporations intentionally draw on their core competences in their CSR work in a manner that increases revenues?

Corporate strategy, whether it regards CSR or any other aspect of a business, is always going to be specific to a corporation's particular circumstances, such as industry, geography, market position etc. There is no one way that will suit all. In this regard there is nothing peculiar about strategic CSR. It is merely crporate strategy, and as such is susceptible to analysis with the standard strategy toolkit taught at most business schools. These include competence analysis, value chain analysis, and PEST-analysis.

Strategic analysis is about understanding the relationship between different forces that affect an organisation's ability to realise its goal(s). Given a corporation's goal (often to increase its profit), one needs to understand how its environment consists of obstacles and opportunities as well as how the organisation has resources and competences to overcome obstacles and capitalise on opportunities.

A competence analysis aims at identifying core competences, which are those abilities that a corporation possesses that enable it to perform better than its competition. Such competences should be difficult to imitate otherwise they will not give the organisation a long-term advantage. Often an organisation will not be aware of its core competences because they are part of its everyday activities and are therefore implicit knowledge. A competence analysis is a way of making a corporation aware of the competences within the organisation that create value and market competitiveness.

A competence analysis should start by identifying the different activities that create value in an organisation, which in turn requires a value-chain analysis. Such an analysis divides the



organisation into different functions and shows how the value of a product (or service) is developed by the contributions of each corporate function before it finally reaches the customer. In this manner the competence analysis and the value chain analysis become intertwined. Together they show how an organisation creates added value through a sequential process consisting of a number of different competences.

Each function requires a threshold level of competence in order for the enterprise to work as a whole, but, above all, core competences are required within certain functions that distinguish the corporation and make it competitive. Take wholesalers, for example, for them "speed to market" is often a critical success factor. A core competence for these corporations is the logistical ability to effectively distribute their products to their customers.

When corporations are aware of their core competence they can, through an inside-out perspective, identify new opportunities in their external environment. In other words, a corporation's competence creates added value by solving certain problems, and by identifying new problems that can be solved, new opportunities are created.

A common starting point for analysing a corporation's external environment is a so called PEST-analysis (Political, Economic, Social and Technological analysis). The idea with this type of analysis is to look at the overarching factors that affect all industries. Corporations are often used to analysing macro-economic and technological circumstances, but have a tendency to miss the forces that are of a political or social nature. To regard CSR from a strategic perspective is largely about paying greater attention to political and social risks and opportunities.

For a corporation to intentionally and strategically contribute to social welfare, beyond cost and risk management, involves an understanding of its competences and how they can solve new problems primarily in its political and social landscape. Devising such opportunities requires concerted analytical effort and creativity, far beyond those of cost saving exercises, but the rewards for both company and community can be much, much greater. This is profitable responsibility!

This article is contributed by:

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Members Update

Coca Cola Middle East

Coca Cola Middle East partners with the Food Banking Regional Network in Jordan

The Ministry of Social Development in Jordan signed an agreement of cooperation between the Regional Network of Food Banks and the Coca-Cola Company Middle East to support the food bank in Jordan to feed those in need. The regional project of the Food Banking Network aims to feed about 36 percent of needy people in Lebanon, Iraq and Jordan. The Regional Director for Coca-Cola emphasized on the continuity of the partnership and cooperation with the Ministry of Social Development to institutionalize development projects that are targeted to achieve food security and social development in the region. The Food Bank of Jordan aims to achieve food security and the elimination of hunger in Jordan through the provision of food for orphans and the elderly, widows and needy families and individuals who are unable to work.

Source: http://www.petra.gov.jo

Dubai Aluminum (DUBAL)

<u>LEED, DGNB declarations on DUBAL products' suitability</u> for sustainable building practices

Following rigorous assessment by an independent agency, DUBAL's products have been declared suitable for sustainable building practices, as per applicable criteria defined by two internationally acclaimed bodies namely:

- The Leadership in Energy and Environmental Design ("LEED") green building program launched by the US Green Building Council (USGBC); and
- Deutsche Gesellschaft für Nachhaltiges Bauen e.V. (DGNB, which translates as the German Sustainable Building Council), which strongly promotes sustainable and economically efficient building.



DUBAL is a major supplier of foundry alloy to the Far East's automotive industry, a significant supplier of extrusion billet for construction markets and a preferred supplier of high purity primary aluminum for use in the electronics and aerospace industries. The company produces more than 330 individual products, many of which are made to customer specifications for discerning clients in three broad categories: billets, foundry alloys and high purity ingots.

Source: www.dubal.ae

Dubai Electricity and Water Authority (DEWA)

DEWA has developed a Customer Charter that will help the organization to better reach out to its key stakeholder group, i.e. its customers. This charter will foster better customer service and engagement as well as excellence in Dubai's government services. The Charter – which has been adopted from the Customer Service Charter launched by HH Shaikh Mohammad bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE and Ruler of Dubai – appreciates both the role of the customers as well as the employees that engage with them. The Charter seeks to treat all customers with courtesy, fairness and respect.

Read the complete charter here: http://www.dewa.gov.ae/consumers/customercharter.aspx

Emirates Integrated Telecommunications Company (du)

du distributes back to school goodies to kids at Mawaed Al Rahman locations

More than 510 children were given bags filled with school supplies at du's Mawaed Al Rahman locations across the UAE. The bags, bought through donations raised by du's employees, were distributed by du employees and volunteers from UAE-based Think Up GCC in Dubai, Abu Dhabi, Sharjah and Ras Al Khaimah, and contained a full selection of stationary and a colouring book for children to take with them when they return to school after Eid Al Fitr. Across the all four Mawaed Al Rahman locations in Abu Dhabi, Dubai, Sharjah and Ras Al Khaimah, du distributed 130,000 healthy Iftar meals to those less fortunate throughout the month of Ramadan.



du, in embracing the spirit of generosity that the Holy Month of Ramadan embodies, also donated AED 18,400 to Dubai Cares to be used for its School Health and Nutrition Programmes, on behalf of 920 employees and du customers who registered for the company's 'Every Step Counts' walkathon, held on July 23, 2013 under the patronage of His Highness Sheikh Majid Bin Mohammed Bin Rashid Al Maktoum, Chairman of Dubai Culture and Arts Authority, in partnership with The Dubai Mall. du launched 'Every Step Counts', a nationwide wellness initiative, in July 2013. For more information on 'Every Step Counts', visit http://www.du.ae/en/about/Every-step-counts.

Source: http://www.du.ae



General Civil Aviation Authority UAE

Civil Aviation Authority pursues on-going CSR efforts



UAE General Civil Aviation Authority (GCAA) pursued, as part of its on-going Corporate Social Responsibility program (CSR), a workshop on CSR enhancement to ensure an integrated vision that combines performance of GCAA functions and community involvement. HE Saif Mohammed Al Suwaidi, Director General, GCAA, said during the workshop, "The vision, mission and values of GCAA have a direct impact on the society either directly or indirectly through regulating the UAE aviation industry in way that serves best the interests and benefits of the general public."

Realizing the importance of education in building the future generations and their role in the integrated development process, the GCAA has allocated part of its social responsibility to support this vital sector and sign Memorandums of Understanding with Emirates Aviation College, Fujairah Aviation Academics, Global Aerospace Logistics and others.

Source: http://www.ameinfo.com

McDonald's UAE

<u>McDonald's launches first independently-produced</u> television series this Ramadan



Working in partnership with three of the region's most popular TV channels, McDonald's produced, cast, directed, and generated all content for its 30-part Hakawati series, that was aired twice daily during Ramadan. Hakawati is an age-old storytelling tradition that is unique to the Arab world. Designed to foster a love of reading and storytelling from a young age, the McDonald's Hakawati series brought to life 15 of the region's most popular and engaging folk tales in a classical Arabic dialect

Source: http://www.ameinfo.com

Securitas

Securitas develops Safe Trip, the mobile assistance app



Securitas has developed, in cooperation with subsidiary Seccredo and the advertising agency Peacock, a mobile travel assistance application, Safe Trip. Safe Trip is a travel guide that assists travelers with their preparations to ensure that their travels will be as safe as possible. It informs them about the particular risks that may occur during their journey, so that travelers can feel safer – regardless of whether the trip is a vacation or for business. Safe Trip is available, free of charge, from Apple's App Store and the Android Market.

Source: http://www.securitas.com

wasl Asset Management

wasl Secures MBA Scholarships for Employees



wasl Asset Management Group has signed an agreement with the Canadian University of Dubai (CUD) that will offer an MBA scholarship to one employee a year. The move reinforces the group's commitment to education and builds on the 'Day of Education' initiative launched by His Highness Sheikh Mohamed bin Rashid Al Maktoum, Vice President and Prime Minister of the UAE, Ruler of Dubai, which aims to improve and develop education, being a national necessity and an essential part of Vision 2021. CUD has offered one seat per year for wasl employees to enrol and obtain an MBA in a move to encourage knowledge and education. wasl, which has always been keen on attracting UAE nationals with world-class education, and in turn further supporting Emiratisation, has accepted the offer.

wasl Asset Management also announced the commencement of an intensive summer internship programme for school and university students that started in august. 19 students of different ages will participate in one or two-month internship programmes across the different wasl Asset Management departments including Property Management, Lands, Procurement and Asset Management Services and Solutions.

Source: www.wasl.ae



An overview of Dubai Customs



Dubai Customs (DC), one of the oldest government departments of Dubai, was founded in the early 1900s to secure Dubai's trade borders and serve as a hub for some government offices in terms of revenue, and logistics (offices).

Over the years, Dubai Customs has advanced from its traditional role of duty collection and inspection of cargo and passengers and to facilitating trade and controlling the borders of the United Arab Emirates. This growth has come as an imperative considering Dubai's ascendancy as a regional center for trade, economic development as well as migration of workers from around the world. The corresponding increase in Dubai Customs quality and scope of services has required continuous expansion in staff, use of technology and bringing into play an innovative and user-focused management approach.

Dubai Custom's sustainability strategy encompasses socioeconomic priorities, environmental concerns and political risks. These issues are mapped from the organization's overall strategic plan as well as the vision of UAE and Dubai. This allows DC to have a sustainability strategy that is both relevant and focused towards change, rather than being ad hoc and immaterial.

Recent material issues that have influenced Dubai Custom's sustainability strategy include impacts of global economic & financial resources; stakeholders' satisfaction; political instability of neighboring countries; career opportunities for customs talents and so on. This system of risk identification and management is further enhanced by a Suggestion System that provides all key stakeholders, especially clients and staff members, an opportunity to put forward their perspective on continuous modernization of Dubai Custom's services as well as mitigation of identified risks.

The concerned sustainability team at Dubai Customs comprises members from various departments, all of which have been trained in CSR and sustainability reporting to ensure a keen sense of awareness of best practices. This system is also strengthened by integrating sustainability

aspects within official job descriptions and function objectives as well as department and individual level KPIs. The team then conducts weekly meetings, monthly performance reports and discusses the quarterly CSR activity achievements to monitor and improve responsibility hierarchy & delegation of authority.

In many areas of open and transparent engagement, Dubai Customs has set the bar for other government departments. Dubai Customs was the first government organization in the UAE to transform its suggestion, complaint and grievance system to synchronize with the e-government initiative ensuring on-line response to our stakeholders concerns. The e-suggest and e-complaint system allows stakeholders to raise concerns and grievances that are visible and monitored at the government level. As mentioned earlier, Dubai Customs has also ensured publishing of its Annual Sustainability Report for the past four years that is based on the GRI guidelines. It has recently achieved A-level compliance, which is the highest level of disclosure towards its key stakeholders.

At Dubai Customs, employees are considered as the real investment. Therefore, the organization's strategic objectives revolve around the development of a superior workforce. This is achieved by on-going personal development, creating a positive organization climate and fostering an employee-oriented culture focusing on quality, high performance and continuous improvement.

Dubai Customs is a public service organization; as such, its environmental risks and impacts may not be directly related to its core services. Nonetheless, Dubai Customs takes into account its impact through waste, energy consumption, water pollution, emissions and transport. To monitor and mitigate these aspects, it has started measuring its operational waste such as paper, water, electricity and general waste. It also measures kilometers travelled by the corporate vehicles and other similar indicators. These environmental initiatives and efforts are guided by Dubai Customs' long-term goal of becoming a carbon-neutral organization.

Dubai Customs has a Community Service Policy in place that aims to encourage and support employees who wish to become or who are already involved in volunteering, and to recognize the contribution that they make to the community. The organization promotes and encourages employees at all levels to volunteer in community well-being activities of the Dubai Customs CSR team as well as those organized by other organizations. Dubai Customs has taken its employee volunteering programs a step further and also focuses on measuring the impact of its CSR programs and projects on the community.

It is apparent that Dubai Customs, through a strategic approach towards integrated sustainability and effective community engagement, has reaffirmed its position as one of the most respected customs organization globally. Its focus on legal trade, customer services, community, economy and environmental performance has helped the organization grow in size, recognition and importance every year.



Arabia CSR Best Practices: 2012

This abstract has been taken from the ACSRN publication titled 'Arabia CSR Best Practices: 2012'. For more details on Dubai Customs and other companies that have been recognized for their innovative and effective CSR strategies write to us at admin@arabiacsrnetwork.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 you can be a member, and how your organization will benefit from it, call us at +971-4-3448622 or write to us at admin@arabiacsrnetwork.com

For more information on the Arabia CSR Network visit www.arabiacsrnetwork.com