



Country focus: United Arab Emirates

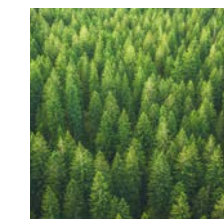
Over the last few years, the UAE has made a concerted effort to drive sustainability under the framework of the **UAE Vision 2021**, in alignment with the UAE Green Agenda 2015-2030, the Dubai Plan 2021, Paris Agreement (COP21) and the 17 UN Sustainable Development Goals (SDGs), which were adopted by 193 member states at the United Nations in 2015.

Target 6 under SDG 12, “Ensure sustainable consumption and production patterns”; requires member states to encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle. Based on this target, the Global Reporting Initiative (GRI) engages with national and regional governments to enable, monitor and accelerate company progress on SDG reporting and fulfillment.

In line with SDG 12, the UAE government has drawn up several short and long-term sustainability-related goals and developed national frameworks and guidelines for public and private institutions.



In January 2017, the UAE government formed a **National Committee on SDGs** aiming for national implementation of the SDGs. The UAE government has also developed a local platform for businesses, academic institutions and the public sector to work towards the SDGs.



The **UAE's UN Global Compact network** aims to root the ten principles of the Global Compact, as well as the SDGs, into the national context.



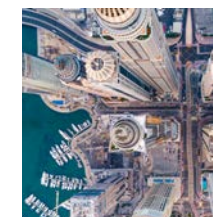
Abu Dhabi Vision 2030 aims to build a sustainable and diversified economy, improving accessibility and providing higher-value opportunities for its residents.



The **Dubai Declaration on Sustainable Finance** launched in 2016. Eleven UAE-based financial institutions have committed to the Declaration confirming their support for the UAE Vision 2021, with the aim of transforming to a green economy through recognizing the important role that the finance sector can play in enabling a climate-resilient, inclusive green economy and sustainable development and committing to accelerate sustainable finance practices in partnership with the UAE government.



Abu Dhabi Global Market (ADGM) manages the Zayed Sustainability Prize Initiative, aligned with the global Sustainable Development Agenda for 2030 and Sheikh Zayed's vision of “uplifting vulnerable communities across the world through technology and sustainable solutions.”



Dubai Financial Market (DFM) updated its Shari'a standards to cater to the growing interest in sustainability. The standards cover the issuance of green instruments such as green sukuk, shares and green investment funds.



Meanwhile, local banks are embracing sustainability. For example, a major local bank issued an ESG-linked syndicated loan, with the cost of the USD 1.75 billion facility facility, based based on the percentage of women in senior management and water efficiency. Forty-three branches were equipped with disability-friendly servicing facilities, and in 2020, 62% of branches were made more accessible.

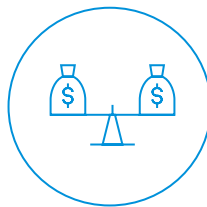
Mandates of the UAE Securities and Commodities Authority

The UAE's Securities and Commodities Authority (SCA) requires public joint stock companies listed in the UAE to comply with specific ESG disclosure requirements.

In accordance with Article (76) of the Chairman of SCA Board Decision No. (03 R.M.) of 2020 concerning adoption of the Corporate Governance Guide for Public Joint Stock Companies (Governance Code), public joint stock companies listed on the Abu Dhabi Securities Exchange (ADX) or the Dubai Financial Market (DFM) in the UAE (Listed PJSCs) must publish a sustainability report.

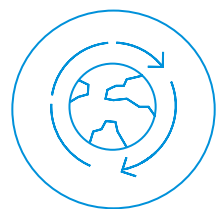
On 10 January 2021, the SCA issued a general clarification to Article (76) of the Governance Code which sets out in detail the required contents of sustainability reports and a confirmation that such report must be published annually.

Listed PJSCs are required to prepare a sustainability report reflecting the company's long-term strategy and its impact on the following fields:



The economy and governance – how the company is contributing to the economic benefit of society and the impact of the company's operations on the local economy

- Listed PJSCs must also comply with the Global Reporting Initiative (GRI) standards and any sustainability standards and requirements issued by the DFM or ADX, depending on which market it is listed on.
- Listed companies are required to submit their annual sustainability report for the financial year 2020 within six months following the end of the financial year. For subsequent financial years, listed PJSCs must submit the sustainability report to the SCA within 90 days from each financial year end or before the date of the annual general assembly meeting, whichever is earlier.



The environment – the impact of the company's operations and decisions on the environment and the communities in which the company operates



Society – how the company's policies and operations contribute or could contribute to social justice, the well-being of workers and employees and the surrounding community

UAE legislature aimed at bolstering ESG activities

Regulation	Impact
– Cabinet Decision No. 26/2014 on the national system for ozone depleting substances	– Restriction in the export and import of materials and equipment containing ozone depleting substances
– Cabinet Decree No (12) of the year 2006 concerning the protection of air from pollution	– Regulations implemented to reduce air pollution – Established environmental impact evaluation for projects and permissible threshold for air pollutants
– Federal Law No. 238/2016 – The ratification of the Paris Agreement on climate change	– Amendment to coordinate strategies in alignment with climate change plans implemented and enforced by the government
– Federal Law No. 12/2018 on integrated waste management	– Strict regulation of waste management process
– Ministerial Decision No. 21/2018 on the Implementing Regulation of Federal Law No. 23/1999 on the exploitation, protection and development of living aquatic resources in the UAE and its amendment	– Restriction in obtaining fishing and boat licenses – Restriction in circulation, sale and marketing of aquatic creatures
– Ministerial Resolution No. (228) of 2020 on the adoption of the infectious biological waste management handbook – 3rd. edition [Arabic]	– Regulations implemented concerning waste management site in relation to handling, storage and disposal of biological waste
– Regulation No. 238/2010 prohibiting printing on non-recycling plastic bags	– Prohibition of printing on plastic and biodegradable bags in line with the ban on the use of non-biodegradable plastic products
– Abu Dhabi Administrative Decision No. 45/2019 on the issuance of the regulation outlining the scope of the application of district cooling	– Reduction in carbon emissions and consumption of energy – Cost saving and investment opportunities
– Ministerial Decision No. 21/2019 on the use of materials recycled from construction and demolition waste from road and infrastructure projects	– Cost saving by using recycled aggregates from construction and demolition waste from public infrastructure projects

