

SEKEM

Sustainability Report 2014



SEKEM Sustainability Report - 2014



Dear Readers,

When I look back to the past months it seems to me like a small miracle became reality, which fills me with gratitude. After SEKEM had to face a lot of challenges during the past four years we are happy that we can say now: yes, we did it! We, the whole SEKEM community were able to manage all these difficulties and brought SEKEM back on track, which would have never been realized without our ambitious employees and our reliable partners. An amazing network of friends and backers gave SEKEM a strong foundation enabling our committed workers to close the year 2014 with very good and satisfying results.

We are not only thankful for managing the past years somehow, but are also proud to confirm that we could hold our most important concern of promoting sustainability in all dimensions. And we are convinced that now, after the situation in Egypt is starting to improve on all levels, we will be able to even expand our vision of holistic and sustainable development by focussing processes and human development.

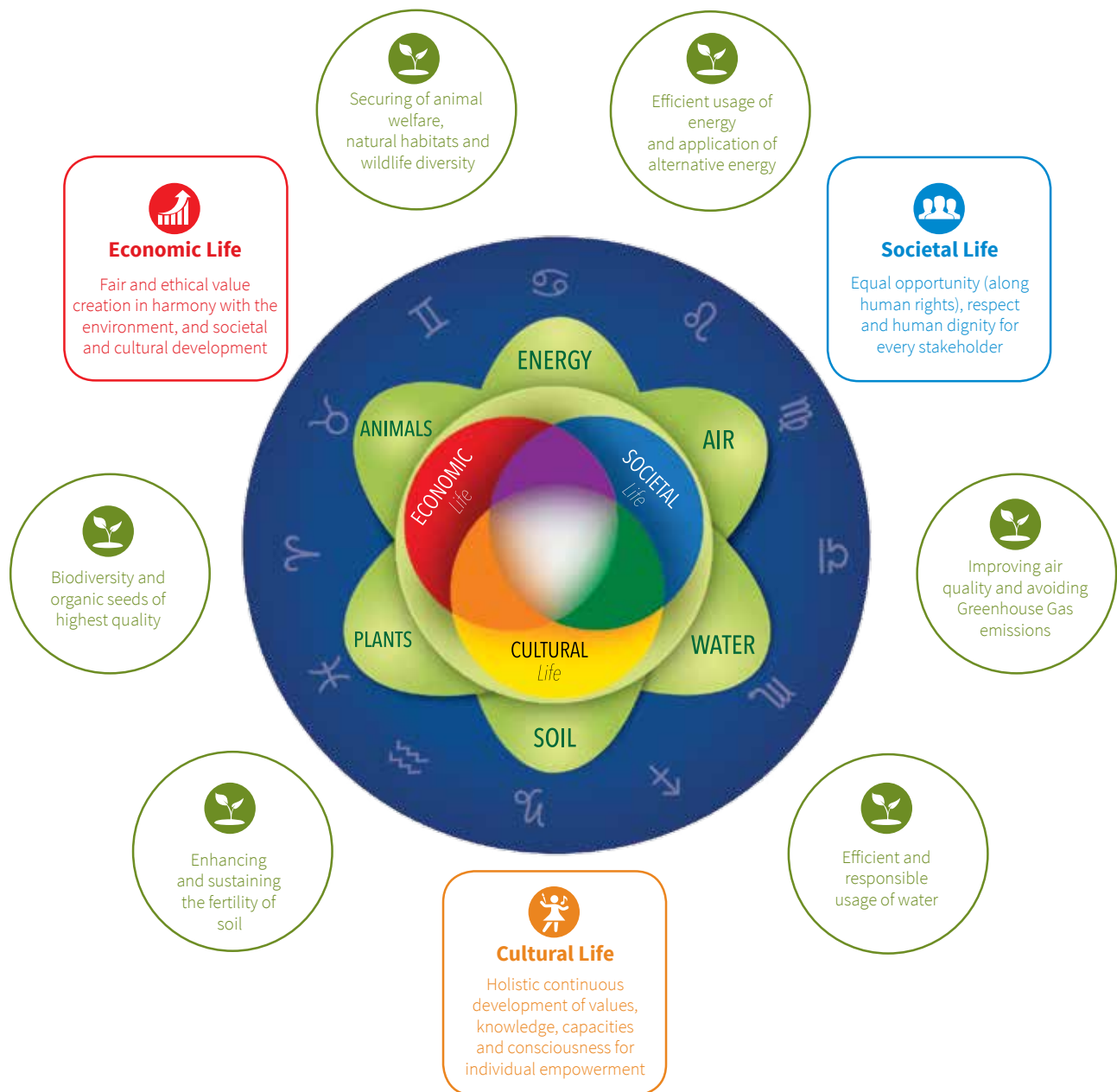
Thus, the Sustainability Report 2014 is not only a statement of SEKEMs engagement in the past year, but also a symbol of confidence, gratitude and joy.

Thank you all, SEKEM workers and partners, for your great loyalty and encouragement that made this miracle become true.

A handwritten signature in black ink, appearing to read 'Helmy Abouleish', with a long horizontal flourish extending to the right.

Cairo, 12th of April 2015
Helmy Abouleish
Chief Executive Officer,
SEKEM Group

SEKEM Sustainability Report - 2014



Our Vision

Sustainable development towards a future where every human being can unfold his or her individual potential; where mankind is living together in social forms reflecting human dignity; and where all economic activity is conducted in accordance with ecological and ethical principles.



SEKEM Sustainability Report - 2014

ECONOMY



Modern societies around the world are mainly characterized by the division of labor into economic activities. Through cooperation, values are created and then exchanged as products and services. In this exchange, it is essential that those creating the values be rewarded for their efforts with a fair income.



We produce organic products of highest quality and ensure that our core business is in harmony with nature and serves the needs of our society.



68%

of our products are Organic certified. We strive to reach 100%, but some products like honey cannot be guaranteed to be organic. Sometimes we use natural raw materials due to purchasing commitment with farms in transition to become organic, but communicate this on the product.

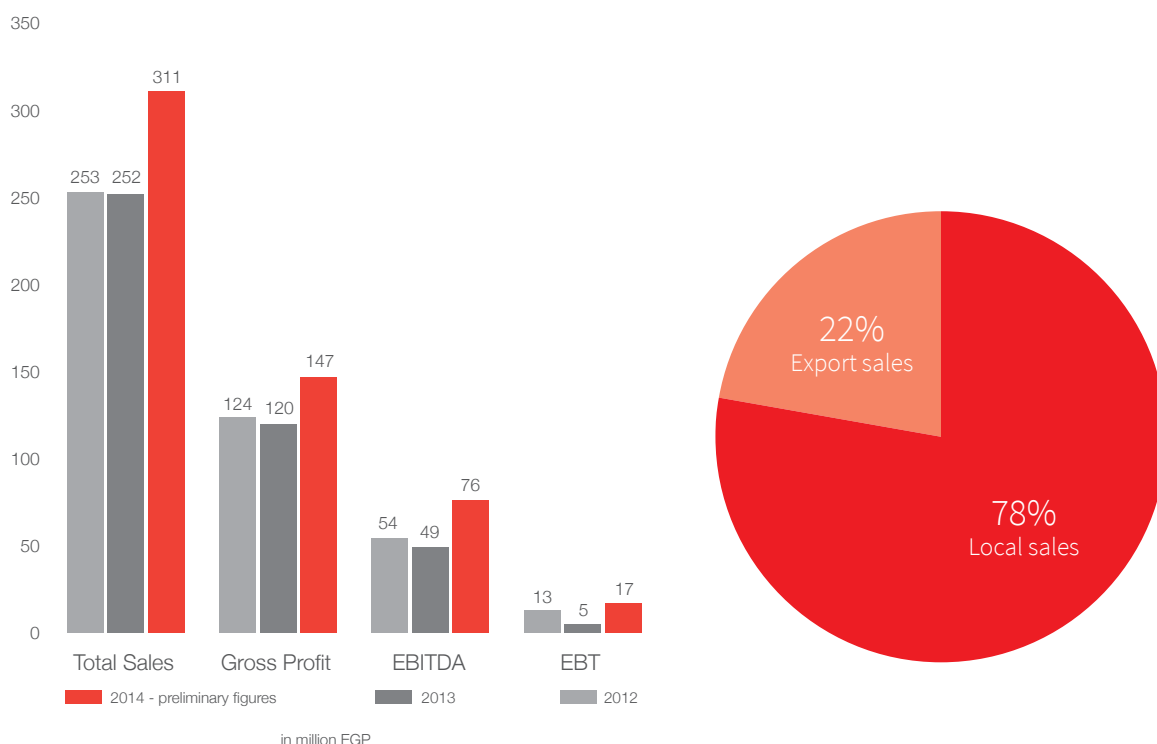
2%

of our products are Fairtrade-labeled, as we only print the Fairtrade-logo on the products when requested from a customer who is willing to pay for it. Nonetheless, we keep our high standards, which we call “Economics of Love”, striving for a fair share for every stakeholder within our supply chain, where everyone is able to develop himself and is living in conditions respecting human dignity.

SEKEM Sustainability Report - 2014



In 2014, the fourth year after the uprising, Egypt gained economic stability. We are proud that we were able to increase our sales performance, concentrating on efficiency and process simplification.



In 2014 the SEKEM Group of Companies, the SEKEM Holding with its subsidiaries ISIS Organic, ATOS Pharma, NatureTex, Lotus and the agricultural activities, were able to generate a sales growth of 27%. The gross margin grew by 30% and on the EBITDA*-level the companies were able to generate an outstanding consolidated growth of 57%.

The Company furthermore kept the sales share with about 3 to 1 local versus export.



In order to ensure highest quality for your valued customers, we assess all our raw materials and final products for health, safety and environmental impact.

✓ ISO 9001

✓ ISO 14001

✓ ISO 22000

✓ GOTS

✓ NOP

✓ DEMETER

✓ Fairtrade

✓ OHSAS 18001

✓ Organic







Taking care of our environment includes a solid waste management.

In 2014, SEKEMs companies increased sales with 27% while the produced waste increased only by 10%.



2014

SEKEM with all its companies and entities produced 326t waste, of which 98t were Organic waste, directly going into SEKEMs compost production.

 Organic waste
 Waste (Paper, Cardboard, Glass, Plastic, Other)



2013

SEKEM with all its companies and entities produced 279t waste, of which 93t were Organic waste, directly going into SEKEMs compost production.

Efficient waste management and recycling processes are mandatory for each responsible business. SEKEM companies were producing an average of 1.1kg waste per 1000 EGP sales in 2013 and were able to decrease the amount by 5% to 1kg per 1000 EGP sales in 2014.

SEKEM Sustainability Report - 2014

100%

of our organic waste has been recycled in our own compost production, just like the years before.

30%

of our non-organic waste has been recycled in 2014, a slight decrease compared to 32% in 2013.



SEKEM Sustainability Report - 2014

45%

of our total packaging material has been made out of recycled materials in 2014. An increase of 13% compared to 40% in 2013.

70%

of our products have a representative CO2 footprint assessment. An increase of 22% compared to 57.3% in 2013.



Compost production at SEKEM.



SEKEM Sustainability Report - 2014

SOCIETAL Life



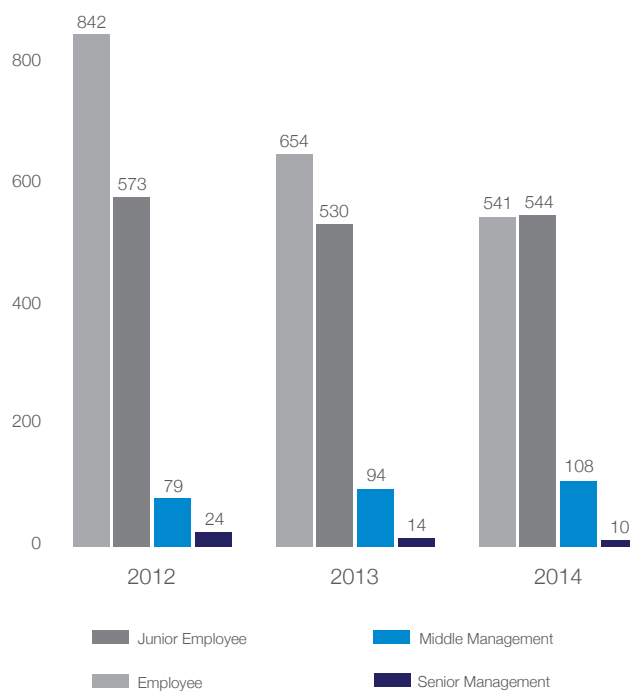
The place of the individual in society shapes our social relationships, while the laws of a society determine individual opportunities. In a fair and just society, the individual human being is recognized to have innate rights, is equal in front of the law and granted equal opportunities.

SEKEM Sustainability Report - 2014

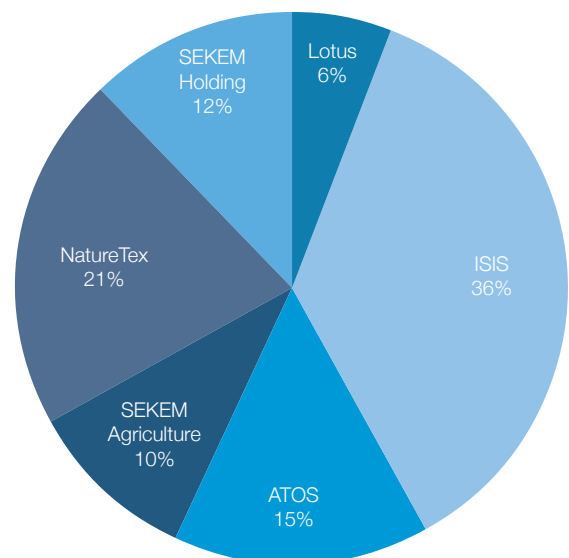


Our Human Relations Department was able to increase employee efficiency without the need to lay off employees, but mainly by not replacing those who decided to leave or retire.

Employees by category



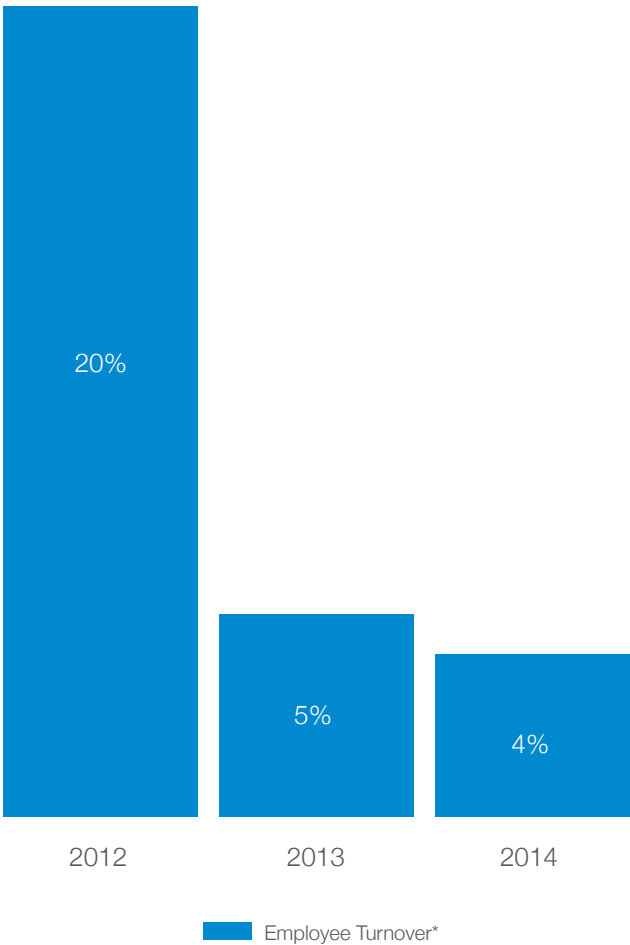
Employees by company



SEKEM Sustainability Report - 2014



We believe that everyone deserves a stable and safe work environment, therefore we've been working hard to reduce the employee turnover* down to 4%.



20%

of our employees are females.

12%

of our managerial positions are held by females.

100%

compliance according to ISO 18001 for Occupational Health & Safety Management System.

1:46

The annual salary ratio* stayed the same compared to last year.

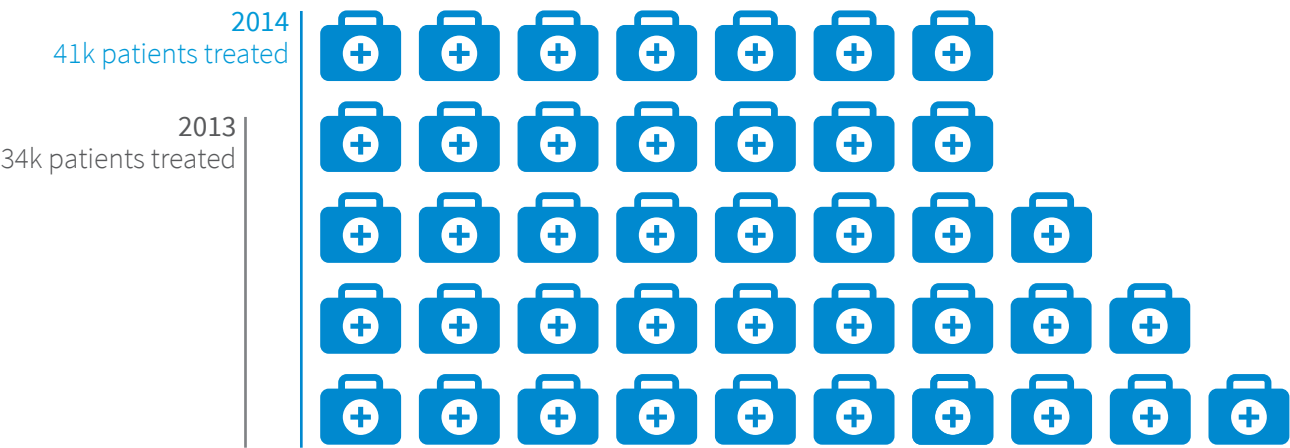
*Ratio of highest annual salary against the lowest annual salary of a full time employee excluding non-monetary benefits

*This calculation does not include fluctuation within the first year of employment



We've established the SEKEM Medical Center to ensure best health and medical services for our employees and the surrounding community.

In 2014 we served over 41000 patients, 21% more compared to the previous year.



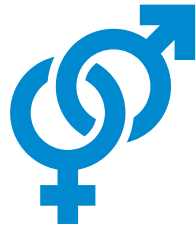
41k +

More than 41000 people from SEKEMs community, companies and surrounding areas visited SEKEMs Medical Center in 2014.

34%

of our employees have had an additional health insurance in 2014 on top of the mandatory minimum insurance.





We strongly believe in gender equality and diversity.
Therefore we empower women for a balanced society.

Ana Huna

We are well aware of the challenges that women are facing when connecting their personal and working life. Therefore we support women's participation in public life, their right for employment and their own income by promoting the concept of gender equality in all components of SEKEM. By offering our female employees different activities we raise awareness and strengthen their rights not only at work but also in societal life. Thus, we provide for instance language courses, sessions with a gynecologist or film screenings as well as a nursery that enables mothers to continue their work after getting children.



SEKEM Sustainability Report - 2014



Embedded in a network of great organizations with inspiring people and amazing visions.
We love the power of partnership.

IFOAM Ambassador

Since many years SEKEM is a member of the International Federation of Organic Agriculture Movement (IFOAM) and actively promoted organic agriculture in Egypt and internationally.

SOAAN

SEKEM is a founding member of the Sustainable Organic Agriculture Action Network (SOAAN) and a member in the steering group since its establishment. One of the major topics has been the development of the “Best Practice Guideline for Agriculture and Value Chains”, where SEKEM heavily participated.

53

reowned articles about sustainable development have been published in magazines, newspapers and journals worldwide.

Biodynamic Agriculture

has been one of our major topics in 2014 again. Therefore we’ve contributed various times during the year by serving keynote speeches and lectures within Egypt and Europe.

13

Beside others, SEKEM is partner of the World Future Council, the United Nations Global Compact, Demeter International, the Sustainable Food Trust, the Egyptian Junior Business Association, the German Arab Chamber of Industry and Commerce, the Egyptian National Competitiveness Council, the International Federation of Organic Agriculture Movements or the International Association of Partnerships.

25th Cairo Climate Talks

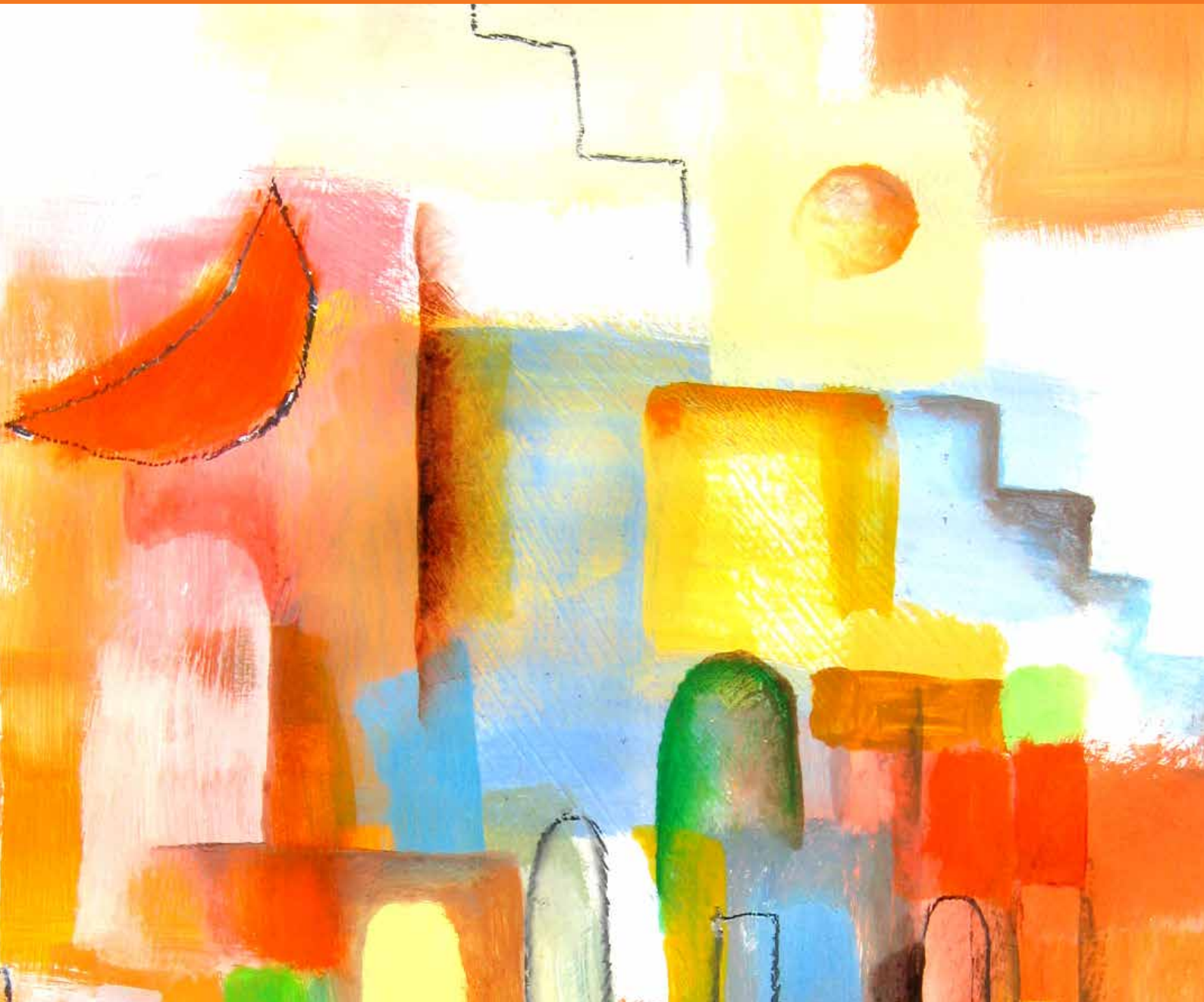
we believe that SEKEM is a positive example on how to contribute to a better, cleaner and more sustainable environment. Therefore we decided to actively participate at the 25th Cairo Climate Talks by giving speeches about “Innovation in Agriculture” and “Climate Change: A Threat or an Opportunity for Egypt?”.





SEKEM Sustainability Report - 2014

CULTURAL Life

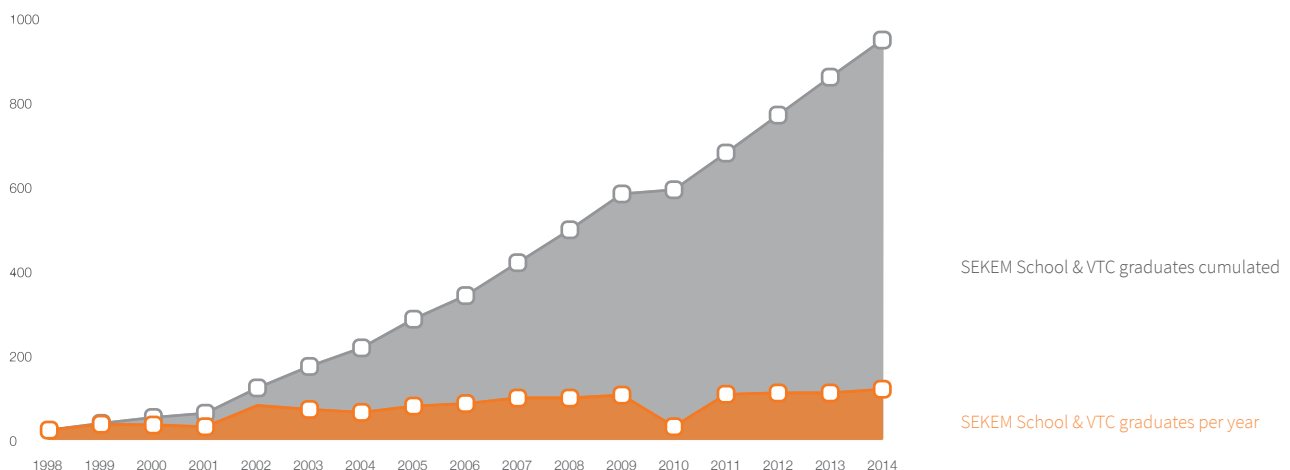


Sustainable cultural development means individual human development. The people need to be guided to their individual inspirational sources, whether these are sciences, philosophy, religion, arts or beauty. This can only be achieved through freedom in cultural life.

SEKEM Sustainability Report - 2014



We believe that education equals future. Therefore, we've established a kindergarten, various schools, vocational training center and even a university for sustainable development.



In 2014, 333 students were enrolled in SEKEMs school, 51 children in SEKEMs Kindergarten, 238 Students in SEKEMs Vocational Training Center, 34 students in SEKEMs Special Education Program and 27 in SEKEMs Nursery. The Heliopolis University was able to offer 554 students place to study sustainable pharmacy, sustainable engineering or sustainable business & economics.

All in all, 191 students graduated from the SEKEM school since 1998 and 736 students graduated from SEKEMs Vocational Training Center since 2000.

The first graduation wave of the Heliopolis University is expected in 2016.

SEKEM Sustainability Report - 2014

77

students graduated from SEKEMs Vocational Training Center in 2014, a total of 736 since its launch in 2000.

333

students were enrolled in the SEKEM school in 2014, a plus of 6% compared to the year 2013.

51

children were enrolled in SEKEMs kindergarten in 2014, a slight decrease compared to the year 2013.

34

students have been in SEKEMs special education program in 2014, where they've received training in how to manage their life and enhance their skills, giving the possibility to integrate them into work life.



20%

of the students of the Heliopolis University were benefiting from scholarships, mainly provided by the SEKEM Friends Associations and network.

27

parents decided to use the services of SEKEMs nursery, enabling them to work in SEKEMs companies.

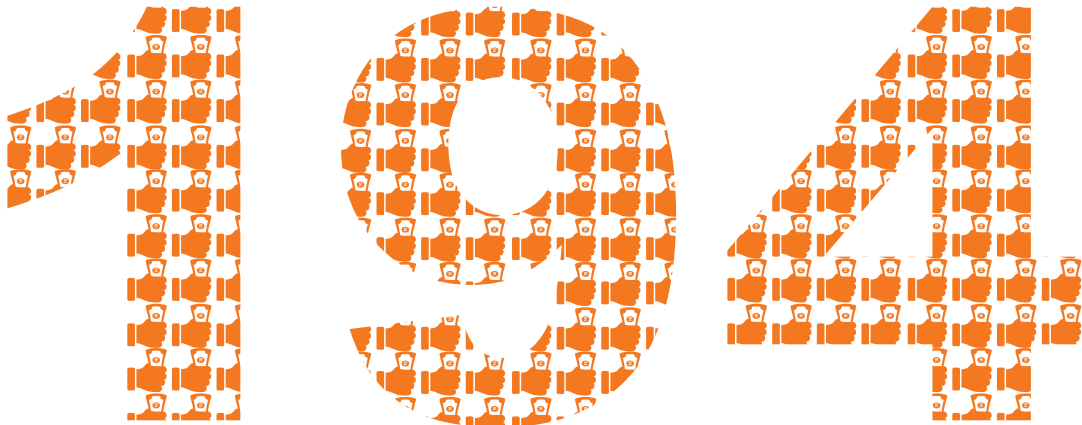
1531

children have been gone through SEKEMs community school between 1987 and 2014, getting out of conditions of child labor.

SEKEM Sustainability Report - 2014



Helping the poorest is not only done by human development,
but also requires financial aid.
We've established a micro-credit system since 2007, helping the
people to start changing their lives.



In 2014 we've distributed 194 micro-credits.

24

months is the maximum
runtime for a micro-credit with
SEKEM.

81

borrowers paid back there
micro-credit to SEKEM within
2014.

113

borrowers of micro-credits has
had open credit with SEKEM by
the end of 2014.



Research and innovation has always been - and will always be - a major part of our daily work.



International research at the Heliopolis University for Sustainable Development in the field of education, technology, biological technology, agriculture, energy, water, health, development and many others.

9 – Started

9 new projects have been added within the year of 2014 only.

19 – Running

19 projects, we significantly participate in, are still in progress.

5 – Completed

5 projects have been completed within 2014

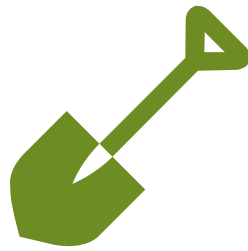


SEKEM Sustainability Report - 2014

ECOLOGY



All major religions share the idea that man is appointed as a steward on earth who has to sustain and develop it. In accordance with this approach, our governing principle is not only to reduce our 'ecological footprint,' but to spread life and to contribute towards a better and healthier condition of the land and the people that we work with.



Turning desert land into fertile soil is quite a difficult task - but we love it.

In 2014, we have had 1628 feddan of reclaimed desert land for our Organic and Demeter agricultural production.

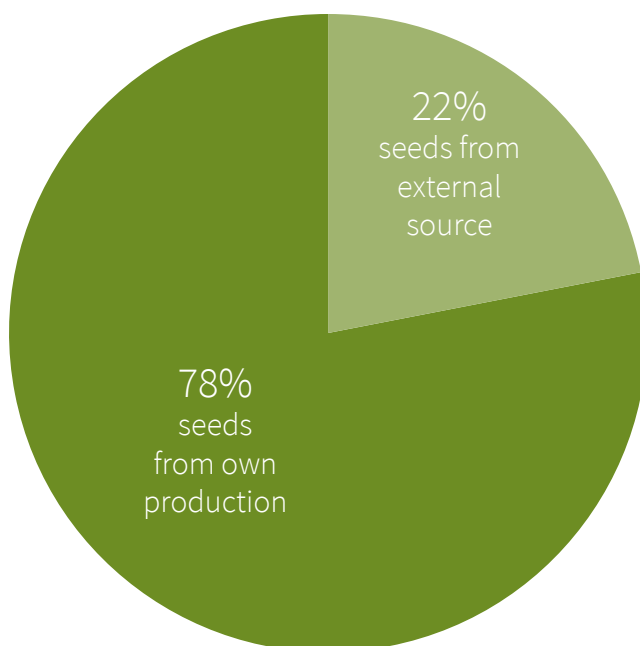
1628 Feddan = About double the size of the Central Park in New York City



SEKEM Sustainability Report - 2014



Securing seeds is not only important to sustain and protect old varieties, but also to prevent the danger of mono cultures. Therefore, we are maintaining our own seed bank since 2009.



In addition to our seed production, we continuously conduct research to adapt our plants to local conditions and find out new ways for biological pest control and fertilization methods.

The botanical garden of the Heliopolis University for Sustainable Development enabled us to increase the seed varieties we keep in our seed bank by 22% in 2014.

234

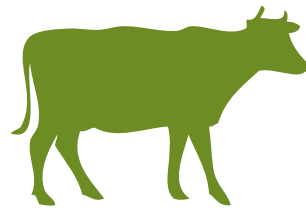
varieties are kept in SEKEMs own seed bank, an increase of 22% compared to 2013.

100%

of the seeds we used in 2014 are organic and untreated.

60%

of SEKEMs agricultural suppliers are members of the Egyptian BioDynamic association.



We treat animals species-appropriate and according to the Demeter standard to assure animal welfare. With our sustainable agricultural approach we additionally create and maintain habitats for endangered animals.

Number of animals (husbandry)	2012	2013	2014
Fattening bulls	45	19	2
Dairy cows	280	218	100
Calves	175	156	73
Sheep	480	590	450
Beehives	230	112	85
Pigeons	600	400	500
Endangered birds	11	11	11



100% of our animals are treated according to Demeter standards.



We strive to reduce our gasoline consumption continuously.
In 2014, we achieved to reduce our amount of direct gasoline consumption by -23%.



2.78l

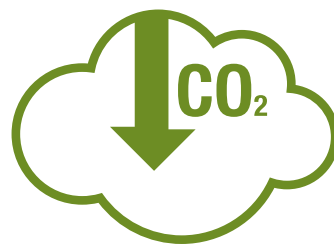
has been the relative amount of direct gasoline consumption per 1000 EGP sales in 2014.

31%

reduction of the relative amount of direct energy consumption in kWh per 1000 EGP sales in 2014.

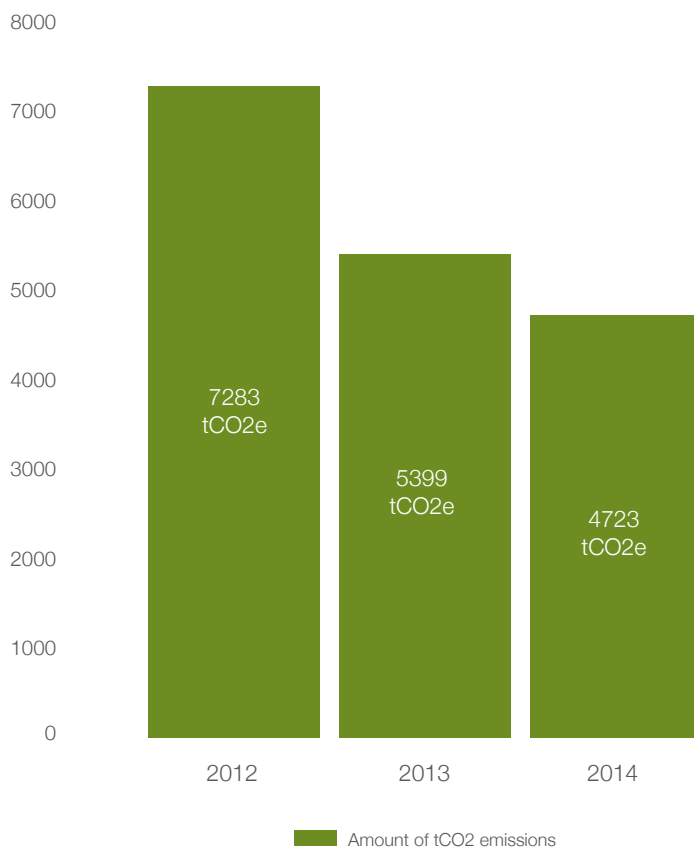
-152kWh

in 2014, we used 152kWh less compared to 2013, reaching a total of 4226kWh in 2014.



Climate change is a real challenge and requires actions by each and everyone.

In 2014, one of our achievements of climate change mitigation was the reduction of 676 tons of direct CO₂-emissions.



39%

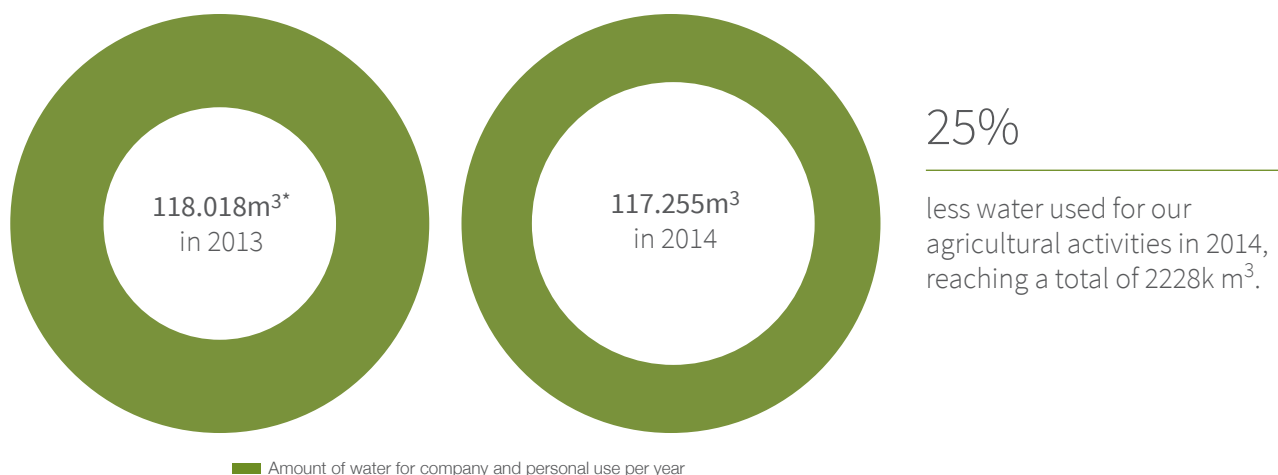
better performance of relative CO₂-emissions.

While we've created 21kg CO₂-e per 1000 EGP sales in 2013, in 2014 we reduced it to 13kg CO₂-e per 1000 EGP sales.

SEKEM Sustainability Report - 2014



We take great care about our water footprint. Not only because we are located in the desert, but because water is the base of all life.



As water is such an important source, especially in the desert, we strive every day to improve our water management to use only as much water as necessary. Therefore we've experimenting with various irrigation systems, such as subsurface irrigation or optimized drop-irrigation. This, in addition to reduced agricultural production on our own farms, lead to a reduction of 25% of water used for agricultural activities.

*The number of water in m³ for company and agricultural use for the year 2013 had to be updated to 118.018m³.



SEKEM Sustainability Report - 2014

INDICATORS

Evaluation of SEKEMs performance in 2014
through the balance score card

SEKEM Sustainability Report - 2014

Sustainable Development Balance Score Card Evaluation

	2012	2013	2014
ECONOMY			
Product Portfolio			
Responsibility to Customer and Consumer			
Innovation			
Organizational Process			
Partnerships			
Economic Value Distribution			
SOCIETAL Life			
Labor Rights			
Health and Safety			
Workforce Diversity			
Workforce Loyalty and Motivation			
Governance and Compliance			
Advocacy for Sustainable Development			
CULTURAL Life			
Training and Education			
Research and Development			
Self-Fulfillment			
ECOLOGY			
SOIL	Soil Quality		
	Compost Quality		
	Soil Use		
PLANTS	Seeds		
	Biodiversity		
ANIMALS	Animal Husbandry		
	Natural Habitats		
ENERGY	Energy Use		
	Energy Sources		
AIR	Emission Reduction		
WATER	Water Use		
	Water Sources		
Positive impact			
	17	18	18
Initiatives for positive impact			
	9	8	9
No actions / negative impact			
	0	0	0
Not relevant / not available			
	1	1	0

In the current review process of the Sustainability Flower, which forms the basis of the assessment framework, some performance aspects have been added or removed based on stakeholder request or decision by management.

In the year 2014, we set ourselves 86 targets out of which we achieved 51%. Another 26% of our targets have been almost achieved.

Target Evaluation

	ECONOMY	SOCIETAL Life	CULTURAL Life	ECOLOGY
	0	0	1	0
	5	3	2	2
	3	1	3	0
	6	6	2	8
	11	8	15	10



SEKEM Sustainability Report - 2014



ECONOMY

Report Indicators - 2014

PA	Performance Indicator	Unit	Total 2012	Total 2013	Total 2014	Evaluation	Comments
					Total Target		
Product Portfolio	% of sales value of organic products	%	68%	74%	68%		We strive to reach 100%, but some products like honey cannot be guaranteed to be organic. Sometimes we use natural raw materials due to purchasing commitment with farms in transition to become organic, but communicate this on the product.
	Target 2014	%			90%		
	% of sales value of products that have a Demeter certificate	%	54%	54%	33%		We only print the Demeter / Fairtrade logo on the product when requested from customer.
	Target 2014	%			55%		
	% of sales value of products that have a Fairtrade certificate	%	2%	2%	2%		The fairtrade certificate is only given if customer is willing to pay for it. The low value is therefore reflecting a low willingness of the market to pay for the brand. This does not influence our fair policies and relationships to our suppliers that comply with fairtrade rules.
	Target 2014	%			5%		
	% of raw materials assessed for health and safety impact	%	100%	100%	100%		ISO 9001 for quality management, ISO 18001 for health & safety or ISO 14001 for environmental management.
	Target 2014	%			100%		
	% of final products assessed for health and safety impact	%	100%	100%	100%		ISO 9001 for quality management, ISO 18001 for health & safety or ISO 14001 for environmental management.
	Target 2014	%			100%		
Responsibility to customer and consumer	Share of annual sales revenues of product categories / selected product with product carbon footprint in %	%	64%	57%	70%		Carbon Footprint estimation partly based on representative product groups with similar carbon emissions.
	Target 2014	%			75%		
	Number of customer claims	Number	106	75	92		
	% Increase of customer claims	%	-22%	-38%	12%		
	Target 2014	%			<0		
	Fulfillment of orders to customers in % (measuring ordered items)	%	87%	93%	94%		
	Target 2014	%			95%		
	Orders in % delivered to customers in the committed date	%	86%	93%	94%		
	Target 2014	%			95%		
		%					

SEKEM Sustainability Report - 2014

PA	Performance Indicator	Unit	Total 2012	Total 2013	Total 2014 Total Target	Evaluation	Comments
Innovation	Share of sales revenues in % invested into scientific research	%	0.3%	0.2%	0.9%		
	Target 2014	%			1%		
	Share of total Sales invested into product development		0%	0%	0.4%		
	Target 2014				1%		
	Product level: share of annual sales revenues in % from new products	%	16%	3%	10%		This figure represents the sales generated in the reporting period from product introduced during the last three years.
Organizational processes	Total weight of waste in t by type ('000 tonnes)	'000 tonnes	307	279	326	No need	The main part of the waste of SEKEM For Land Reclamation, Lotus and El-Mizan is organic and goes directly into the compost.
	Relative weight of waste	kg/1000 EGP sales	2.1	1.1	1.0		
	Target 2014	kg/1000 EGP sales			1		
	Share of organic waste recycled in %	%	100%	100%	100%		
	Target 2014	%			100%		Without taking the Medical Center and lab waste into consideration as this gets a special treatment for hazardous waste.
	Share of non-organic waste recycled in %	%	37%	32%	30%		
	Target 2014	%			40%		
	Share of recycled input material in % of total packing material (categorized by material)	%	18%	34%	45%		
Partnership	% of suppliers with whom we have a purchasing commitment >1 year	%	97%	75%	70%		
	Target 2014	%			90%		
Economic Value Distribution	% of purchase value of raw materials with Fairtrade certificate	%	12%	7%	3%		We only purchase raw materials with fairtrade label if required by end customer.
	Target 2014	%			10%		
	% of purchase value of raw materials with Demeter certificate	%	34%	40%	52%		
	Target 2014	%			50%		
	Total amount of annual sales	mio EGP	237	255	325		
	% increase of annual sales	%	13%	8%	22%		
	Target 2014	mio EGP			375		
	Net Profit margin % (before tax)	%	6%	1.4%	10%		
	Target 2014	%			10%		
	Total amount of investments	mio EGP	15	11	4		
	Target 2014	mio EGP			3		
	Equity ratio	%	76%	76%	76%		
	Target 2014	%			76%		
	Average % of purchase of raw materials from SEKEM for Land Reclamation	%	7%	8%	5%		
	Target 2014	%			10%		
	Ratio of highest annual salary against the lowest annual salary of a full time employee	Ratio	n.a.	n.a.	1:46		This value does not take into consideration the variable profit share from top management.
	Target 2014	%			1:50		
	% net profit invested into community development	%	0%	0%	10%		
	Target 2014	%			10%		

SEKEM Sustainability Report - 2014











SOCIETAL Life

Report Indicators - 2014

PA	Performance Indicator	Unit	Total 2012	Total 2013	Total 2014 Total Target	Evaluation	Comments
Health & Safety	Share of employees in % with health insurance that covers basic needs	%	36%	29%	34%		The percentage reflects the amount of employees with a private healthcare service co-financed by the company that goes beyond the minimum standard required by the government.
	Target 2014	%			38%		
	Number of sick leave days for all employees	Number	1687	1900	380		
	Target 2014	Tendency			Decrease		
	Absentee rate as a result of sick leaves	%	0.4%	0.6%	%0.29		Number of sick leaves/(Total number of workdays scheduled for all employees*Total Number of employees)
	Target 2014	%			0.5		
	Number of employees visiting Medical Center	Number	2855	4031	4693		The increase of number does not necessarily reflect a decrease in the health status of our employees. We need to review the target.
	Number of other visitors of the Medical Center	Number	23669	34004	36354		
	Number of injuries	Number	19	6	8		
	% increase of injuries	%	-14	-68%	25%		
	Target 2014	Number			Decrease		
	Number of fatal injuries	Number	0	0	0		
	Target 2014	Number	0	0	0		
Workforce Composition	Share of young employees (below the age of 36)	%	72%	68%	67%		
	Target 2014	%			70%		
Workforce loyalty and motivation	% employee turnover	%	20%	5%	4%		
	Target 2014	%			5%		
	Number of part time workers	Number	57	64	43		
	Share of workplace in % with home office / flex time / part time option	%	3%	5%	3%		
	Target 2014	%			8%		Non - monetary benefits are: Medical Care, Mobile, Life Insurance, Transportation, catering, Retirement plans
	Estimated share of non-monetary benefits in % of overall salaries per capita	%	9%	10%	8%		
	Target 2014	%			5%		

SEKEM Sustainability Report - 2014

PA	Performance Indicator	Unit	Total 2012	Total 2013	Total 2014 Total Target	Evaluation	Comments
Workforce diversity	Number of employees	Number	1702	1413	1203		Reduction of employees was mainly driven by not replacing employees that retired.
	% increase of employees	%	-8%	-17%	2%		
	Target 2014	%			not more than 10% reduction		
	Share of females in % of total workforce	%	19%	20%	20%		
	Target 2014	%			22%		
	Share of females in % in managerial position	%	21%	10%	12%		
	Target 2014	%			15%		
	% of employees with disabilities	%	2%	2%	2%		
	Target 2014	%			5%		
	Ratio of basic (minimum) salary of men to women	%	-	1:1	1:1		
	Target 2014	5			1:1		
Governance & Compliance and Advocacy for Sustainable Development	Number of training hours on CoC per employee	Number	96	79	76		
	Target 2014	Number			96		
	Number of events with Code of Conduct related topic	Number	5	20	23		
	Target 2014	Number			20		
	Number of articles in renowned publications on SEKEM and sustainable development per year	Number	61	102	53		
	Target 2014	Number			70		
	Number of active membership in ILO and/or Millenium Goals related organizations	Number	13	15	13		
	Target 2014	Number			13		

SEKEM Sustainability Report - 2014












CULTURAL Life

Report Indicators - 2014

PA	Performance Indicator	Unit	Total 2012	Total 2013	Total 2014	Evaluation	Comments
					Total Target		
Training and Education (1)	Total man hours of vocational training	Number	7462	11467	4831		
	Target 2014	Number			Increase		
	Total man hours of soft skills training	Number	164	1063	2724		
	Target 2014	Number			Increase		
	Total man hours of management system training	Number	5695	7292	4743		
	Target 2014	Number			Increase		
	Total man hours of Cultural/Arts training	Number	7762	6669	10653		
	Target 2014	Number			Increase		
	Share of EBDA members that received Supplier training	%	-	21%	19%		
	Target 2014	%			50		
	Number of children in SEKEM Kindergarten	Number	55	59	51		
	Target 2014	Number			50		
	Number of students in SEKEM School	Number	306	314	333		
	% increase of student number	%	4%	6%	6%		
	Target 2014	%			> 0%		
	Number of student in HU	Number		356	554		Faculty of pharmacy 411, Faculty of engineering 95, Faculty of business 64
	Total number of SEKEM School graduates since 1998	Number	169	180	191		
	Target 2014	Number			190		
	Number of students in Vocational Training Center	Number	240	238	238		
	% increase of student number	%	-4%	-4%	0%		
	Target 2014	%			> 0%		
	Total number of VTC graduates since 2000	Number	580	659	736		
	Target 2014	Number			730		
	Number of students in SEKEM Special Education	Number	28	30	34		
	Target 2014	Number			30		
	Total number of Community school children since 1987	Number	1492	1514	1531		
	Target 2014	Number			1500		

SEKEM Sustainability Report - 2014

PA	Performance Indicator	Unit	Total 2012	Total 2013	Total 2014	Evaluation	Comments
					Total Target		
Training and Education (2)	Number of students in professional training for eurythmy	Number	6	6	6		
	Target 2014	Number			8		
	Number of art events per year	Number	2	2	2		
	Target 2014	Tendency			Stable		
	% of agricultural suppliers with membership in the EBDA	%	100%	100%	60%		
	Target 2014	%			100%		
Research and development	Scientific projects (own or with significant participation) in the last year	Number	11	14	19		
	Target 2014	Number			15		
	Number of science project proposals accepted	Number	2	14	9		
	Target 2014	Number			10		
	Number of science projects successfully completed	Number	6	9	5		
	Target 2014	Number			10		
	Total number of direct beneficiaries from all social projects	Number	27128	38956	42188		This reflects only total number of school children, students and also medical center patients.
	Target 2014	Tendency			Increase		
	Total number of loans in micro credit program	Number	105	105	113		
	Target 2014	Tendency			Increase		
Self-Fulfillment	Employee analysis on values, motivation and perception of the workplace	Number	0	1	0		
	Target 2014	Number	1	1	1		

SEKEM Sustainability Report - 2014




ECOLOGY







Report Indicators - 2014

Dimension	PA	Performance Indicator	Unit	Total 2012	Total 2013	Total 2014	Evaluation	Comments
						Total Target		
SOIL	Soil Quality	Size of total reclaimed land	Feddian	1628	1628	1628		
		Share of total reclaimed land owned in %	%	26%	26%	24%		
		Target 2014	%			30		
	Compost Quality	organic matter of produced compost	%	25 - 30%	25 - 30%	25 - 30%		
		Target 2014	%			>25%		
		Amount of micro-organisms per gr of produced compost	CFU/g	2.1x10 ⁶ - 2.8x10 ⁷ CFU/g	4.3x10 ¹¹	2.4x10¹²		
		Target 2014	%			1.5*10³ - 4.2*10⁷ CFU/g		
		Amount of compost produced in tonnes	tonnes	22298	3357	1860		It was a strategic decision to reduce our compost business for external clients. We are happy that in Egypt several other new companies followed our steps and provide good compost on the market.
PLANTS (1)	Seeds	% of seeds used by SLR from own production/savings	%	82%	80%	78%		
		Target 2014	%			100		
		number of varieties in own seed bank	Number	174	192	234		
		Target 2014	Number			250		
		% of used seeds that are organic and untreated	%	100%	100%	100%		
		Target 2014	%			100%		
PLANTS (2)	Biodiversity	Area not-compliant to planting legume every fifth cycle in feddan	%	7.28 - 45.09%	0% - 20%	0% - 19%		4 Farms (Sekem 1,2,3, Wahat, Sinai & Menya) are 0% and Adlia is 19%
		Target 2014	%			0%		
		% of reclaimed land not used for cultivation categorized by increasing biodiversity	%	5%	67%	67%		High value due to reclaimed land that was temporarily not used for cultivation.
		Target 2014	%			76%		

SEKEM Sustainability Report - 2014

Dimension	PA	Performance Indicator	Unit	Total 2012	Total 2013	Total 2014 Total Target	Evaluation	Comments
ANIMALS	Animal Husbandry	% of animals that are kept according to Demeter Standards	%	100%	100%	100%		
		Target 2014	%			100%		
		Mortality rate of cows	%	n.a	26%	17%		
		Target 2014	%			10%		
		Mortality rate of sheep	%	15%	11%	6%		
		Target 2014	%			10%		
		Average number of days between giving birth of calves	Number	484	446	451		
		Target 2014	Number			400		
		Average number of lambs per mothership in two years	Number	1.5	1.3	1.1		
		Target 2014	Number			3		
	Natural Habitat	Number of seldom birds found space at SEKEM farms	Number	11	11	11		
		Target 2014	Number			11		
ENERGY	Energy Use	Amount of direct and indirect energy consumption in kWh	'000 KWH	4490	4378	4226		
		Amount of direct and indirect energy consumption in kWh per 1000 EGP sales	KWH / 1,000 EGP Sales	18.9%	17.2%	13%		
		% of increase of relative electricity usage	%	%-1	-13%	-32%		
		Target 2014	%			-5%		
		Total amount of gasoline consumption in liters	000 Liters	1237	709	549		The reduction was mainly caused by increased out-sourcing of production of raw materials to external suppliers of the EBDA and less internal agriculture.
		relative amount of gasoline consumption	Liters / 1,000 EGP Sales	5.2	2.8	1.7		
		% of increase of relative gasoline consumption	%	-34%	-29%	-65%		
		Target 2014	%			-5%		

SEKEM Sustainability Report Indicators - 2014

Dimension	PA	Performance Indicator	Unit	Total 2012	Total 2013	Total 2014	Evaluation	Comments
						Total Target		
AIR	Emission reduction	Total amount of emissions	tCO ₂ e	7283	5399	4723		The reduction was mainly caused by outsourcing production of raw materials as the numbers do not include suppliers of the EBDA.
		Relative amount of emissions	kgCO ₂ e/1,000 EGP sales	31	21	13		
		% of increase of relative emissions	%	-19%	-44%	-63%		
		Target 2014	%			-15%		
WATER	Water Use	Total amount of water usage for company and personal use	'000 m ³	134	118	117		Total number of 2013 was published 74.039 m3 but needs to be corrected to 118.018 m3.
		Relative amount of water usage for company and personal use	m ³ /1,000 EGP sales	0.1	0.3	0.4		
		% of increase of relative water usage	%	-72%	-51%	28%		
		Target 2014	%			20%		
		Total amount of water usage for agricultural use in m3	'000 m ³	4707	2978	2228		
		% of increase of relative water usage (for agricultural use)	m ³ /feddan	41	-11	-34%		
		Target 2014	%			-5%		
		Percentage and total volume of water recycled and reused	%	100%	100%	100%		
		Target 2014	%			100%		
	Water Source	if well exists: difference in % from actual to old ground water level (before start of water withdrawal)	%			-1.5 - -3.4%		Average values from comparing 2010/older with 2013/2014 data for Wahat farm: -3.4%, Minya -1.5%, Sekem 1,2,3: -2%
		Target 2014	%			0		
		Amount of significant spills in liters or other impact on water	Liters	0	0	0		
		Target 2014	Liters			0		
		Monitoring salinity of wells ds/m	ds/m		0.5 - 5.2			Wahat farm: 0.5; El Minya farm: 1.7; Sekem 1,2,3: 1.3-5.2;
		Target 2014						

**Issuer/Publisher**

SEKEM Holding for Investment Company S.A.E.

Responsible for Content

Helmy Abouleish, Chief Executive Officer, SEKEM Group

Consultancy Services and Scientific Guidance

Sustainable Development Center
at the Heliopolis Academy for Sustainable Development;
Compliance Manager, SEKEM Group

Concept, data collection & evaluation:

Maximilian Abouleish, Chief Sustainable Development Officer,
SEKEM Group
Helmy Mohamed, Project Manager, Sustainable Development Dept.,
SEKEM Group

Realization & design:

Thomas Abouleish, Chief Relations Officer, SEKEM Group

Layout & Web Implementation:

Thomas Abouleish, Chief Relations Officer, SEKEM Group
Ahmed Mokhtar, Senior Graphic Designer, SEKEM Group

Printing

This report is published digitally and will be printed only on demand
in order to save paper. Please consider the environment before
printing this report.

Publication Date

12th of April, 2015

Contact

SEKEM Group
3, Cairo-Belbeis Desert Road,
El-Salam City. P.O. Box: 2834 El-Horreya, 11361 Cairo, Egypt
Tel.: (+20) 2 265 88 124/5
Fax: (+20) 2 265 88 123
Hotline: 19792

Mail us: cs@sekem.com

Visit us: www.sekem.com

Join us: www.facebook.com/sekemgroup

Follow us: twitter.com/sekemgroup

Watch us: www.youtube.com/sekeminitiative

Subscribe to our newsletter: news.sekem.net

The Balance Score Card and Indicator evaluation

is available at www.sekem.com/sustainability.html