

A Public-Private Partnership Initiative to Champion Sustainability in Abu Dhabi

SUSTAINABILITY JOURNAL



is off heralding a full suite of

sustainability activities

Integrated Thinking, Integrated Reporting & Creating Value into

the Future

WRDC actively tackling key

sustainability initiatives

in the region



Invitation for Nomination to the Facilitation & Coordination Committee

The Abu Dhabi Sustainability Group (ADSG) is delighted to announce the start of the nomination process for the ADSG Facilitation and Coordination Committee (FCC) 2014-16.

The ADSG's primary focus is to support members with implementing sustainability by providing the platform for multiple stakeholders to meet, share knowledge and engage on sustainability. To achieve this, we look to our members to help lead in shaping and managing sustainability in Abu Dhabi.

As you will have seen at the last quarterly meeting, the incumbent FCC has made a significant contribution through the development of the new ADSG strategy, 2014-19, providing a clear path towards sustainability governance.

Role of Facilitation and Coordination Committee

The Facilitation and Coordination Committee (FCC), which is formed of nominated member organisation representatives, will continue the development and management of the ADSG operation and ensure that the ADSG continues to have a strong presence across the membership and with key stakeholders, as well as managing sustainability issues for Abu Dhabi. The ADSG is proposing to extend the tenure of future FCC from the current 1 year term to 2 years.

Nominations to the Facilitation and Coordination Committee

We encourage all ADSG member organisations to nominate candidates to join the Facilitation and Coordination Committee (FCC).

To nominate yourself or a colleague to join the FCC, please download the form and read the FCC nomination process and requirements for all the details and contacts. The closing date for receiving nominations is 8 June, 2014.

A Word From the Editor

We are delighted to publish the first issue of the ADSG quarterly eJournal for 2014. This issue highlights the efforts of the ADSG and its members in tackling various sustainability issues. We share some of the highlights from Abu Dhabi Sustainability Week that took place in January, and welcome the valuable article from Dr Jamila Khanji, advisor of research & studies at FDF and ADSG FCC member that discusses: "Insights into the ADSG Capacity Building Program on page 12.

As you may be aware, the ADSG commenced its journey to develop its strategy for 2014-2019 last year, and we look forward to sharing with you the important issues that the strategy covers and how the ADSG will work with you to deliver tangible positive outcomes in the coming issues of the eJournal.

I look forward to receiving your articles for publication in your journal, please drop me an email if you have questions on commnication@adsg.ae.

Sandra Anani Sustainability and Communications Consultant

ADSG Communications Team

Telephone: +971 (0)2 - 6934644



Sandra Anani Sustainability & Communications Consultant Communication@adsq.ae



Rasha Sawabi Administrative Assistant Rasha.Sawaby@adsg.ae Al Mamoura Building A, Abu Dhabi United Arab Emirates

Special thanks to Environment Agency - Abu Dhabi for their support.



The opinions and views expressed in the ADSG Sustainability eJournal do not necessarily reflect the ADSG's policy or position. Special thanks to the members of ADSG for providing information, pictures and support in the production of this

Photography provided by Environment Agency - Abu Dhabi, WRDC, FDF, Pearl Initiative & NBAD.

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Invitation



The Abu Dhabi Sustainability Group is pleased to invite you to attend a Hiwar session on

"Sustainability, Water Governance & Policy"

The Abu Dhabi Sustainability Group (ADSG) is delighted to announce the upcoming Hiwar (Arabic for dialogue) session on the important topic of Water. Water is a scarce and precious resource in the UAE, as well as around the world. Water production contributes to climate change by having high embodied energy. With energy and water security being crucial to human and economic development, understanding how these resources directly impact each other is important, as significant amounts of water are needed in almost all energy generation processes, equally, energy is needed to treat and transport water. These aspects highlight the need for promoting awareness about the issues and how those are being tackled in Abu Dhabi.

Objectives of this Hiwar session

This Hiwar session will provide a platform for knowledge sharing and debating on the following key areas:

- Abu Dhabi Water Regulations and Monitoring: Water regulations and strategy. Implementing effective
 monitoring systems that provide essential management information and identifying and responding to
 infringements of laws, regulations and permits.
- Water Management: The importance of behaviour change and awareness to support the delivery of the Emirate's water strategy.
- Stakeholder Engagement: Active stakeholder participation, as part of the decision making process that
 takes into account the best interests of society and the environment in the development and use of water
 resources in the region.
- Information Management: Providing essential data necessary in the decision making process with regard to the sustainable management of water resources in the region.



Agenda:

Date: 17 June 2014

Location: The Ballroom, Rosewood Hotel, Al Maryah Island, Abu Dhabi

Refreshments will be available from 12.30 p.m.

1:00 p.m. Welcome, introduction of Hiwar session goals

1:15 p.m. Sustainability, Water Governance & Policy,

presentations by key speakers

2.15 p.m. Panel debate

2.45 p.m. Review of emerging ideas from the Hiwar session

2.55 p.m. Closing remarks

3.00 p.m. Networking

Confirmed Speakers From:









Comment from ADSG Director



I am pleased that we have kicked off the new year with a high profile participation during Abu Dhabi Sustainability Week 2014, and, furthermore, in collaboration with our partner and member Masdar and with CDP, we have launched a new pilot project that is currently underway. CDP has pioneered the only global system that collects information about corporate behaviour on climate change and they are working with volunteer ADSG members to introduce those tools and processes through workshops and seminars. All members are welcome to join and if you are interested in more details, please contact Diana Guzman, Director, CDP Europe. (diana. guzman@cdp.net)

In the Carbon Disclosure Project's 2012 Global 500 Report, CDP reported that S&P listed companies are making significant strides in taking sustainability into account at an accelerated pace*. This demonstrates the importance of measuring, reporting and transparency, and the role this plays in driving organisations towards a more sustainable operating model.

As we look forward to this year in our first quarter issue for 2014, I can see many opportunities that can support ADSG members to rise to the next level in sustainability. Chiefly, as we are in the final stages of the ADSG strategy development process, working

together to implement the strategy in the second half of this year and beyond, this will provide a perfect platform for members to learn from each other and to share their progress in integrating sustainability into their core business.

Particularly as, nowadays, sustainability is pursued by way of an intelligent and conscious decision-making process in organisations that are focused on the scope of their business in the long term and as a whole. Sustainability is being integrated into the bottom-line of organisations, and that is the direction that the ADSG strategy is indicating towards. I thank our members and partners for you support in developing the strategy so far and I look forward to engaging with you soon on this.

*Accelerating progress toward a lower carbon future. Click here for more information.

> Huda Al Hougani, **ADSG Director**



Under the directive of His Highness Sheikh Khalifa
Bin Zayed Al Nahyan, President of the United Arab
Emirates, and the vision of His Highness Sheikh
Mohammed Bin Zayed Al Nahyan, Crown Prince of
Abu Dhabi and Deputy Supreme Commander of the
UAE Armed Forces, the Western Region Development
Council (WRDC) has been established to shape the "Al
Gharbia's" future by placing the region and its people's
interests at heart.

Interview with H.E. Mohamed Hamad Bin Azzan Al Mazrouei, Undersecretary of the Ruler's Representative Court in the Western Region

By actively working on key sustainability initiatives across the three areas of sustainability; social, environmental and economic, the Western Region Development Council (WRDC) has made significant inroads towards sustainable development in the region. The ADSG was fortunate to be able to pose some questions to H.E. Mohamed Hamad Bin Azzan Al Mazrouei, WRDC Director General. Here we learn more about their focus areas and achievements so far.

What are the benefits of being a member of the ADSG?

There are a number of benefits of being a member of ADSG. These are

- a. ADSG provides tools that helps us in improving our knowledge about sustainability through its portal, journal, newsletter and other publications
- **b.** Since 2012, ADSG has been conducting "Capacity Building Program" that has hugely benefitted WRDC in developing its first sustainability report. Through this report we have been able to communicate to the outside world, our sustainable practices that directly and indirectly benefit Al Gharbia.
- c. Quarterly forums conducted by ADSG offer our team members an opportunity to learn from the experiences of entities who have higher maturity levels of sustainable practices and are vastly experienced in this field.
- d. Through these forums we have also been able to build a network that facilitates in the implementation of some of our sustainable initiatives.

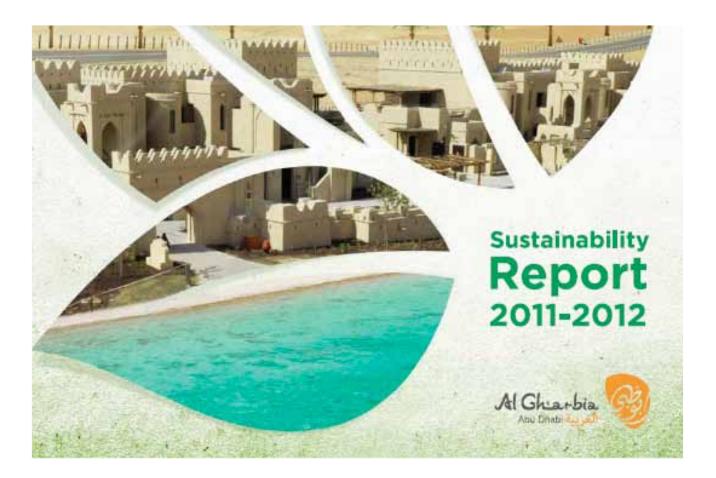
How long have you been members in the **Group?**

We became a member of ADSG on 23rd May 2011.

As a member of the ADSG, how do you see the Group's progress and growth? From a 15 member group in 2008, ADSG has today grown by having 44 members. The group is now very proactive with the formation of a communications committee and Facilitation & Coordination Committee. Now, ADSG has its 5 year strategic plan in place which will also provide direction to entities to formulate their respective sustainability goals and objectives.

What are your key sustainability initiatives for 2014 and beyond?

- a. Development of quality recreational and sports facilities in Al Gharbia
- **b.** Facilitating provision of cost effective education to the people of Al Gharbia
- c. Support development of essential healthcare in Al Gharbia
- d. Address key environmental concerns in Al Gharbia with regard to power, water, solid and non-solid wastes.
- e. Support existing SMEs in targeted sectors.
- f. Hold awareness sessions for school children about energy efficiency, water saving and healthy food habits.
- g. Collaborate with established training institutes to facilitate training to labor workforce engaged in various projects.
- h. Beach and desert cleaning campaigns during Al Gharbia festivals.
- i. Mangrove / Ghaf tree planting in Al Gharbia to further protect its environment.



What are your key sustainability achievements?

Since inception in 2006, WRDC has undertaken a number of sustainable initiatives for the benefit of Al Gharbia. List below are some of those key initiatives:

- **a.** Education Programs: Women in Technology, Adult Learning, Students scholarship, Student Advisory program,... etc. In addition, the Council organizes an annual career fair and university fair which offer platform for prospective graduates to meet with the Counselors and recruiters to discuss career options.
- b. Infrastructure Development: Mixed Use development project in the cities of Madinat Zayed, Al Mirfa and Ghayathi. A part of the income generated from letting out the mixed-use facilities will be used for the development of the society in Al Gharbia.
- **c.** SME training: The Council has organized training programs for existing and future SMEs of Al Gharbia in tie up with National Bank of Abu Dhabi and Khalifa Fund for Enterprises Development.
- **d.** Other Social Initiatives: The Council has conducted a number of events that directly benefit the society and environment in the region. These are:
- Energy efficiency and fire safety awareness for school children (2011).

- Awareness session for elderly people to lead a healthy lifestyle (2011)
- Mangrove planting (2011 & 2012) involving school children
- Diabetes awareness campaign (2012)
- Traffic safety campaign (2012)
- Beach and desert cleaning (2012 & 2013)
- Awareness session for workforce in Al Gharbia about precautions to be taken while working outdoors during summer (2013)

How can the ADSG support WRDC in realizing its sustainability objectives?

We would like ADSG to play a greater role in Al Gharbia:

- **a.** ADSG can facilitate WRDC's coordination with entities who have expertise in the sustainability initiatives planned by WRDC. For instance, coordination with EAD for water conservation, coordination with CWM for waste disposal etc.
- **b.** Entities wanting to do some activity in Al Gharbia may be asked to contact WRDC for logistic support and participation in the activities involving children and community of the region.



Biography H.E. Mohamed Hamad Bin Azzan Al Mazrouei

Undersecretary of the Ruler's Representative Court in the Western Region, formerly was the Director General of the Western Region **Development Council (WRDC)**

H.E. Mohamed Hamad Bin Azzan Al Mazrouei, Director General of the Western Region Development Council (WRDC) since 2006, and Acting Undersecretary of the Ruler's Representative Court in the Western Region since September 8th, 2012, has been of great support to the Western Region Development through initiatives that were incepted at early stages. H.E. Al Mazrouei has contributed to the implementation phase of WRDC. As Director General since September 2006, he is committed to developing Al Gharbia, the Western Region of Abu Dhabi Emirate, ensuring that it is brought into the 21st century by improving the economic and social standards.

The development of Al Gharbia has always been a personal as well as a professional passion for him, having being born and raised in the region. He is dedicated to Al Gharbia's people and wants to ensure that those living and working in the region are provided with equal levels of standard healthcare, education and development opportunities in parallel to those living in any other Emirate.

H.E. Al Mazrouei was previously Operations Director at Presidential Flight (previously named Amiri Flight), the Abu Dhabi's pioneering Aviation Operator. He began his career at Presidential Flight in 1994 as a dispatcher and also served in several positions where he managed numerous projects and initiatives whilst handling international flight operations.

H.E. Al Mazrouei is currently a member of the Administrative Coordination Committee - General Secretariat of the Executive Council and the Abu Dhabi Farmers' Services Center Board. And previously, he was a key member of the Advisory Board of the Western Region Development Council, the Municipal Council of the Western Region and the Board of Al Dhafra Sports Cultural Club.

His Excellency is a graduate of the University of Dubuque in the United States where he gained his degree in Aviation Management and Business Administration. He is also a holder of MBA in Global Leadership and Management from UAE University.

Insights into the ADSG Capacity Building Program

The Family Development Foundation issued its second Sustainability Report within 2013 which was, for the first time, developed entirely in-house, both in terms of content as well as layout. To achieve this, FDF utilized extensively ADSG's Capacity Building Program, including participation in a 4 day Training Course, using the ADSG Assessment Tool, attending Theme Workshops and participating in the Report Support Programme, consisting of four workshops with peers and four face-to-face coaching sessions. This article, prepared by Dr. Jamila Suliman Khanji, Advisor of Research and Studies, Family Development Foundation, describes the rational, process and learning points.

Why did you decide to issue the Report in-house instead of outsourcing it?

Sustainability is about long term actions, about reducing expenses, about creating synergies, about excellent quality, about train the trainers and about empowering entities to be self-dependent in managing sustainability. The Capacity Building Programme is an added value to ADSG members and in terms of the following:

- First it is important is to build our own capacity to work on Sustainability and this was a very decisive reason.
- Second was the fact that by participating in the programme we managed to deliver more and, at the same time, save our Budget for other activities, as participation by members was free.
- Third was the fact that, through the Support program, we cooperated with other peer organisations, learning from each other and establishing bonds.
- Fourth was the high quality of learning and service we received.

What was your involvement with the Capacity Building Programme?

We were one of the first ADSG Members who participated in the Programme. This included taking part in the 4 day Training Course, using the ADSG Assessment Tool, attending Theme



Workshops and participating in the Report Support Programme, namely four Workshops with peers and four face-to-face coaching sessions. We believe that the Capacity Building Programme is a unique opportunity to learn and exchange knowledge with colleagues from the private, government and non-profit sectors. It also permits entities' representatives to network with others from different and variant working environments and backgrounds. The best part of it is, that one can assess the level of sustainability



Insights into the ADSG Capacity Building Program



maturity, by using the maturity assessment tool, plan and measure what had been achieved. This is considered the ideal framework for performance!

After participating in the programme, we at FDF managed to merge the sustainability plan with the general strategic plan of FDF. This is a very effective step towards developing and improving sustainability qualitative and quantitative KPIs.

The coaching, or one to one session, caters for the variations between organizations in a very direct manner. The supervisor, Mr. Emmanuel Perakis, managed successfully to guide trainees from social, economic and environmental backgrounds to master the methodology of how to plan, manage and report on sustainability. Not only this, we were also able to compare and benchmark our performance and reporting with other organizations (most of the times our strategic partners).

How difficult was it to develop the Report?

We were confronted with many challenges while preparing the report. One of these challenges is the data collecting process. It takes lots of time and double efforts, as we have more than twenty initiatives distributed at a vast geographical area of the Emirate of Abu Dhabi. Also we don't have many bilinguals at FDF. We receive most of the data in Arabic, translate it into English and at

the end we, again, issue an Arabic version of the report. In addition to the fact that FDF is social entity, to introduce the concept of sustainability reporting to the working environment was not an easy job. The stereo- type of the concept of sustainability is related only to the environmental sectors.

At the end however we were rewarded. As far as we are aware, FDF is the only organization in the MENA region to have developed, entirely in-house, a Sustainability Report following the GRI Guidelines at Application Level A, as was confirmed by GRI itself.

What was the process you followed?

It was a long term process which was broadly based on the following activities:



- The team was trained and provided with methodologies on how to write the sustainability report and prepare the KPIs. In addition to training FDF staff from different managerial levels, about 33% of the staff.
- We have implemented the online assessment of the maturity level of sustainability, utilizing ADSG's on-line Assessment Tool. This helped in supporting FDF's decision on which material areas to focus on and on developing an action plan for sustainability with tasks and time frame.
- Presentation to H.H Sheika Fatima Bint Mubarak (Supreme Chairperson Of The Family Development Foundation, Chairperson Of UAE Women's General Union and Chairwoman Of The Supreme Council For Motherhood & Childhood). about the sustainability management at FDF and report writing!

What would you recommend to other organisations?

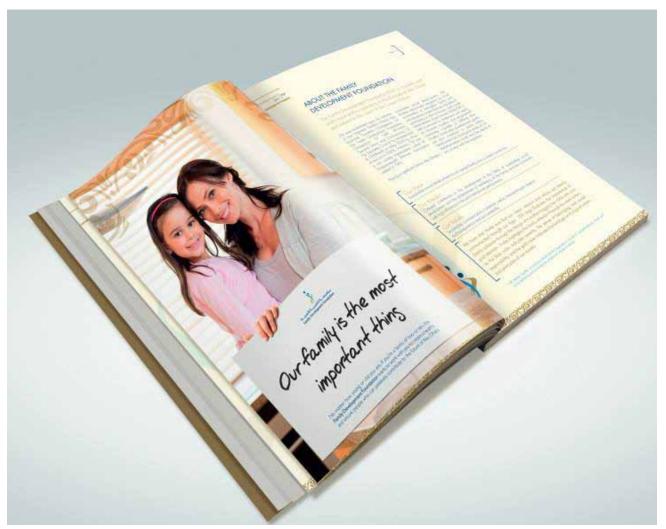
I would highly recommend to my colleagues and sustainability manager for other organizations to

commit themselves to the ADSG Capacity Building Programme and consider it as a top priority. I have managed to attended (6) workshops under the CBP of ADSG, and I believe that the program is a very successful tool towards managing sustainability in a very practical and well defined way. The program consists of theoretical and practical parts. It is designed to address the entities as a group of government's agents and as entities with variant and individual differences.

There are many qualitative and quantitative positive impacts from the programme, like the extend of training gained and the number and quality of published reports.

Organizations also will benefit from the Programme because it has a significant cost reduction on the production of the reports.

I do believe that the Capacity Building is one of the most successful ones. On the behalf of my colleagues I would like to thank the organizers and the facilitator Mr. Emmanuel Perakis for the constant support and continuous efforts to fulfill the objectives of the programme.



Sustainability is about long term actions, about reducing expenses, about creating synergies, about excellent quality, about train the trainers and about empowering entities to be self-dependent in managing sustainability.

Achievements During Abu Dhabi Sustainability Week 2014

Under the theme of "Promoting a more sustainable future for Abu Dhabi", the ADSG participated at Abu Dhabi Sustainability Week 2014 (ADSW). The ADSG's participation in ADSW took the form of a dynamic hub of knowledge sharing on sustainability through a variety of interactive debates, presentations and films, including a series of interviews with high profile leaders of ADSG member organisations.



The group, in collaboration with its members, delivered this programme of activities to share their knowledge and experience in sustainability during the conference.

The ADSG stand was officially opened by HE Razan Al Mubarak, Secretary General, Environment Agency Abu Dhabi, with a launch of the group's new strategy framework.

Throughout the 3 day programme, the representatives of the ADSG's Facilitation and Coordination Committee, who lead the day to day management of the group, presented various aspects of the group's progress under the theme "Promoting a more sustainable future for Abu Dhabi", including aspects such as:

- The ADSG's Journey since its inception in 2008
- How the ADSG supports members' sustainability drive within their respective organisations
- The role they played in developing the ADSG strategy

Speaking during the conference, Huda Al Houqani, Director ADSG, said "I would like to take this opportunity to warmly thank the ADSG members and stakeholders for their sustained and engaged support of the ADSG. Amongst those, members who have actively worked with us to develop our strategy for the coming years and helped us develop and implement the ADSG programme of events for Abu Dhabi Sustainability Week".

Some of the highlights of the ADSG's programme of events during ADSW included:

The launch of the ADSG strategy framework by H.E. Razan Al Mubarak, Secretary General, EAD

Presentation by the ADSG Facilitation and Coordination Committee sharing an overview about the Strategy Development Process.

A debate on the sustainability journey from integration to innovation, this session explored new ways for managing sustainability, new demands and expectations that business is facing at its interface with society. The role innovation plays as the key element of aligning stakeholder governance, business processes and corporate leadership with the new imperatives of the sustainability agenda in the 21st century.

Amongst a raft of high profile speakers and presenters, ADSG members, through collective and individual presentations on the group's Sustainability Capacity Building Programme, in a session titled: Promoting A More Sustainable Future For Abu Dhabi. This session highlighted the ADSG's Capacity Building Programme that focusses on promoting sustainable management practices in terms of managing and reporting on sustainability.

The ADSG would like to thank the members who supported the group's participation and made this effort a huge success.

A Big Thank You to the ADSG Members Who Participated and Contributed to the ADSG Programme During ADSW:











مــركــز الإحــصــاء STATISTICS CENTRE













Huda Al Houqani, Director, ADSG





























The ADSG Attends the Pearl Initiative and the ACCA Forum

During March, the Pearl
Initiative held a forum on
integrated reporting, focusing
on how organisations can
create and maintain value
by integrating sustainability
into their overall strategy and
decision-making processes,
and by communicating a
coherent story about their
organisation's ability to create
value into the future.

The Pearl Initiative, in collaboration with the ACCA, held this forum in Dubai for key stakeholders to discuss Integrated Reporting (IR) and the related challenges and opportunities that this framework can offer. The ADSG was was well represented at the forum and engaged actively throughout the session. We bring you the highlights from the session and invite you to engage on this important topic.

The Forum put forward the business case for Integrated Thinking and Reporting and the practical challenges that businesses are facing to integrate different forms of capital into decision-making and accounting systems.

Background

Integrated Reporting (IR) is a process that is based on integrated thinking which results in an integrated report that is produced by an organisation periodically and communicates on value creation over time. The International Integrated Reporting Council (IIRC) defines integrated reports as "a concise communication about how an organisation's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value in the short, medium and long term."

This communication would benefit all stakeholders interested in an organisation's ability to create value over time, including employees, customers,

shareholders, suppliers, business partners, local communities, legislators, regulators and policymakers. IR principles and concepts are designed to produce greater cohesion and efficiency to the reporting process, and adopting 'integrated thinking' to help break down internal silos and prevent duplication. This process inherently improves the quality of the information available to investors and financial capital providers.

IR Overview

Speaker: Jessica Fries

Executive Chairman of The Prince's Accounting for Sustainability Project (A4S), and Board Member of the IIRC

Jessica provided context about the basics of integrated reporting and how this links to the broader concepts of integrated thinking. A4S, lead by HRH the Prince of Wales, believes that a sustainable business and a sustainable economy relies on the commercial success of organisations, which in turn contributes towards a more financially stable global economy. However, this success is closely linked to the world within which this organisation operates and the resources upon which it depends on, therefore the organisation's strategy needs to be fundamentally linked to the broader environment and society.

IR is about looking into the future along with the insights provided in past performance, it aims to help organisations to identify the drivers that will help organisations to create value into the future. Jessica highlighted a few of the current disconnects in terms of reporting, where organisational structural reporting is focused on past performance. A4S has been looking into how to support businesses to focus on the future and where the strategic direction of the organisation is going. In contrast, traditionally the finance and accounting function in any given organisation has focused on past performance which highlights a mismatch. IR provides concise communication to key stakeholder groups, including providers of financial capital.

The Concept of Capitals

IR highlights six categories of capital

- 1. Financial Capital
- 2. Manufactured capital
- 3. Intellectual capital
- 4. Social and relationship capital
- 5. Human capital
- 6. Natural capital

The IIRC Pilot Programme

The IIRC pilot programme has been running for three years and it is now moving into the implementation phase of testing, the results from the participating organisations have demonstrated the following benefits:

- **1.** Board focus 95% said IR helps them focus on issues that matter and developing the right KPIs
- **2.** 95% said it gives them a better view of business model and strategy lead to better quality data collection
- **3.** Connecting teams 93% reported this integrated thinking and reporting process helps to break down silos
- **4.** 93% improved quality of decision making and internal processes
- **5.** Feedback has highlighted that IR has helped them improve relationships with stakeholders, and identify opportunities for mutual benefits

Questions and answers from the panel debate

Q1: What does reporting look like today in the region?

KPMG conducted a global survey of corporate responsibility reporting of the 100 largest companies in each country, and UAE was included for the first time this year. From this data, it was highlighted that there was no take up in UAE for integrated reporting as of 2012.

Globally 70% of companies are reporting, with 20% companies in the UAE reporting on corporate sustainability in 2012, within that there are excellent best practice initiatives, as evidenced from those UAE reporting companies, of whom fourteen of them document their Corporate Social Responsibility ethos and have goals and targets clearly set out.

From a regional context, Kuwait also leads on reporting in the region and Aramco in Saudi Arabia is hosting an annual CSR summit in Dammam.

Furthermore, it was shared that there is a strong desire, particularly from the new generation of leaders within family owned businesses and SMEs, to abide by global standards. To promote better transparency, governance and reporting, there is a need for more forums and initiatives to create a higher sense of awareness.

Bahrain and Oman were also highlighted during the session as leading in terms of sustainability reporting particularly in the banking sector.

Corporate Social Responsibility, is the term that was popular many years ago, and now the concept has evolved and we need to provide information and data within the integrated thinking context. This is even more important for organisations that operate in global markets. There is a need for improved reporting and communication to reach stakeholders and engage in a meaningful manner.

Q2: Integrated Reporting brings in the concept of capitals, to what extent do you believe that this concept is being used by companies and investors?

The values system is already in use in the Middle East, so this concept is already in practice and very important in this region within the family run businesses model.

Having said that, there also has to be a return on investment for these 6 capitals; adopting best practice does not come at the expense of financial returns 'private equity'.

If reading reports changes mindsets, then that highlights the need to invest with the lens of creating value, and raising awareness about the returns and benefits of IR to make that mindset switch.

Regionally, operators are already looking to create effective engagement with stakeholders and the community, we need to look at those examples. The more concrete examples that are shared within the business community, the more adopters we will see in a shorter timescale.



The Forum put forward the business case for Integrated Thinking and Reporting.

Concluding Remarks

Stephen Shields

Director Global Employer Relationships ACCA

The discussions and debate focused on the direction of travel for IR and integrated thinking, and to encourage debates about the various needs of end users and consumers of IR.

When thinking about corporate performance and value creation, IR can play a vital role to affect a major shift in thinking and decision-making, away from the focus on short term results and towards longer term value creation. This highlights the pivotal role that the CFO will play in the times ahead but, not only that, this is also an opportunity for CFOs to shape and change their organisations - a proposition which offers a challenge and tremendous opportunities.

The IR framework is currently being piloted in over 25 countries, by more than 100 organisations. While many organisation in the Middle East produce reports, it remains the only region that has no organisation participating in IIRC Pilot.

 $\ensuremath{\mathsf{ACCA}}$ is committed to the process of Integrated Reporting.

Recommendations

There are positive indications that were gleaned from this forum, including a wealth of insight from the delegates. It was established that more workshops, engagement and communications need to take place in order to assess the future direction that IR may take in the region.

One key area that was proposed was to involve the Middle East region in the IR Pilot, so the invitation to participate is flagged as a good starting point that can help in testing and adjusting IR to meet local and regional needs.



About the Pearl Initiative

www.pearlinitiative.org

The Pearl Initiative is the leading independent, not-for-profit, by-business for-business, institution working across the Gulf Region of the Middle East to influence and improve corporate accountability and transparency.

Developed in cooperation with the United Nations Office for Partnerships, it is a regionally-focused growing network of business leaders committed to driving joint action, exhibiting positive leadership and sharing knowledge and experience – in order to positively influence the entire regional business and student community towards implementing higher standards in areas such as corporate governance, anti-corruption, codes of conduct, integrity and reporting.

About the ACCA

http://www.accaglobal.com/middle-east/en.html

ACCA is the global body for professional accountants. We offer business-relevant, first-choice qualifications to people of application, ability and ambition around the world who seek a rewarding career in accountancy, finance and management.

About the IIRC

http://www.theiirc.org

The International Integrated Reporting Council (IIRC) is a global coalition of regulators, investors, companies, standard setters, the accounting profession and NGOs. Together, this coalition shares the view that communication about value creation should be the next step in the evolution of corporate reporting.

The IIRC is the global authority on IR. Its mission is clear: to enable integrated reporting to be embedded into mainstream business practice in the public and private sectors.

The IIRC Pilot Programme

NBAD Launches 'Paper Tree' Initiative



The initiative aimed to highlight the environmental and sustainability issues that are within the Bank's area of concern and ability to influence.

The National Bank of Abu Dhabi (NBAD) celebrated National Environmental Day event by launching 'Paper Tree' initiative on February 4th at its Head Office on Khalifa Street.

The initiative aimed to highlight the environmental and sustainability issues that are within the Bank's area of concern and ability to influence.

"We are proud to support the National Bank of Abu Dhabi's "Paper Tree" campaign, that demonstrates the Bank has fully integrated a strong sustainability ethos into their corporate strategies and plans," said H.E Razan Khalifa Al Mubarak, Secretary General of Environment Agency - Abu Dhabi

"This step forward in the journey towards sustainability is not new to NBAD. They have long been a key partner and founding member of the Abu Dhabi Sustainability Group, sharing their expertise and experiences with other members through this forum," She added.

NBAD Business Innovation Unit organised the event, in collaboration with Environmental Agency Abu Dhabi, and Abu Dhabi Education Council, involved seven schools, including government, private and special needs, and 21 students. The students worked in groups to paint environmental messages and images which will be fixed on to compartments installed on designated NBAD ATMs. These newly developed compartments will collect the discarded ATM receipts to stop littering. The compartment will contain an indicator showing environmental information.

"This exemplifies the spirit of this year's National Environmental Day motto 'Green Economy, Innovation, Sustainability," said Ahmed Al-Nagbi, the Managing Director of New Banking & Business Innovation at NBAD. "Collaboration and partnership achieves greater impact and, by encouraging the support of the community to contribute to a successful launch event, aims at creating awareness and changing behaviour."

ADSG Members Highlight the Importance of integrating Sustainability into Organisational Governance



A hallmark of successful sustainability initiatives is collaboration, transparency and partnership. This is reflected in the current collaboration and increasingly closer ties between the ADSG and the Pearl initiative.

The Abu Dhabi Sustainability Group (ADSG) held the first quarterly meeting of 2014 for its members during April. The event, which was attended by members and high profile speakers, was hosted, with much appreciation, by the Environment Agency - Abu Dhabi.

The Environment Agency - Abu Dhabi, of which the ADSG is an affiliate, showed its continued support and commitment to the group as Her Excellency Razan Khalifa Al Mubarak, Secretary General of the Environment Agency - Abu Dhabi and Chair of the ADSG Advisory Board, joined our members during the meeting and engaged with speakers, presentations and representatives of the group's members.

Her Excellency highlighted key points during the session, saying: "Sustainability cannot be compartmentalised, and is not a separate ad-hoc activity that is added-on as an afterthought. I am delighted to be here today with the members of the ADSG who are voluntarily coming together, under the banner of this truly unique group, to define what sustainability means for our community and how we can lead and build a more sustainable future together."

Through the ADSG's new strategy, members are being encouraged to integrate sustainability into the ethos of their organisations, to evaluate their progress and to measure their success with regular reporting, as well as collaborating with other members of the group as a multi-stakeholder platform that encourages innovation towards sustainability.

This Quarterly Meeting included two sessions, with the first session covering knowledge sharing on sustainability governance through presentations and interactive discussions from Aramex, TAQA and Abu Dhabi Airports. The second session reviewed the Group's strategy development stream as well as an update on the progress against strategic goals.

Furthermore, the ADSG's strategy will be supported by a flagship programme, focusing on the key areas of activity, energy and water. the ADSG intends to launch this flagship programme in the second half of the year with an aim to reduce the negative impact on the environment by managing energy use and reducing water consumption by switching to other sources of energy, and raising awareness through its 44 member organisations and more widely wherever possible.

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Speaking at the meeting, Fadi Ghandour, Founder and Vice Chairman of Aramex, said: "At Aramex, we believe in the importance of 'Sustainability Governance.' We were one of the first in the region to adopt sustainability management and reporting, before these concepts became as widely accepted as they are now."

"Now is the right time for institutions and companies to start adopting 'Sustainability Governance.' This approach will help reinforce sustainability management and reporting in organisations, help minimise any negative impacts on the environment and assist organisations to commit to transparency and accountability principles." Ghandour added.

During the knowledge sharing session of the meeting, Abu Dhabi National Energy Company PJSC (TAQA) and Abu Dhabi Airports, members of the group, talked about "Integrated Sustainability Governance", explaining how companies can apply this trend to achieve a balanced approach the supports organisations to become truly sustainable in the longer-term.

The Head of Sustainable Development at TAQA, Stephen John, highlighted Sustainable Development Governance in TAQA, and described it as multidisciplinary function that requires multi-disciplinary oversight and added that any sustainable development director should be active at work, adaptable, flexible, and supportive to business priorities.

Whereas, Prisha Bhoola, Head of Internal Audit at Abu Dhabi Airports, explained that the success of the company is due to its adoption of a sustainable program that was institutionalised by a formal governance structure. "Sustainability is something we live and breathe," she said. Bhoola demonstrated the corporate governance framework of Abu Dhabi Airports and gave an overview of the airport operator's sustainability initiatives.

A hallmark of successful sustainability initiatives is collaboration, transparency and partnership. This is reflected in the current collaboration and increasingly closer ties between the ADSG and the Pearl initiative. The Pearl initiative is a not-for-profit institution working across the Gulf region of the Middle East to influence and improve corporate accountability and transparency. During the quarterly meeting, Celine Schreiber, Program Manager at the Pearl initiative, highlighted that "Cooperation between us and ADSG is set to enhance the concept of sustainability and bridge the gap between government and private sectors".

She highlighted that the cooperation aims at promoting dialogue between the Group and the Pearl Initiative as well as developing joint capacity and supporting member organisations on the implementation of programs.

The presentations and supporting documents can be found at www.adsq.ae

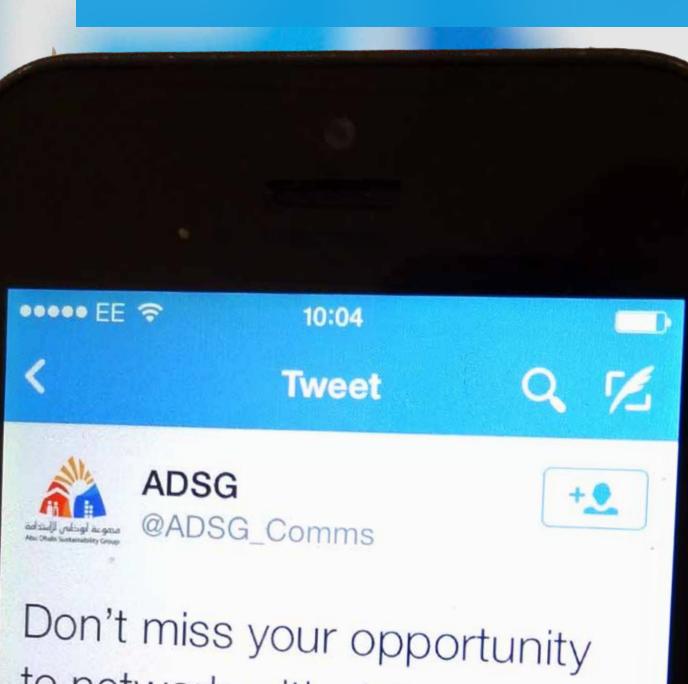


Through the ADSG's new strategy, members are being encouraged to integrate sustainability into the ethos of their organisations.



Stay in touch with the ADSG on the move and keep up to date on the latest news and activities. Follow us on twitter.

twitter.com/ADSG_Comms



Don't miss your opportunity to network with delegates in the Sustainability industry at the @ADSG_Comms Hiwar



Please find below the upcoming activities of the ADSG Capacity Building Programme. For more information, please visit our website at www.adsg. ae/capabilities/pages/cbp.aspx. To register, please choose the respective Registration Form and forward to training@adsg.ae

Training Course

Open for Registrations

09 - 12 June 2014

14 - 19 September 2014

Awareness Course

Open for Registrations

16 June 2014

11 November 2014

Theme Workshops

Open for Registrations

15 June 2014

Responsible Employee Management & Engagement

21 September 2014

Sustainability Planning & Roadmap

10 November 2014

Energy Management & Forecasting

Annual Report Support

Open for Registrations

08 June 2014

751

+ 1 day organisation

18 June 2014

+ 1 day organisation

09 June 2014

+ 1 day organisation

02 June 2014

+ 1 day organisation

Annual Management Support

Open for Registrations

1 day at organisation (June 2014)

1 day at organisation (September 2014)

1 day at organisation (November 2014)

1 day at organisation (December 2014)



The Role of a Sustainability Manager, an ADSG Theme Workshop

The Abu Dhabi Sustainability Group (ADSG) promote sustainability management practices and knowledge sharing. We recognise that companies which are focused on building a sustainable future have leaders who believe that the right thing to do is good for business. There many views on how organisations can foster a sustainable approach, and we have identified three key factors that can influence the degree to which an organisation integrates sustainability. it will come as no suprise that we have found that these three factors are about leadership:

1. Commitment and leadership of the CEO

If sustainability initiatives are to succeed, the CEO must believe it is the right thing to do and that business should do the right thing. The CEO has an important role to play in ensuring that the management structures and governance processes are in place and the leadership styles of the executive team are conducive to integrating sustainability.

2. The level of the Board's understanding of the relevance of sustainability to strategy and risk

The Board sets the strategic direction of an organisation. If the Board doesn't recognise the importance of staff, customers, communities or risks associated with the limitations of natural resources and the impact of environmental degradation, change will be limited. Furthermore, the Board has an important role to play in holding the CEO to account which, in turn, makes it easier for the CEO to hold senior executives to account.

3. A senior sustainability leader

A committed, proactive executive will be needed to make change happen. They will need to be knowledgeable about sustainability issues, processes, performance management and communication. If organisations are to change in time to avoid negative (social, environmental and business) consequences, this person needs to be senior enough to have authority. They need to have the ear of the CEO.

To support ADSG member organisations and provide sustainability leaders with the tools and information they need, the ADSG has developed a wide ranging portfolio of events, activities and training. One such event took place in early April, where the ADSG organised a Theme Workshop on the topic of "The Role of the Sustainability

Manager".

This was the ADSG's 7th Theme Workshop, and is part of the ADSG's pioneering Capacity Building Programme, which is designed to develop the in-house capacity of ADSG members, to both manage sustainability issues, as well as report on them. To date, we are proud to have briefed over 120 professionals on emerging Sustainability related topics.

The Workshop was held at the Environment Agency of Abu Dhabi, with the participation of 17 professionals, who recorded an average satisfaction of 9.2 out of 10. The workshop covered:

A presentation of trends and case studies from organisations in the UAE and abroad

Presentation of surveys on the role and key competences of the sustainability manager

Sharing of participants' experience and the practices they follow at their organisations

Team exercise for participants to identify their skills/competencies and role changes in the future

Development and distribution of a sustainability manager job description.

During the workshop, various pertinent questions were raised that we would like to share:

What is the suitable organisational structure of a Sustainability Department?

This largely depends on the structure of the organisation itself. However, a usual norm is to have the Sustainability Manager with 1-2 employees and a cross functional Team that acts as the liaisons with each department.

Where should a sustainability manager report to?

Ideally to the CEO, however where this is not possible, other suitable areas are Strategy, Excellence or any department that can influence on the way the organisation actually operates.

What are the responsibilities of a sustainability manager today and in the future?

The role is increasingly becoming threefold:

Manage Sustainability practices as an expert (e.g. reporting, measuring, planning)

Facilitate the responsible operation of all the

organisation as an advisor (e.g. procurement, HR, marketing etc.)

Improve the reputation as a responsible organisation as a spokesperson (e.g. engaging with stakeholders, public presentations).

What are the key competences a sustainability manager needs to possess now and in the future to be successful?

A successful sustainability manager will have to be both an expert on Sustainability issues (understand models, systems etc.), be an excellent Manager (be able to manage change, coordinate teams, plan activities etc.), be an advisor to facilitate how departments operate (understand how procurement works, how marketing works etc.), as well as be a competent spokesperson (possesses communication skills etc.).

What are some Do's and Don'ts?

Do's:

- Combine being a facilitator with being a manager, your role is to do and influence what others do.
- Understand the business in as much detail as possible, for example, don't expect the marketing department to invest in understanding what sustainability is, if you don't invest time in understanding what marketing is.
- Read, search and never stop learning, otherwise you will be out of date in less than a year.

Don'ts:

- Don't just focus on communication.
- Don't try to do everything yourself, each manager is responsible to do his/her job in a responsible way.
- Try not to complain about lack of leadership commitment and resources, you would be surprised by how much can be achieved with very little investment, but a lot of hard work.

Concluding, the role of a sustainability manager has significantly changed over the last years and is expected to do so even further in the future. Sustainability managers will increasingly be required to be able to influence, to coordinate, to innovate, to report, to measure, to understand the organisation, rather than purely improve the external reputation of an organisation. Therefore sustainability managers need to anticipate their future role and start acquiring today the required new skills, knowledge and competencies: as the Canadian Ice Hockey legend Wayne Gretzky said "Everybody goes where the puck is. I go where the puck WILL go".

ADSG Capacity Building Programme Coach **Emmanuel Perakis**



Sustainability managers need to anticipate their future role and start acquiring today the required new skills, knowledge and competencies.

Corporate Responsibility Reporting Comes of Age

According to a survey carried out last year by CorporateRegister.com, the number of companies producing a Sustainability or CR (Corporate Responsibility) Report has grown from near to zero in 1992 to over 6,500 today. Many of these are international companies for whom CR reporting is now a key driver of performance improvement and transparency.

While Europe and the Americas lead the field in CR Reporting, Asia is quickly catching up and, as the ADSG has noted, there is now growing evidence of reporting activity in the Middle East. The CorporateRegister. com survey 'CR Perspectives 2013' shows a handful of companies in the region starting down this road and it is a trend which looks set to continue.

So why all this attention for CR reporting? Although some critics still view these reports as 'greenwash', for many major companies it is seen as good business – enabling them to manage their risks and drive innovation in product development and services to create long-term value for stakeholders. Publicly demonstrating commitment to environmental and social performance, alongside financial results, is important in attracting and retaining top talent and finance for expansion, as well as meeting the demands of business partners and customers.

A big challenge for CR reporters is how to meet the needs of different stakeholder groups. Investors, inevitably, want to know that the material financial issues are covered. Employees on the other hand may want to focus on working conditions, while customers want to know about product or service quality. In short, there needs to be a balance of content, a considered approach to what is material and realism about the importance of reporting less than good news such as accidents, missed targets or operational challenges.

Since their launch in 2000, the main guidance for reporters, driving quality and consistency, is the Sustainability Reporting Guidelines of the Global Reporting Initiative (GRI), now in their 4th iteration. According to KPMG's latest reporting survey 2013, 82% of the global 250 companies use GRI to guide their reporting. Of interest to ADSG members, and other companies operating in the region, is the onus which the GRI new G4 guidelines place on more focused reporting – driving quality above quantity. Rather than a long list of indicators, reporters are asked to disclose how they manage their material sustainability issues alongside the related performance data. G4 also emphasises the desirability of some form of third party assurance, and GRI issued a new publication to help reporters negotiate the assurance maze of standards, scopes and levels - not easy for the beginner.

Material information, whether you are talking about your company's carbon emissions or its record on community engagement, must be credible for both management and external stakeholders. In the case of carbon emissions, for example, you need to be confident that the data presented are accurate and can be used as a basis for future decision-making. In this respect CR Perspectives 2013 survey highlights the role of independent assurance as a key driver of credible reporting.

Over half of the survey participants advocate external assurance on a significant proportion of report content, rather than a few key indicators. Apparent support for whole report assurance and transparency around the scope of the assurance can be seen in the G4 content table, which now contains an extra column to indicate which disclosures have been assured.

While the growth in CR reporting slowed somewhat following the economic crash of 2008, all the signs are that it is again accelerating. As the global economy picks up, companies, including those operating in the Middle East, are considering their approach to CR reporting. Many now recognise the business benefits of greater transparency – in this as in other areas.

Jennifer lansen-Rogers

Head of Report Assurance Services, ERM CVS Jennifer.iansenrogers@ermcvs.com Mobile +44 7921 037448

Jennifer lansen-Rogers, with 20 years' experience, is one of Europe's foremost experts in the field of sustainability reporting and assurance. She was also part of the GRI G4 development team.







Invitation

Responsible Employee Management & Engagement

Sustainability Awareness Workshop

Date: 15 June 2014 **Time:** 9.00 - 15.00

Venue:

Al Hur A, 2nd floor, Al Mamoura A, Abu Dhabi Environment Agency -Abu Dhabi



Each organisation has its own style in engaging employees, and we all know first hand how important it is to be involved as employees. An engaged workforce can drive an organisation's strategy and enable employees to achieve by creating a values-driven culture of collaboration and creativity.

In fact, effective engagement can give an organisation a competitive advantage, by retaining talented employees and attracting high calibre graduates.

The ADSG is holding a workshop to explore and share expertise in this area and we would like to extend an invitation to all ADSG representatives, their HR departments and interested parties. This workshop will help attendees to assess various key topics, including:

- Where could an organisation focus in order to manage human resources in a more responsible manner, including health & safety, learning & development, recruitment etc.
- How to influence employees to behave more responsibly
- How to engage employees in sustainability initiatives
- How to train people on sustainability issues

The workshop will include case study reviews, surveys on responsible employee management and engagement, exchange of experience between participants, as well as facilitated activities that promote sharing knowledge and deeper understanding of how to involve employees and manage human resources more responsibly.

Who should attend?

This is an excellent opportunity for networking and meeting like-minded professionals. We recommend that participants who would benefit the most could be sustainability professionals (including sustainability managers, EHS managers, corporate responsibility managers), as well as human resource professionals (e.g. training managers, HR managers, recruiting managers).

The Workshop is part of ADSG's pioneering Capacity Building Programme applied in the last two years, which aims to develop the inhouse capacity of ADSG Members, to both manage sustainability issues, as well as report on them.

Please contact us for registration and for more information on email: training@adsg.ae

ADSG IN A NUTSHELL

NETWORKING

A unique network of 43 leadership organisations in Abu Dhabi that brings public, private and not-for-profit sectors together to address sustainability challenges through a new cross-cutting institutional platform for collaboration on policy instruments.

HISTORY

Set up by the Environment Agency - Abu Dhabi with the support of the Executive Council of the Emirate of Abu Dhabi

TRANSPARENCY

Promotes transparency by encouraging members to report on their sustainability performance resulting in 17 member organisations disclosing reports on their sustainability performance using international best practice.

AWARENESS

Raised sustainability awareness across Abu Dhabi through building capacity of its members.

ACCOUNTABILITY AND RESPONSIBILITY

ADSG members are increasingly integrating sustainability considerations into their planning and decision-making processes.

INTERNATIONAL RECOGNITION

Raised Abu Dhabi's international profile as #1 worldwide by having the highest number of government organisations reporting in accordance with the Global Reporting Initiative (GRI) quidelines.

