Editorial

Each issue, as we compile the CSR Al Youm, it acts a review of the previous three months activities both at the Centre for Responsible Business (CRB) and in the business community we work with. Despite it being the quieter summer months there has still been a lot going on, most notably related to Ramadan and the charitable activities that take place at this time of year. On page 4 we share Chalhoub Group’s Gift of Giving Campaign which has been running since 2008.

Two of our Sustainability Network Members also recently produced Sustainability Reports, Tristar for the first time and Majid Al Futtaim Properties the second. We talked to them about the challenges and benefits of reporting on their company’s CSR and share their journey on page 6.

Also in this issue we continue our Sustainability Network CEO Interview Series and share the outlook of Simon Webb, Managing Director at AF Carillion. As a construction company it obviously has a strong commitment to Health and Safety but the company has also been looking at the broader issue of sustainability since 1994. Realising the significant impact they have on the quality of people’s lives through the communities they build, the company has developed a strategic and comprehensive approach to embedding responsible business practices.

With leadership a key element in driving CSR forward, our Sustainability Network Members recently nominated a Leadership Team which will support the strategic direction of the Network and help raise CSR awareness and integration amongst the business community. Turn the page to find out who is on the Leadership Team.

We have continued to develop partnerships with our Engage Dubai programme and welcome 3 new Community Partners to facilitate even more employee volunteering in Dubai and across the UAE. Many companies have approached us looking for a wider range of corporate volunteering opportunities and we will work closely with our Community Partners to meet this need.

In the last issue we promised new case studies and they are now available. We have a total of 31 companies sharing their CSR activities, impacts and what they learnt so do go online and have a look at our CSR case study bank. Also if you have a great CSR initiative to share that is making a positive difference to Dubai get in touch and let us know.
How does AF Carillion define and approach sustainability?

Our mission of making tomorrow a better place drives our approach to sustainability. This is coupled with our 2020 sustainability strategy which we launched in 2011 and is built around achieving six positive outcomes which for us defines sustainability:

- Enabling low carbon economies
- Protecting the environment
- Supporting sustainable communities
- Providing better prospects for our people
- Leading our sector
- Building a successful business

In each of these areas we have set ourselves ambitious targets ranging from zero waste to landfill through to developing and implementing community needs plans everywhere that we work.

I regularly review progress against the targets that we have set ourselves with my senior management team and drive performance improvement across the business, and in fact as a senior team we have all developed personal performance contracts for sustainability. By way of example I have committed to reduce my carbon footprint by 15% during 2013 and to get involved in at least 4 community engagement activities.

Our annual sustainability report provides more information on the work that we are doing in each of these areas, and we have recently launched our Sustainability Talk & News platform, which showcases the latest thinking from across industry.

What was the source of the sustainability effort at AF Carillion? Where did it all begin?

Our sustainability journey started back in 1994, following environmental opposition being received to a motorway extension in the UK that we were involved in. This prompted the organisation to create its first environmental management system.

In 1995, we published our first environmental report and set up an independent advisory panel. During the early years, our journey focused on preventing the need for new facilities, ensuring that the buildings we were working on were environmentally efficient and that we were responsible to our stakeholders.

What was the source of the sustainability effort at AF Carillion? Where did it all begin?

I regularly review progress against the targets that we have set ourselves with my senior management team and drive performance improvement across the business, and in fact as a senior team we have all developed personal performance contracts for sustainability. By way of example I have committed to reduce my carbon footprint by 15% during 2013 and to get involved in at least 4 community engagement activities.

Our annual sustainability report provides more information on the work that we are doing in each of these areas, and we have recently launched our Sustainability Talk & News platform, which showcases the latest thinking from across industry.

What was the source of the sustainability effort at AF Carillion? Where did it all begin?

Our sustainability journey started back in 1994, following environmental opposition being received to a motorway extension in the UK that we were involved in. This prompted the organisation to create its first environmental management system.

In 1995, we published our first environmental report and set up an independent advisory panel. During the early years, our journey focused on preventing the need for new facilities, ensuring that the buildings we were working on were environmentally efficient and that we were responsible to our stakeholders.
Interview continued...

on our environmental impacts and we partnered with a number of organisations to help us develop our approach.

In 1999, Carillion was formed following the demerger from Tarmac. From here, we developed our first Sustainability Policy and started to broaden our approach to include for example the wider community.

We set up our sustainability excellence model to guide progress and more recently launched our 2020 sustainability strategy. I’m pleased to say that we continue to make significant progress against our targets, as evidenced by winning a number of awards in this region – including the Arabia CSR Award, the Construction Week Sustainability Award and the Construction Week CSR Award.

I think that in our continued sustainability efforts, leadership is critical combined with the support and challenge from both our external and internal experts.

Why does AF Carillion undertake these efforts? What are the major costs and benefits that AF Carillion gains from its sustainability efforts?

For me, a more sustainable business is a more successful business. I believe that our approach to sustainability allows us to differentiate ourselves from our competitors and helps us to grow the business. By way of example, as part of our ‘enabling low carbon economies’ positive outcome, we have recently formed an energy services business in the region.

I believe that it also helps us to become more profitable – for example, the more we can reduce our fuel use, our water use and the waste that we generate the better it is for the bottom line of the business – in addition to helping protect the environment and being the right thing to do. By taking action in these areas, we have been able to demonstrate reduced cost of more than 18m AED over the last year.

It’s also important from an employee motivation perspective and something that our people are proud to be involved in – for example, our employees find volunteering in our community engagement activities particularly rewarding.

What is the biggest challenge your company faces in integrating sustainability and how do you overcome it?

I think the biggest challenge is for everyone to know what it is that they can do to make a difference and contribute towards the achievement of our strategy.

In achieving this, I believe that engagement is key... and engagement in a way that is relevant to the target audience... in a way that is meaningful to them. For example, we discuss our approach to sustainability with our customers to see how it may benefit them. We arrange sustainability workshops with our suppliers and supply chain to exchange ideas and discuss the development of more sustainable products.

Recently we have launched our environmental visual impact training for our construction operatives which demonstrates the impact of their actions on the environment and what they can do to help reduce it.

We have found that our annual Sustainability Week and S Factor competition (which recognises individuals who have gone the extra mile in the name of sustainability) have been a great way to engage our people, our customers, our suppliers and the communities in which we work to help make tomorrow a better place.

Do you think there is a paradigm shift in the way business operates or is sustainability a fad? How do you see sustainability 10 years from now?

I don’t believe that sustainability is a fad and I think that can be seen from the way that it has grown in importance both in the Middle East and globally particularly over the last couple of years.

In 10 years time, I think sustainability will have become a requirement for companies to operate, in many ways like health and safety is now. I think this will drive performance improvement across the industry whilst also challenging companies that are leading to innovate to become more sustainable and ensure they continue to out perform.

What are the necessary characteristics for a business leader today and in the future?

I believe business leaders today and increasingly so looking ahead need to understand the range of social, environmental and ethical issues which now and in the future will ultimately affect their businesses and their customers. They need to lead by example as well as taking leadership roles in helping to find sustainable solutions working with Governments and charities.

It is important that leaders recognise that young people coming into the work environment understand the importance of sustainable organisations and businesses will need to address this in order to attract the best people.

I also believe that business leaders need to further realise the contribution that sustainability can make towards achieving robust financial performance.

The winning team in the ‘art from waste’ competition held during AF Carillion’s 2013 Sustainability Week

To find out more about Al Futtaim Carillion visit:

http://www.afcarillion.ae
Sustainability Network Member News

Chalhoub Group: Gift of Giving

As part of Chalhoub IMPACT, the Chalhoub Group started their Gift of Giving campaign in 2008. Chalhoub IMPACT is the Chalhoub Group’s corporate social responsibility strategy; the mission for IMPACT is to cultivate environmental and social sustainability in the Middle East through the engagement of employees and partners with a key focus on education.

The Chalhoub Group believes it has an obligation to drive sustainable development in the Middle East and that empowering youth through education can help nurture a more fruitful economic landscape for the region. An education initiative close to the Chalhoub Group’s heart is the annual ‘Gift of Giving’ campaign. This regional campaign engages employees and local youth to collect school supply care packs for underprivileged students from charities across the region. The campaign is now conducted in 8 countries: UAE, Saudi Arabia, Kuwait, Qatar, Bahrain, Lebanon, Egypt and Jordan.

The Gift of Giving campaign is implemented in all Chalhoub Group offices and the American University of Sharjah. Each care pack donated is matched by the Chalhoub Group with a backpack made of 100% recycled plastic bottles, reinforcing the link between education and environmental responsibility.

This year, the campaign fell during Ramadan, the holy month of giving with 12,000 + backpacks donated across the region and 6,000 + donated in the UAE alone. Volunteers are mobilized during different phases of the campaign. Volunteer leaders play an essential role in driving support to increase collections while all employees are invited to several care packing sessions to take out time to prepare the backpacks for the deserving children.

The distribution event marks the end of the Gift of Giving campaign where employees and students come together to celebrate the beginning of the new school year. This year the distribution took place at Manar Al Eman School in Ajman which provides free education to 3,500 students from underprivileged backgrounds. Other charity beneficiaries that were recipients of the campaign in the UAE are: Senses Centre, Dubai Centre for Special Needs, Dubai Autism Centre and Palestinian Children’s Relief Fund (PCRF UAE).

While the group invests in education through sustainable approaches such as university partnerships of student scholarships, professorship programs, infrastructure funding, and internships, this event provides a platform for employees to visit the school to interact with the children directly. Employees are actively engaged to create a memorable experience for the children through activities such as a magic show, games and crafts stations.

The Gift of Giving keeps the group’s employees and stakeholders connected to the community they have pledged to continuously impact.

Sustainability Network Member News

New case studies

Last year the Centre for Responsible Business launched a bank of case studies on our website, to provide the business community with an insight into corporate responsibility practices in the UAE, demonstrating how a company delivers CSR activities and the impact it has both on the business and the wider community and environment.

More case studies including two from our Sustainability Network Members have just been uploaded. Desert Group share their work program for intellectually disabled individuals which was established in 2006 and now has 37 people in full time employment. While UAE Exchange talk about their Mission Zero Suicide: a six-month campaign, across the UAE, counseled thousands of distressed expatriates from all walks of life.

View them online at: www.dubaichamber.com
Climate change and its impact on UAE business

In order to raise awareness about the impact of climate change on business in the UAE, the Center for Responsible Business, organised a session for its Sustainability Network Members in collaboration with the EWS-WWF.

The seminar outlined the UAE’s vision and strategy for energy and climate change and gave participants the opportunity to discuss environmental challenges impacting their businesses.

For Gulf countries the environment is of primary importance. As the table shows Gulf country lifestyles are have higher than average carbon consumption per capita. The table also shows a calculation of the number of planets that would be needed if everyone else in the world lived like an average resident of the country. The overall footprint of these countries is still only a small percentage of the overall global footprint (ie. less than USA, China, Europe etc) however it is important as it will act as an impact on the ability of these countries to grow and develop to their full economic potential.

It is understandable that Gulf countries have a higher footprint than the world average and more carbon than others given the natural environment:

- It is a hot dry desert environment with very few natural resources apart from oil and gas
- Lots of energy is needed for power, desalination plants and to keep the buildings cool in the hot summers
- There is a need to import increasing amounts of food, fibre, timber
- With rapid population growth the region is facing rising domestic consumption of energy and resources, in an inefficient manner (lots of wastage)

Dr Thani Al Zeyoudi, Director of the Energy and Climate Change Department in the Ministry of Foreign Affairs, who spoke during the seminar, said: “In recent years, climate and clean energy policy has come to play a more and more important role for the UAE. The UAE has already made major advancements in clean energy and climate protection, such as through producing zero carbon power, investing in clean energy projects locally and internationally, pioneering new technologies to cut emissions and improving energy and water efficiency. We are also leaders in international cooperation, by hosting the International Renewable Energy Agency (IRENA) and actively participating in UN climate change negotiations.”

Tanzeed Alam, Policy Director at EWS-WWF said: "Reducing the UAE’s carbon footprint will require collaboration between the private sector and government, which is why it’s particularly encouraging to hear how companies in Dubai are trying to reduce their carbon footprint, the barriers that they face and how the UAE government is developing policies to help lift such barriers.”

To find out more about climate change and the UAE visit the websites of The Ministry of Foreign Affairs and EWS-WWF.

www.mofa.gov.ae
http://uae.panda.org

<table>
<thead>
<tr>
<th></th>
<th>Total* (gha)</th>
<th>% Carbon</th>
<th>Planets</th>
</tr>
</thead>
<tbody>
<tr>
<td>Qatar</td>
<td>11.68</td>
<td>76%</td>
<td>6.6</td>
</tr>
<tr>
<td>Kuwait</td>
<td>9.73</td>
<td>79%</td>
<td>5.5</td>
</tr>
<tr>
<td>UAE</td>
<td>8.45</td>
<td>71%</td>
<td>4.7</td>
</tr>
<tr>
<td>Oman</td>
<td>5.69</td>
<td>57%</td>
<td>3.2</td>
</tr>
<tr>
<td>Saudi Arabia</td>
<td>3.99</td>
<td>61%</td>
<td>2.2</td>
</tr>
<tr>
<td>World</td>
<td>2.69</td>
<td>55%</td>
<td>1.5</td>
</tr>
</tbody>
</table>


New Engage Dubai Community Partners

Engage Dubai welcomes 3 new Community Partners with great opportunities for employee volunteering.

**Growing Leaders Foundation (GLF)**

GLF trains and mobilizes employee volunteers to teach key leadership and soft skills to school and university students. The aim is to grow great leaders in the region.

**Skyline University College**

Skyline invite corporate professionals to render their knowledge regarding various aspects of work-life starting from interviewing skills to workplace etiquette to their students.

**Stepping Stones**

Stepping Stones is an internationally recognized organization that supports individuals with developmental and learning difficulties such as Autism, ADHD, Downs Syndrome and Speech & Language Disorders. In Dubai Stepping Stones is currently looking for Companies to offer 2 week work placements to students with special needs.

To make a difference in your community and volunteer get in touch with responsiblebusiness@dubaichamber.com
Talking Sustainability Reporting with Tristar and MAF Properties

Sustainability reporting is a growing global practice and not just with businesses, but with a variety of entities including cities, universities and government departments. The Global Reporting Initiative (GRI) which one of the world’s most well-known frameworks and standards for sustainability reporting has more than 4,000 organizations from 60 countries use their guidelines to produce their sustainability reports. However, one of the key findings from The Centre for Responsible Business CSR survey in Dubai 2012 was that only 10.4 % companies in Dubai currently report on CSR activities externally.

Some companies are leading the way in the region with Sustainability Reporting such as Tristar and Majid Al Futtaim Properties. Arthur Los Banos, Corporate Communications Manager at Tristar and Ibrahim Al Zu’bi, Head of Corporate Social Responsibility at Majid Al Futtaim Properties share their experience of producing a Sustainability Report.

**Why did your company decide to produce its first Sustainability/CSR report?**

**ALB:** At Tristar, we decided to come up with the Sustainability Report for 2012 to coincide with the submission of our Communication on Progress (COP) report to the United Nations Global Compact (UNGC) in the first quarter of this year. As an affiliate of the UNGC, we are required to submit an annual COP on how we have implemented the 10 principles on human rights, labor, environment and anti-corruption. In lieu of the COP, we submitted the sustainability report which is a more expanded report on our social, environmental and economic impacts on the communities where we operate.

**IAZ:** This year is Majid Al Futtaim Property’s second standalone report; our first was in 2011 in addition to our CSR section in the company’s annual report. Our main objectives of our sustainability reporting is to share best practices and set a regional and global benchmark in transparency and comparability.

**What were some of the challenges, if any, you found in developing your Sustainability/CSR reporting?**

**ALB:** Our Group CEO, Mr. Eugene Mayne, summed it up in his message in the report: “As this is an inaugural edition of our sustainability report it has been a very valuable learning experience for all our people and we recognize that there are many improvements to be made.”

**IAZ:** Majid Al Futtaim Properties has a CSR and sustainability policy and data collection system that is audited quarterly by a third party. To measure our success in achieving the policy objectives, we set targets and key performance indicators (KPI’s) against which we will measure progress on a regular basis. Performance against these targets and KPI’s will be reported to the Board, the Owner and to our employees. Thus, with the systems already in place we did not face many challenges.

**What are the benefits, from your perspective, of sustainability reporting?**

**ALB:** Stakeholder engagement and Materiality Analysis were the key benefits for Tristar. An interactive workshop was conducted to review our key stakeholders and the issues which concern them. The process was crucial to establishing the most important sustainability areas for us and was used as a foundation for the report. The workshop identified five main areas: growing sustainably, investing in our people, our stakeholders’ safety, respecting the environment, and giving back is getting back.

**IAZ:** Benchmarking and measuring our success and of course lessons learnt to enhance our work and celebrate achievements. It is also an excellent tool to communicate to our different stakeholders.

With the recent launch of the GRI G4 Guidelines in May this year and a growing global interest in integrated reporting, how would you encourage more companies in the UAE to do and improve CSR reporting?

**ALB:** The GRI is a great tool to measure your social, environmental and economic activities and contributions to society. We encourage companies that are doing CSR work – small or big – to publish their own sustainability report.

**IAZ:** It is good to have reporting guidelines; this will help companies to focus on reporting issues and at the same time help benchmarking reference. Although, I believe sustainability reporting should be transparent and comparable even when using reporting guidelines.

To read their sustainability reports visit:

www.tristar-group.co

www.majidalfuttaimproperties.com
At the heart of any responsible business lies the commercial decisions it takes in relation to its products or services and its supply chain. If those decisions are not taken with customers and suppliers in mind and with an understanding of the responsibility the company has towards these stakeholders, it cannot truly be said to be a responsible business. This ‘marketplace responsibility’ is at the very heart of what it means to be a responsible business.

An organisation’s marketplace sustainability is not one easily defined, as it is influenced by suppliers and customers as well as developing responsible products and services. A definition by Business in the Community (BITC) states that ‘marketplace responsibility’ is “the integration of responsible business practices into commercial operations”. It cannot be defined as easily as other elements of corporate responsibility (CR) as the marketplace responsibility for each firm differs according to its sector, scale and location.

Basically, marketplace sustainability is about transforming business models to make them more sustainable for a changing world. In this context, every business is recommended to take action on the following key areas:

**Sustainable production** (includes Supply chain; Innovation; and Environment):
- Taking a holistic view of a product/service’s life cycle to address social, economic and Environmental issues (such as employee working conditions; fair payment; and resource use) throughout the supply chain
- Innovation to identify more resource-efficient, environmentally sound and socially responsible products/services.
- Encouraging new thinking to challenge conventional business models to identify truly sustainable solutions also plays an important role.

**Sustainable consumption** (includes Customer engagement; and Employee engagement):
- Customer engagement by encouraging more sustainable purchases, and changing how customers use products/services. This includes innovating their existing product/service offer.
- Employee engagement including through promotion of sustainable working and alternatives to travel to encourage employees to live and work more sustainably.

**Dubai Chamber CSR Label Framework: Marketplace Impact Area**

CSR Label applicants are asked to describe their strategies regarding Marketplace issues and practices. But what are the CSR issues that need to be addressed in the workplace that are covered by the Framework?

The Framework defines Marketplace practices as standards of conduct, policies and procedures governing the way a company improves environmental and social outcomes through its provision of goods and service and its treatment of suppliers and customers. A company should be responsible in its approach to procurement; its supply chain relations; its marketing and advertising; and avoid exploiting its market position.

A company’s behaviour in the marketplace relates to how it deals with its customers, runs its supply chain, works with regulators and acts on the wider impact of its products.

Companies wishing to establish good practices regarding the marketplace should consider the following issues:
- What are the social and environmental costs incurred in the production of the goods and services by the company?
- Is the selling process handled with integrity and honesty?
- How does the company ensure fair play in dealing with suppliers (e.g. ensuring prompt payment)?

The table below outlines the key marketplace concepts to be explored in this impact area.

| Supplier Relations & Supplier Behaviour | Treatment of suppliers | Influencing supplier behaviour | Supplier codes of conduct |
| Operating Practices | Code of ethics |
| Product / Service Offering | Impact | Labelling |
| Customer Relations | Satisfaction and complaints | Data confidentiality |
| Marketing And Advertising | Responsible selling |
| Intellectual Property Rights | Avoid Anti-Competitive Behaviour |

Source: CRB Marketplace Toolkit, pg. 10

In conclusion, CRB expects that companies should not be driven by the minimum performance level set by standards of conduct, policies and procedures but instead move towards preventing ethical issues arising within a company’s global supply chain and relevant stakeholders and potentially causing lasting damage to their brand.

To provide support to companies in Dubai and the UAE that want to become more competitive and innovative in CSR; the CRB has developed six CSR Toolkits that further explain the framework. The Marketplace Toolkit outlines the marketplace element of CSR. It seeks to explain the main concepts and terminology, and outline the business case for implementing responsible supplier and consumer behaviours into companies’ business strategy. This toolkit has suggestions for impact they have on clients and consumers through the products and services they provide.

For more information on the CSR Label, or Toolkits please contact the Centre for Responsible Business.
The Dubai Chamber Sustainability Directory was set up in 2011 following an expressed need from the Dubai Chamber’s members. The objectives of the Sustainability Directory are twofold.

1. Help individuals and companies in Dubai become more sustainable by connecting them to sustainable products and services.

2. Highlight and promote businesses that offer sustainable products, services and solutions in the UAE to a local and global audience.

There are now over 100 organisations listed in the Directory from recycling companies to health providers to NGO’s that can help companies and individuals on their sustainability journey.

Each quarter we will share the story of a Sustainability Network Member and a Sustainability Directory company working together.

This month’s partnership profile .... NBAD and BiteRite

The National Bank of Abu Dhabi (NBAD), the number one bank in UAE, was incorporated in 1968 and is listed in the Abu Dhabi Securities Exchange (ADX) under stock code (NBAD). The Bank has a network of 125 branches and operates more than 480 ATMs in the UAE to provide banking services to customers all over the country.

Ranked as one of the top 50 safest banks in the world since 2009 and the safest bank in the Middle East, NBAD currently operates across 17 countries on five continents. As part of NBAD’s Sustainability Policy, one of the bank’s six focus areas is “Investing in our People”. Through this focus area the bank aims to attract and retain the best talent through continuously developing NBAD employees, offering attractive rewards, and providing a safe and healthy workplace.

NBAD have invested heavily in education and development of their people to retain the best and up-skill high potential employees. One of the mechanisms for this is through the NBAD Academy which trains between 70 -100 employees every day.

Whilst the bank is training minds through NBAD Academy, it is an opportunity to look after employees’ physical wellbeing and provide the most nutritious and beneficial meals during their Academy experience.

Employee Health & Wellness is another strategic imperative for the bank. With people as their key asset, employee health and wellbeing is of core importance. It therefore made sense to review the catering provider at the NBAD Academy in terms of their nutritional value.

A company called Biterite was already used for certain NBAD events such as employee wellness day and the annual blood donation drive, and they were invited to tender for the catering contract at the NBAD Academy.

BiteRite provides healthy & balanced meals to the residents of UAE, and is known for providing meal plans and food to individuals. However it also offers a practical source of help and advice via its Retail, Hospitality and Food & Nutritional service channels to companies.

After a trial period, BiteRite was awarded the contract for the NBAD Academy and now provides around 500 breakfast and lunch packs each week. Feedback from trainees has been positive. From the successful operations at the Academy, NBAD have recently introduced a new “Healthy Lunch Box” delivery service to their Head Office and Khalidiya Buildings from the same supplier so that the opportunity to enjoy nutritious balance food is available for a greater number of employees.

To find out more about NBAD and BiteRite visit their websites:

http://www.nbad.ae
http://http://www.biterite.ae