



دائرة تنمية المجتمع
DEPARTMENT OF COMMUNITY
DEVELOPMENT

Corporate Social Responsibility Guideline

in the Emirate of Abu Dhabi



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Introduction



The Abu Dhabi Department of Community Development (DCD) aims to achieve an integrated system of social works in the Emirate and encourages entities working across the social sectors to enable and raise awareness about social works and enhancing the values of community service. The Department also has responsibility to develop and adopt necessary policies for community participation and social contribution and promote investment and innovation in the social sector.

In delivery of its mandate, the Department is responsible for coordinating with relevant entities to develop awareness-raising programs on the importance of community participation and social contribution and promote values of community service, voluntary work and patriotic values. Accordingly, the Department has prepared this voluntary guideline to provide organisations with a framework for the delivery of social outcomes such that the public, third sector and the private sector may align on objectives and approaches for social support across the Emirate.

The Department works in partnership with key Abu Dhabi Government entities in the delivery of its vision, including the Department of Economic Development, the Abu Dhabi Securities Exchange, and the Authority of Social Contribution – Ma'an.



دائرة التنمية الاقتصادية
DEPARTMENT OF ECONOMIC DEVELOPMENT



هيئة المساهمات المجتمعية - معاً
Authority of Social Contribution – Ma'an



سوق أبوظبي للأوراق المالية
Abu Dhabi Securities Exchange

Scope

This Guideline has been developed for the social sector and its affiliates, semi-government and the private sector operating in the Emirate of Abu Dhabi. These terms are defined in the glossary of this document and in the Law No. (12) of 2018 which establishes the Department of Community Development.

The Guideline does not seek to reproduce the substantial body of knowledge that has been established by working groups globally, which has informed international standards and frameworks. The Guideline references international standards for detailed guidance to organisations and, as an overarching document, provides a framework to standardise approaches for organisations in the Emirate of Abu Dhabi. The Guideline highlights areas for engagement with the social sector such as through the Ma'an Social Contribution Platform, as well as other authorised entities for receipt and/or distribution of Corporate Social Responsibility funding.

The Guideline is designed to complement existing standards and frameworks for non-financial performance of organisations, including social performance and environmental impact.



Legal Context

The Guideline is a voluntary instrument issued by the Abu Dhabi Department of Community Development which is enacted through Law No. (12) of 2018, as well Law (6) of 2019, establishing the Authority of Social Contribution (Ma'an) as which mandates Ma'an to:



Collect monetary and in-kind contributions offered by government bodies, institutions and authorities, the private sector and individuals as part of their responsibility towards the community, to be spent or directed to serve the community.



Strengthen the principles of tolerance and social responsibility through awareness programs and community contribution programs with the relevant bodies.



Activate social responsibility in the Emirate by creating innovative solutions and projects to serve the community.



CSR activities include activities conducted by commercial companies under Article 244 of Federal Decree No. (32) of 2021 concerning Commercial Companies Law (CCL 2021) which came into effect on 2 January 2022.

Article 244 on the Social Responsibility of Companies specifies that:



The company, after the approval of the Securities & Commodities Authority, may decide by virtue of a Special Decision, to allocate a percentage of its annual profits or accumulated profits to social responsibility;



The Company shall disclose on its website after the end of the fiscal year whether or not it has carried out its social responsibility;



The auditor's report and the company's annual financial statements shall include the entity or entities that benefit from these social contributions.

Furthermore, the Decision by the Prime Minister No.2 of 2008 on social responsibilities of companies sets a framework for contributions to social responsibilities and procedures for documenting, managing, and directing them in the State. This framework also sets out incentives and advantages for organisations participating in social responsibility initiatives.

Federal Law No. 6 of 2022, Article 26, provides for optional allocation of company funds to cooperative societies for social responsibility.

Objectives of this Guideline

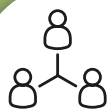
The Department aims to enable a dignified life for all through promoting a sustainable society and economy that is transparent and responsive to the needs of Abu Dhabi's diverse and growing community, through the active participation of all local agencies.

Based on the DCD's vision this Guideline has been developed in cooperation and coordination with key stakeholders in the Emirate, with an aim to:

Promote incentives and the benefits of social contributions and advocate for business participation in the delivery of social performance



Support adoption of CSR actions and measures



Foster Corporate Social Responsibility in the private sector, semi-government, and third sector to establish a basis of coordinated contributions towards social priorities of the Emirate



Increase awareness of socially and environmentally responsible behaviours

Recommended Implementation

This Guideline is not a management system, nor intended to replace any established corporate social responsibility practices or strategy. It is intended as a voluntary guideline that may enable organisations to go beyond mandatory compliance with the laws of the United Arab Emirates, to deliver social and environmental performance, consistent with global Corporate Social Responsibility (CSR) best practice. Organisations are encouraged to consider incorporating all or some elements of the Guideline into business practices, and to engage with authorised entities, such as Authority of Social Contribution -Ma'an, to provide financial and/or in-kind contributions.

Building on the foundations outlined by this Guideline, organisations seeking to further develop Corporate Social Responsibility programs. This Guideline identifies some of the leading relevant standards and reporting frameworks used globally, representing global best practices:



ISO 26000:2010, the International Standard for Corporate Social Responsibility sets out the areas of focus required for organisations to improve social and environmental performance.



Global Reporting Initiative (GRI) sets out a series of measurement frameworks that are also tailored to specific industries. GRI is considered an industry standard for reporting social and environmental impacts. Through a focus on measurement and reporting of social and environmental impact to stakeholders, the GRI provides a foundation for overall business improvement.



Integrated Reporting Framework (IRF) is the result of several global accounting standards converging to a single financial reporting standard. This standard enables organisations to account for and report against financial metrics for social and environmental performance. It incorporates the IASB, ISSB and SASB frameworks.

Structure of this Guideline

The Guideline is structured through identifying key outcome areas that organisations may achieve towards building their internal CSR practices. The Guideline proposes a set of practices that organisations may implement, highlighting the key interfaces with the Authority of Social Contribution – Ma'an as the authorized official government social responsibility collection entity in Abu Dhabi.

The Guideline provides some high-level practices that organisations can implement towards achievement of each Key Outcome Area and also provides references to resources that can further inform the implementing organisation.

**Outcome:**

The result achieved through implementation of each area.

**Practice:**

Different methods of implementation of each area.

**Resources & Standards:**

Additional resources and external standards that are relevant to each area.



Key Outcome Areas and Practices

The Key Outcome Areas for building internal CSR capacity are organised in two sections:

1. Foundations for Corporate Social Responsibility
2. Key Impact Areas of Social Responsibility.

It is recommended that organisations implementing this Guideline consider implementing all components of both sections, as the basis of establishing a more comprehensive CSR capacity which may be achieved through engagement with appropriate international standards for CSR.



1. Foundations for Corporate Social Responsibility

1.1 Establish Principles for Corporate Social Responsibility



Outcome:

Establishment of a clear set of principles to guide the organisation in its conduct and behaviour, considering economic, community and consumer segments, technological and legal contexts of the places and markets in which the organisation is operating. The principles should be consistent with internationally accepted behavioural norms and formalised through the organisation's governance arrangements.



Practice:

1. Consider economic, social, technological, and legal contexts of the places and markets in which the organisation is operating and document key areas of risk and opportunities for corporate social responsibility.
2. Establishment of a clear set of principles, for example drawing on organizational values, to guide the organisation in conduct and behaviour as a corporate citizen.
3. The principles should be consistent with internationally and locally accepted behavioural norms and may be informed by international standards.
4. The organization's governance is engaged in the process and is committed to transparent and accountable practices for Corporate Social Responsibility.
5. The organization's governance should ensure a clear and positive impact on Abu Dhabi's Social Priority Areas as defined by the Department of Community Development



Resources & Standards:

1. ISO Social Responsibility Standards
2. OECD Due Diligence
3. OECD Guidelines for Multinational Enterprises
4. Global Reporting Initiative

1. Foundations for Corporate Social Responsibility

1.2 Understand Stakeholders



Outcome:

The organisation has a clear understanding of its stakeholders and their values and priorities, and the relationship the stakeholders have with the organisation.



Practice:

1. Develop a stakeholder map that includes key internal and external relationships: Key customer groups, suppliers, workforce, communities and places of operation, and market regulators, for example.
2. For each stakeholder, develop an engagement plan and through engagement, where possible, identify their values, issues, and priorities, that align or may conflict with the organisation's objectives.
3. Identify any expectations of the organisation that are held by stakeholder groups, and any initiatives or behaviours of the organisation that have been identified through the stakeholder engagement process.



Resources & Standards:

1. ISO Social Responsibility Standards
2. OECD Guidelines for Multinational Enterprises
3. IFC Performance Standards Guidance Notes.

1. Foundations for Corporate Social Responsibility

1.3 Understanding Social Contributions in the Emirate of Abu Dhabi



Outcome:

The organisation has a detailed understanding of the dimensions of social and environmental responsibility that it seeks to address through strategy, business operations, and initiatives. The organisation has identified appropriate initiatives and partnerships for the delivery of social outcomes in the Emirate of Abu Dhabi.



Practice:

1. Review the guideline Appendix B to identify some of the key practices for Corporate Social Responsibility in Abu Dhabi.
2. Identify which CSR practices best suit the organisation, for example Social Outreach, or Corporate Philanthropy.
3. Embed the selected practices in strategy, planning, business operations, and initiatives where appropriate.
4. Identify potential charitable organisations operating in Abu Dhabi as identified on the official UAE list (see resources below for links).
5. Engage with authorised entities for coordination of social contributions. For example, the Abu Dhabi Government recognizes the Authority of Social Contribution (Ma'an) as a key channel for social responsibility contributions for the Emirate, whereby Ma'an has been tasked with supporting Abu Dhabi social priorities and vulnerable groups.

The general process for engagement may include:

1. Select entity to engage on CSR contribution types (monetary, in-kind, other)
2. Confirm Social Responsibility Contribution and agreed performance metrics (if any)
3. Follow relevant processes and procedures related to chosen social responsibility contribution platform / tool (Example: engage on Ma'an contributions platform and sign agreement)



Resources & Standards:

1. List of Charitable Organizations in the UAE
2. Authority for Social Contributions – Ma'an contributions platform
3. ISO Social Responsibility Standards
4. OECD Guidelines for Multinational Enterprises
5. Global Reporting Initiative
6. IFC Performance Standards Guidance Notes

1. Foundations for Corporate Social Responsibility

1.4 Committing to Accountability



Outcome:

The organisation has established a clear system of accountabilities for its social and environmental performance, linked with an institutional program for monitoring and evaluation of impact against defined performance measures.



Practice:

1. Establish organisational accountabilities and provide reports against CSR parameters, social and environmental impacts, and outcomes from initiatives to an internationally accepted standard.
2. Define a process to measure and evaluate the organization's social and environmental performance, and consistent with the established organisational accountability ensure mechanisms to trigger adaptation of approaches where appropriate and required.
3. Identify and comply with appropriate reporting requirements in the Emirate of Abu Dhabi.



Resources & Standards:

1. ISO Social Responsibility Standards
2. OECD Guidelines for Multinational Enterprises
3. Global Reporting Initiative
4. IFC Performance Standards Guidance Notes.
5. Authority for Social Contributions – Ma'an contributions platform

2. Key Impact Areas of Social Responsibility

2.1 Responsibilities to Employees



Outcome:

The organisation respects the universality of the rights of its employees and has fair operating practices that align with internationally accepted norms. The organisation understands Abu Dhabi Emiratization policies, has the capacity to lead inclusive business practices, and has established the capacity to mitigate any potential discrimination and activities that lead to the marginalisation of vulnerable or minority groups.



Practice:

1. Understand the Abu Dhabi Emiratization policies, identify any barriers or practices that may be inconsistent with attracting and retaining Emirati talent in the organisation and engage with Abu Dhabi Government on financial incentive supplements provided for citizens; develop and implement plans for the organisation.
2. Identify, through employee and wider community engagement, any areas where organisational practices may require attention to improve attraction and retention of a dynamic, innovative, and diverse workforce, develop and implement improvement plans across any areas identified.
3. Ensure appropriate procedures for employee grievance mechanisms, including specific hotlines for employee reporting that provide a safe channel of communication for employees, including culturally and linguistically diverse groups.



Resources & Standards:

1. IFC Performance Standards Guidance Notes.
2. OECD Guidelines for Multinational Enterprises on General Policies
3. OECD Guidelines for Multinational Enterprises on Human Rights

2. Key Impact Areas of Social Responsibility

2.2 Positive Impact on Consumers, Communities, and other Stakeholders



Outcome:

The organisation upholds its ethical conduct and maintains a social contract with the communities in which it operates and serves, it maintains a social commitment to all segments of its consumer groups and markets and adheres to internationally accepted norms of consumer rights and protections.



Practice:

1. Establish a commitment with the communities in which the organisation operates through stakeholder engagement and aligning the organisation's CSR principles with commitments made to the community, establish checks and balances to ensure the commitment is upheld. By providing Social Responsibility Contributions to and/or through Authority of Social Contributions-Ma'an, private sector entities will receive a report on the deployment of their contributions to mitigate the operational costs of this practice.
2. Identity groups that may be directly or disproportionately affected by a project or business activity, these people may be determined to be vulnerable because of existing disadvantaged or vulnerable status, or they may become vulnerable as a result of the project (e.g., relocation, loss of livelihood).
3. Identify community priority areas and opportunities to engage and support through social impact programs published through the Authority of Social Contribution - Ma'an, for example.



Resources & Standards:

1. Authority for Social Contributions – Ma'an contributions platform
2. International Finance Corporation's (IFC's) Performance Standards (PSs)

2. Key Impact Areas of Social Responsibility

2.3 Responsibilities to the Environment



Outcome:

The organisation has the capacity to understand environmental risks and to mitigate and remediate environmental impacts on affected communities.



Practice:

1. Identify the linkages between the environment and the well-being of the organisation's stakeholders and identify the positive and potential negative impacts on the environment.
2. Identify environmental risk mitigation strategies, business practices, and initiatives that may minimise environmental impact and offset community impacts.
3. Ensure a clear organisational responsibilities and accountability framework for environmental and community impacts.



Resources & Standards:

1. OECD Guidelines for Multinational Enterprises
2. IFC Performance Standards Guidance Notes

Incentives

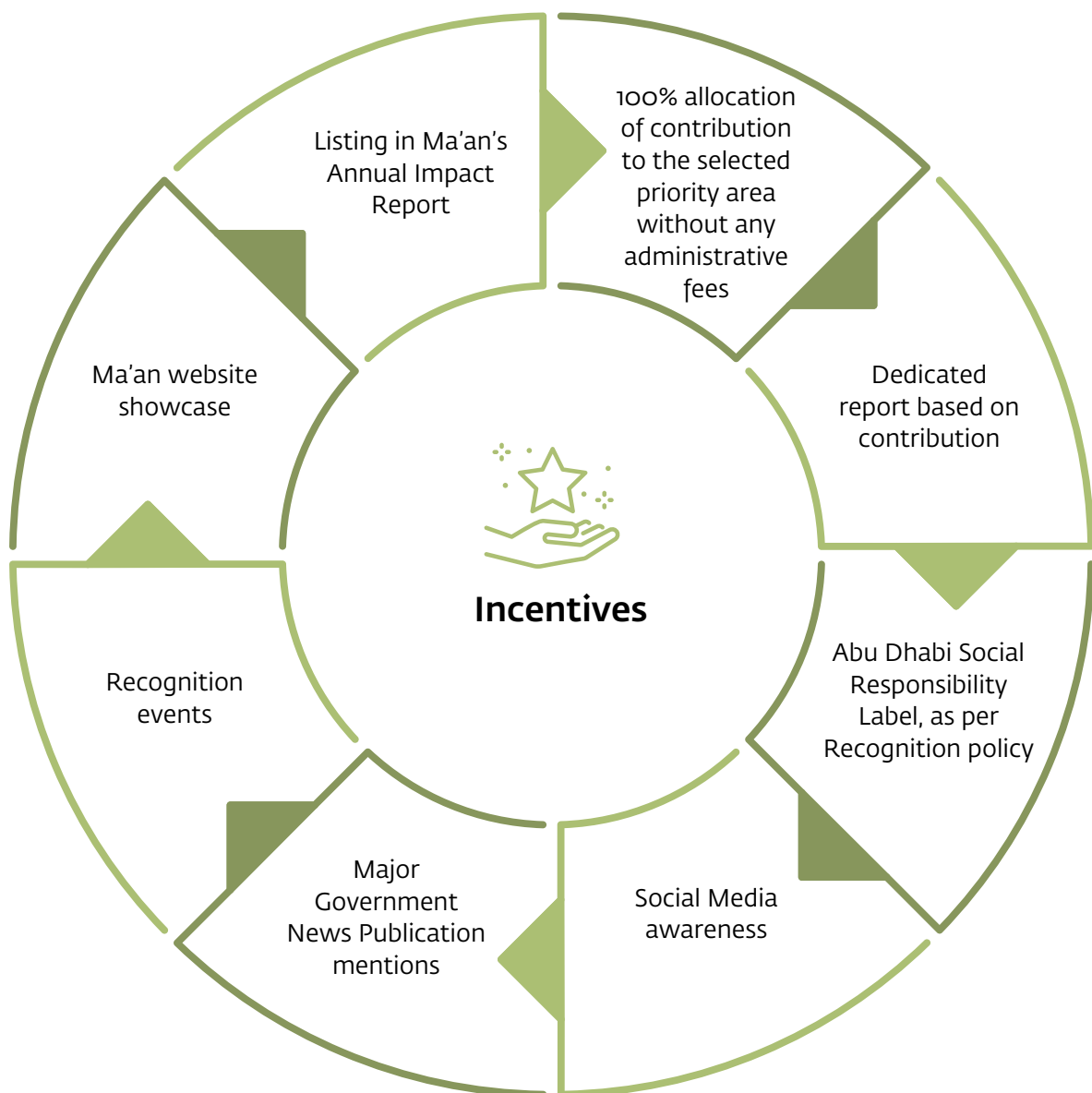
Entities are encouraged to review the substantial body of knowledge that identifies the positive relationship between financial performance, public equity performance, and business focus on CSR and sustainable development.

In some cases, incentives, both financial and non-financial may be made available depending on the entity being contributed to, the cause being addressed, the social impact achieved, among other variables. These can include reward and recognition incentives, as well as tax incentives, to name a few.



DCD, along with its partners, will be actively working on recognizing, designing and supporting access to incentives for entities integrating social corporate responsibility principles. For example, on the federal level and with the introduction of the UAE Corporate Tax Law, companies who provide contribution to eligible public benefit entities may qualify for tax incentives. This will be wholly based on UAE Federal Implementing Regulations set forth by the Ministry of Finance.

Another example, in Abu Dhabi, the Authority of Social Contribution – Ma'an will be actively working on developing incentives that promote the adoption of Corporate Social Responsibility principles by contributors to its platform. Interested companies can view the dedicated page for private sector contributors (<https://fundraise.maan.gov.ae/en/content/csr-enablement>) for further incentives, which may include:



Appendix A

Relevant International Standards:



ISO Standard 26000:2010 on Corporate Social Responsibility

Through extensive consultation, the International Standards Organisation has developed the ISO26000 to help organisations effectively assess and address social responsibilities that are relevant and significant to their mission and vision, operations and processes, customers, employees, communities, and other stakeholders, and environmental impact. ISO26000 is not a certification, the standard is used by organisations to improve CSR capabilities. Through extensive consultation, the International Standards Organisation has developed the ISO26000 to help organisations effectively assess and address social responsibilities that are relevant and significant to their mission and vision, operations and processes, customers, employees, communities, and other stakeholders, and environmental impact. ISO26000 is not a certification, the standard is used by organisations to improve CSR capabilities.



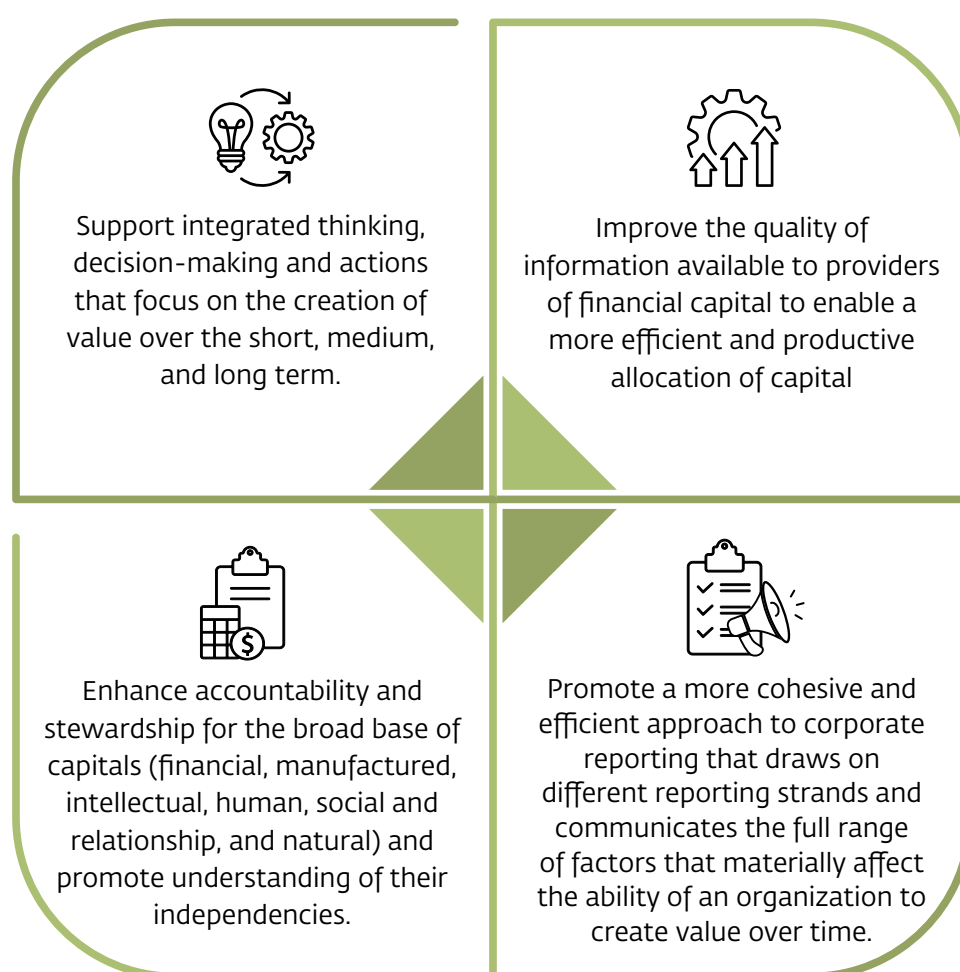
Global Reporting Initiative (GRI) Framework

The GRI Standards represent global best practice for reporting publicly on a range of economic, environmental, and social impacts. Sustainability reporting based on the GRI Standards provides information about an organisation's positive or negative contributions to sustainable development. The GRI Standards are a modular system of interconnected standards. Three series of standards support the reporting process: the GRI Universal Standards, which apply to all organisations; the GRI Sector Standards, applicable to specific sectors; and the GRI Topic Standards, each listing disclosures relevant to a particular topic. Using these Standards to determine what topics are material (relevant) helps organisations to achieve sustainable development.

Integrated Reporting Framework (IFRS / IRF)

The International Financial Reporting Standards have been established to develop high-quality, understandable, enforceable, and globally accepted accounting and sustainability disclosure standards for the private sector. The standards are developed by two standard-setting boards, the International Accounting Standards Board (IASB) and International Sustainability Standards Board (ISSB). The ISSB are the industry reporting standards set by the Sustainability Standards Accounting Board (SASB) have now been integrated with the IASB.

An International Integrated Reporting Framework is used to accelerate the adoption of integrated reporting across the world with an aim to:



The Integrated Reporting Framework was originally published in 2013 and following extensive market consultation with 1,470 individuals in 55 jurisdictions, has been revised in 2021.



55
jurisdictions



1,470
individuals

Appendix B

Relevant International Standards:

The following list identifies some of the key practices for implementing Corporate Social Responsibility in Abu Dhabi:

Practice	Description
Community Volunteering	The entity's employees carry out voluntary work to support the local community. Including volunteering to serve an association or institution of public benefit that is licensed by the concerned authorities, through the Authority of Social Contribution – Ma'an.
Community Volunteering Program Implementation	The entity implements a community volunteering program that addresses a social challenge in the Emirate and works with volunteers to deliver the program
Promotion to Support a Cause or Group	The organisation makes a contribution of net profits. Such support commonly offered for a period of time to a particular cause or NFP working for public benefit.
Social Outreach	An organisation provides funds, in-kind contributions, or other resources to raise awareness about a social issue.
Corporate Philanthropy	A corporation makes a direct contribution to a cause or NFP (cash grants, donations, or in-kind services) including contributions through the Ma'an's Social Contribution Platform.
Corporate Matching Gift Programs	A type of philanthropy in which organisations match the financial donations made by their employees to causes and/or NFPs, including contributions through the Authority's Social Contribution Platform.

The following list identifies some of the key practices for implementing Corporate Social Responsibility in Abu Dhabi:

Practice	Description
Socially Responsible Business Practices	The organisation adopts and implements business practices and investments that support social causes to improve community well-being and protect the environment.
Corporate Social Marketing	The organisation supports the implementation of behaviour change campaigns aimed at improving public health, safety, environment and/or the well-being of the community. This can be done through corporate separately, but often involves public sector agencies. Organisations may also collaborate with Ma'an to either launch or register the impact of these behaviour change campaigns.
Partnership	Establish partnerships with Third Sector Entities working for public benefit to support them in achieving their goals and programs.
Promoting a culture of social responsibility	Establishing a culture of social responsibility in organisations through the development of sustainable strategies for social responsibility and providing opportunities to develop humanitarian and community campaigns and initiatives and engaging in volunteer programs.
Support for the Third Sector	Providing material support, land, part of ownership, outsourcing of employees, financial care, or payment to Third Sector Entities.
Supporting Government Programs and Projects	Contribute to the development of society in economic, social, environmental, and other fields by providing financial and/or in-kind contributions to finance development programs and projects in the Emirate or Community.
Work-Friendly Policies	Adopt environmentally friendly policies in production and work.
Contribute to Solving Social Challenges	<ul style="list-style-type: none"> Promote the spirit of innovation and scientific research and contribute to providing solutions to the problems or challenges facing society. Social challenges are identified through a scientific approach carried out by DCD. to prioritize social development in the Emirate of Abu Dhabi. Companies are encouraged to contribute to solving challenges in Abu Dhabi by their Social Responsibility Contribution through Authority of Social Contribution - Ma'an.

Appendix C

Definitions:

Corporate Social Responsibility:

The International Organization for Standardization (ISO) uses the term 'social responsibility' to define CSR as "the responsibility of an organization for the impacts of its decisions and activities on society and the environment, through transparent and ethical behaviour that:

- contributes to sustainable development, including the health and welfare of society;
- takes into account the expectations of stakeholders;
- is in compliance with applicable law and consistent with international norms of behaviour; and
- is integrated throughout the organization and practiced in its relationships."

The Organization for Economic Cooperation and Development (OECD) defines CSR as 'responsible business conduct' in its Guidelines for Multinational Enterprises as "The positive contributions that multinational enterprises can make to economic, environmental and social progress, and to minimize the difficulties to which their operations may give rise."

Based on Cabinet Resolution no. 2/2018 concerning

Corporate Social Responsibility in the UAE, Corporate Social Responsibility is defined as "the optional contribution of a company or an establishment in social development by offering (cash and/or in kind) contributions for executing economic, social and environmental development programs and project (inter-alia) ones in the UAE in addition to social responsibility practices."

Department / DCD

Abu Dhabi Department of Community Development established by Abu Dhabi Law No. (12) of 2018.

Emirate

Emirate of Abu Dhabi.

GRI

Global Reporting Initiative, established by an independent, international organisation that helps businesses and other organisations to take responsibility for their impacts, by providing them with the global common language to communicate those impacts; providing the world's most widely used standards for sustainability reporting.

Guidelines

These guidelines for CSR in the Emirate.

IFRS

International Financial Reporting Standards, developed by the IFRS Foundation, a not-for-profit, public interest organisation established to develop high-quality, understandable, enforceable, and globally accepted accounting and sustainability disclosure standards and to promote and facilitate adoption of the standards.

Definitions:

ISO

International Organization for Standardization, develops and publishes International Standards.

Ma'an

Authority of Social Contribution (Ma'an) established by Abu Dhabi Law No. (6) of 2019.

Ma'an Platform

A platform within Ma'an, working towards the centralisation of social contributions by showcasing opportunities for community engagement in all its forms through a digital platform, including the requirements of social impact reports, and the development of incentive frameworks for participation.

NFP

A not-for-profit entity licensed in the Emirate.

Social Enterprises

A private, profit-making establishment that simultaneously aims to achieve a social benefit and is licensed by the licensing authorities of the Emirate to engage in economic activity, including those located in financial free zones.

Private Sector

The private enterprises and companies.

SASB Standards

Standards established by the Sustainability Accounting Standards Board to guide the disclosure of financially material sustainability information by companies to their investors. Available for 77 industries, the SASB Standards identify the subset of environmental, social, and governance issues most relevant to financial performance in each industry.

Definitions:

Social Responsibility Contribution

The voluntary contribution of an organisation to community development through the provision of contributions (cash and/or in-kind) for the implementation of projects and programs, including economic, social and environmental.

Third Sector

Third sector includes: for example (Not-for-profits, places of worship, clubs, social enterprises, and volunteering).

Third Sector Strategy

The strategy of the Department, which aims to achieve an active Third Sector in the Emirate, focused on six main pillars being: capacity building, regulations and legislation, partnership models, financing, incentives, and awareness.

Social Responsibility Platform

The platform operated by Ma'an for the purpose of attracting and guiding Social Responsibility Contributions in Abu Dhabi.

The Social Sector

An integrated system of public social works aiming to advocate for and develop individuals, families and community of all aspects, and includes private and public entities, whether profitable or not, providing services to the Social Sector which care for family affairs in general and women and children in particular as well as the affairs of minors, orphans, necessitous, people of determination, youth, elderly and those of unknown parentage.

Social Sector Affiliates

The entities working in the Social Sector affiliated to the Department and under its control and supervision and shall be determined by a resolution by the Executive Council.

Sustainable Development Goals

The Sustainable Development Goals (SDGs) or Global Goals are a collection of 17 interlinked global goals designed to be a "shared blueprint for peace and prosperity for people and the planet, now and into the future". The SDGs were set up in 2015 by the United Nations General Assembly (UN-GA) and are intended to be achieved by 2030.

United Arab Emirates - Emirate of
Abu Dhabi

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