



# **Sayga, the Journey and promise continues...**

Sustainability Highlights Report



# Sayga, the Journey and promise continues

Sustainability Highlights Report

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# ABOUT THIS REPORT

## “Sayga....the Journey and promise continues”

is the first report of this nature that Sayga produces. We are proud to have taken this undertaking in what we believe is the first Sudanese Company’s attempt to do so...

As a privately owned company, we have chosen to do this voluntarily so as to share with stakeholders what we are doing and where we want to go; as we believe that only through our concerted efforts can sustainable development be realized...

Our business has a purpose beyond profit and our ultimate aim is really about making a difference in people’s lives. This report is not a measurement of achievements and progress in a defined year, but more of a self assessment; sharing highlights and contributions...

We tried to compile the material into a few clear sections set around our four main cornerstones – Our Business, Our People, Our Environment and Our Society. To highlight our main and largest social investments, we reserved the OUT OF THE BOX section at the end of the report.

We look forward to hearing your candid input and any feedback you may have.

Stakeholder feedback is indeed an essential part of our CSR Commitment and it is why we undertook the production of this report...

# Message from the MD

Dear Reader,

“Sayga’s journey started over sixty years ago. It was a modest beginning by a generation who put the seeds for our group. It was my father’s generation, a generation so pure and so committed to building a strong nation through a positive role for private enterprise. They passed a legacy of their high values which Sayga and my generation fully treasure. These values we feel a strong responsibility to sustain, nurture and above all pass to generations to come.

Our lives and our role is challenging because we live in Sudan, a country torn by cultural differences and a competition for resources. Nevertheless, Sayga’s position as a leader in the supply of basic foods allows us to bring communities together through common denominators, a shared need for nutrition and a love for Food.

CSR for Sayga has a purpose beyond profit. It is our livelihood, our sustainability as a business and a community in these difficult times. It is bringing people together, it is about serving the community, it is about higher causes, it is nation building through adding value.

While we aspire for higher and higher causes, our feet remain firmly on the ground. CSR to us is the challenges of reaching out every day to every part of the country through our mobile bakery school, its transforming bakeries to cleaner and greener sources of energy, it is creating jobs, building human capital, it is our contribution to the cultural arena, it is improving food safety, it is milk collection centres, it is adding value every second of the day to the economy, to society and to the environment.

In Sayga we live, we breathe social responsibility, it is in our DNA. It is also our firm belief that we are passing the torch. Therefore, and always in this full knowledge we believe our lasting legacy for many generations to come will always be not recognition for our success... but for our values.”

**Ihab Latif**

*Managing Director*

Sayga Investment Company Ltd.



# OUR Commitment to CSR

## Our CSR long term goal:

*“We are at the forefront of the Sudanese Businesses to integrate CSR in our business strategy. We continue to contribute to upgrading the Sudanese Food Industry and the Sudanese economy by guaranteeing sustainability in all our business activities.”*

At Sayga, we believe that our best contribution to society is by being good at what we do, by taking responsibility for our products and services and by investing in positive change and implementing innovative and creative ways to add value.

We recognize that our society (and globally) continues to face major economic challenges coupled with unprecedented environmental challenges. We took the time to look critically and assess how and where we can best apply our expertise and resources to address these challenges.

Adopting the “Authentic Engagement Framework”, developed by FSG ad-

visers, our strategic CSR takes into consideration:

- We take a long-term approach to addressing a social issue, acknowledging the inevitable link between business and society.
- We use all assets , pursuing concerted efforts and taking ownership of a social problem, pushing beyond easy solutions.
- We target issues that affect the drivers of competitiveness, where it can simultaneously benefit business and society.
- We identify and measure explicit business and social outcomes and tailor reporting to inform strategy

Hence, rather than taking everything at once, we’d rather dig deep and leverage

our core strengths by adopting a few focus areas for our business CSR Strategic Engagements. The areas identified were:

**1- Health and Nutrition.**

**2- Environment**

**3- Capacity Building.**

We are currently exploring with esteemed academic institutions and UN Agencies and Local NGOS, further partnership and collaboration opportunities to maximize the benefits in relation to our existing initiatives and sponsor new projects in the areas of focus. Worthy to note that we are guided by our CSR Policy in all we do. The policy spells out our commitments to our stakeholders in our everyday business; our ethics and guiding principles are outlined in Our Operating Principles and Values Policy Guidelines.

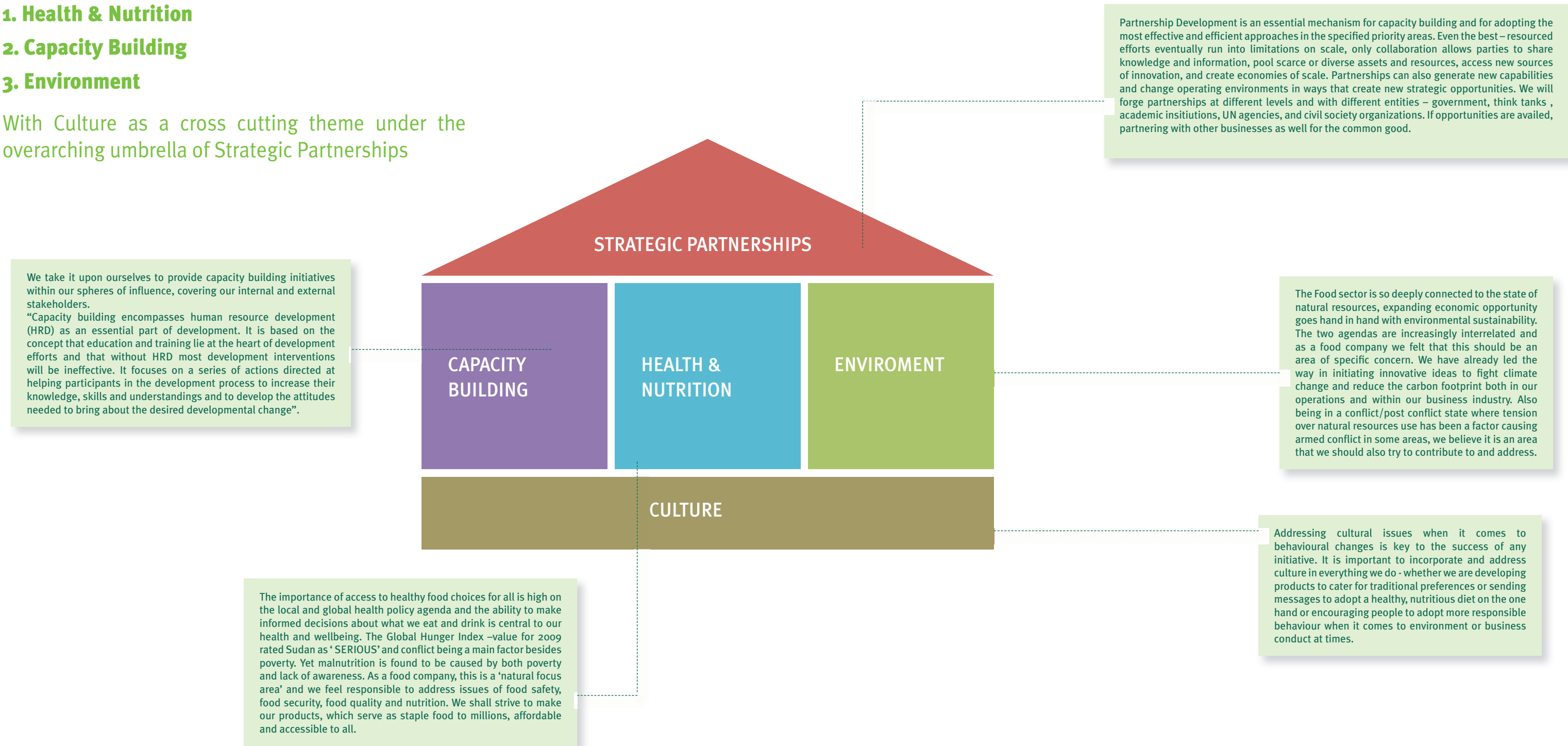


# CSR Strategic Focus Areas

Our CSR Strategy key focus areas are:

- 1. Health & Nutrition
- 2. Capacity Building
- 3. Environment

With Culture as a cross cutting theme under the overarching umbrella of Strategic Partnerships



CSR ACTION PLAN

FOCUS AREA	BUSINESS AREA	PURPOSE / OBJECTIVE	IN PLACE/ Achievements	Planned Actions 2009 - 2012
CAPACITY BUILDING	Products & Services	Contribute to the development of the Food Industry and always seek ways to add most value. Training and knowledge sharing as a means to improve people's livelihoods and businesses.	<p>Baking Development Center on-site broad portfolio of training programs for bakers, members of the public (representing all sectors of society)</p> <p>58000 beneficiaries since its foundation</p> <p>Training in culinary , baking and basic management skills.</p> <p>Recently certified by Vocational Training Authorities.</p> <p>In partnership with the Ministry of Education, provided major input into the development of the School Curricula for Home Economics classes .</p> <p>Mobile Bakery Schools offsite &amp; upcountry activities , targeting vulnerable sectors and rural populations.</p> <p># of existing Schools (2) each equipped with Water supply/Generator</p> <p>Nobo/Pasta Kitchen Programs for all of the above target beneficiaries.</p> <p>Outstanding modern kitchen, featuring multimedia equipment.</p> <p>Training is led by Famous Chefs.</p> <p>Recipe Books developed and distributed.</p> <p>(Offering women opportunities to improve their living standards by being empowered with tools and knowledge that can be applied to start their own businesses.)</p> <p>R&amp;D Unit supports Product Development, catering to local needs and preferences.</p> <p>Led the fight against the use of Potassium Bromate, through raising awareness campaigns and developing flour improvers.</p>	<p>Increase number of beneficiaries:</p> <p>Ensure a wider public is aware of these free courses and availed opportunity to be trained at the BDC.</p> <p>Introduce SAYGA AWARD for outstanding Baker-ies achieving the Sayga Model.</p> <p>Increase outreach activities through procurement of more Mobile Bakery Schools (3 new MBS in 2010)</p> <p>Explore long-term involvement in cultural, environmental, health and nutrition awareness issues while conducting Baking Courses in upcountry cities to maximize benefits and impact of our services.</p> <p>R&amp;D Unit to continue supporting product Development to serve local needs and preferences in partnership with other academic and technical institutions.</p>
	Products and Services	Focus on education as a tool for development and recognize and reward excellence.	<p>Al- Awal Brand Initiatives for Promoting Excellence, Craftsmanship &amp; Education.</p> <p>Annual Event started in 2009 where Sayga recognizes and rewards the top students in different fields of the Sudanese Certificate – highlighting technical and vocational streams as essential areas for the nation's development..</p> <p>Al-Awal Brand Initiatives in supporting Education &amp; Schools</p> <p>10 Selected Schools are to be supported in various means (renovation/furniture/equipment) to send a strong message that excellence is rewarded and should be maintained.</p>	<p>Use innovative and creative ways to reward top students each year</p> <p>Annual Budget to support development of selected schools (meeting Sayga's selection criteria) .</p> <p>As a special area of focus , support &amp; development of Institutes for Children with Disabilities/ Special Needs .</p>

CSR ACTION PLAN

FOCUS AREA	BUSINESS AREA	PURPOSE / OBJECTIVE	IN PLACE/ Achievements	Planned Actions 2009 - 2012
CAPACITY BUILDING	Across BUs	Promote CSR internally and externally and support national CSR campaigns and efforts and showcase Sayga's role sharing various initiatives.	<p>Participated in a number of events and conferences , some of which are:</p> <p>UNGC Sudan Network Launch and presented Green Bakery, Dec. 2008.</p> <p>SSMO Corporate Responsibility Seminar guests in Nov,2009.</p> <p>Responsible Investment, PRI &amp; GC event in March 2010.</p> <p>Engaged Senior Managers in CSR Discussions 2007 at Sayga and DG level</p> <p>Supported establishment of CSR Department at Group Level, 2008.</p> <p>Have become an official participant in the UNGC since 2009.</p>	<p>Take Part in Ministry of Welfare Oct. 2010 conference on CSR.</p> <p>UNGC COP Training Workshop , Q4 2010.</p> <p>Attend GC local &amp; international meetings.</p> <p>Take part in upcoming CSR local, national events to share best practices.</p> <p>Awareness raising campaign to encourage all staff to contribute in CSR initiatives.</p> <p>Hold an annual CSR Week to raise staff awareness of CSR issues and how individual action can make a difference. Recognize and reward CSR champions during this week.</p> <p>Include CSR in the induction session for new staff so that they are informed of our commitments to CSR and their roles and responsibilities.</p> <p>Annually publish a Sustainability Report (according to international standards) to communicate our progress towards targets and our CSR commitments and be the first Sudanese company to do so.</p>

CSR ACTION PLAN

FOCUS AREA	BUSINESS AREA	PURPOSE / OBJECTIVE	IN PLACE/ Achievements	Planned Actions 2009 - 2012
ENVIRONMENT	Products and Services	Applying innovative solutions to address environmental issues through our core business.	Green Bakery Initiative to reduce Carbon Footprint  1032 Bakeries in different states of Sudan have switched from wood to LPG.	An extra 1000 bakeries to become ‘Green’ and especially in conflict affected areas, hence widening coverage.  Explore partnership with other Organizations to reduce Carbon Footprint via Sayga's Green Bakery or other similar initiatives
	Manufacturing	Ensure Energy Efficiency to minimize environmental impact and improve energy consumption – higher levels of safety and efficiency.	Power System Improvements Project, 2005.  8% Reduction in Energy loss at East Power Station, increased level of Safety  Mill A Electro Flow System – 12% energy savings.  Redesign, Power cables and Lightening –ongoing (Phases A,B completed)  Sayga Production Line- power factor correction  Energy Committee formed in 2008  Diesel System Efficiency project  Pasta Plant boilers fuel from Diesel to LPG, 25.9% reduction in CO2 emission  Generator Operation, 28.3% CO2 reduction.  Energy awareness campaign launched.  International Auditors assure compliance with international standards.	Continue Lightening Redesign for the rest of the facilities.  Introduce the use of solar energy in the yard lighting and the advertizing boards by the end of 2011  To enhance the usage of the variable speed drives in big motors by mid of 2011(CO2 reduction = 457 ton/year)  To develop condition monitoring system for the lighting level, voltage losses in cables, motors efficiency & steam leakage by end of 2010  To use glass tenting films (IQUE-V-Cool) in our glass curtain walls to reduce the electricity consumption in our AC systems by Q2,2012.
	Across BUs	Resource efficiency and reduction of waste.  (Reduce, Re-Use, Recycle)	Paperless system at Maintenance Department:  80% reduction in use of paper  Pasta Plant:  Reduced carton waste by 21.5%  Reduce Rolls Waste by 8%  Mill C:  - Optimize use of raw wheat by 50% -less consumption by 50%,  - 50% reduction in Power consumption,  - Flour packaging (1kg) reduced pack size to eliminate waste,  Through 5S Program :  Excess Furniture offered for re-use.  Paper and plastic given away for free to other small factories to use for the production of egg trays and plastic plates.  Office supplies were donated to Hospital Institutions.  Scrap- aluminum, iron, and wood were sold to designated suppliers and revenue used to support schools in laborers’ residential areas.	Develop relationship further with ENVIROWISE (UK based organization) for support with regards to resource efficiency in the areas of packaging material.  Minimizing stretch wrap waste by 2011  Explore internal recycling opportunities  Expand the use of LEAN tools to be applied across ALL BUs and functions, such as 5s and Kaizan.  Positive HSE Culture Campaign.  Conduct Firedrills for all Khartoum site areas and Internal Firefighting training to employees.

CSR ACTION PLAN

FOCUS AREA	BUSINESS AREA	PURPOSE / OBJECTIVE	IN PLACE/ Achievements	Planned Actions 2009 - 2012
ENVIRONMENT	Technical Services (QMS)	Ensure a rigorous and robust Environmental Management System is in place in accordance with international standards.	ISO 14001  Gap Audit & Training Champions on ISO 14001 by Lloyds Register Quality Assurance Co. took place on July 2010.	Identify/Document Environmental Aspects and their Impact by Q1 of 2011  Address Gaps and gain ISO 14001 Certification by Q4 2011
		Raise Awareness and promote Environmental Protection..	Engagement in Environmental activities:  Cleaning Campaigns in the neighbourhood.  Celebrated Environment Day  Celebrated TREE DAY (Tree plantation and plans to install more Green Bakeries at EIObeid State.  DAL Group Environmental Forum	Sayga GREEN Bag Environmental Campaign, October 2010 involving Staff & Neighborhood.  Engagement with local suppliers and service providers on environmental issues as part of pre-selection, renewal of contracts procedures.
HEALTH & NUTRITION	R&D, Products and Services	Access to healthy food choices that are affordable.	Led the fight against using Potassium Bromate in the baking industry.  Developed new product ZADNA – sorghum – a leading cereal grain and the staple food for most of Sudanese people and that is high in iron and protein. First to avail it processed, ensuring high quality, hygiene and safety.  ASMAR – Wholegrain is another of our products that is also considered staple food and rich in vitamins and minerals.	BDC to Introduce new recipes that address mal-nutrition, especially in MBS upcountry trips.  Nutrition Campaign using IEC Material  Continue developing new solutions and investigate possibility of producing fortified food products accustomed to different regional needs.  Food & Kids , a new program to be offered at BDC to school students to raise youth's awareness with food basics, hygiene, nutrition and healthy eating.
		Ensure highest level of food safety and hygiene are always realized.	GMPs adopted since 2005.  ISO 9001 accreditations acquired.  HACCP for Pasta Plant  Baking Development Center training includes hygiene and safety element.  Engagement with staff on Health Awareness & Health issues:  Breast Cancer Awareness session to females of DAL Group	HACCP for other facilities and target more accreditations.  Target 2 – 3 different Health Awareness initiatives to staff each year.  Explore possibility of associating Mobile Bakery School campaigns with Health related Awareness activities while visiting rural areas.  Develop milk run distribution system for bakery flour products to ensure continuous supply of fresh products.
	Products and Services	In partnership with the Municipality, improve conditions for tea ladies in the streets and create a more organized and better managed presentation to this informal & vulnerable sector addressing health and safety issues.	LIPTON - 600 Lipton branded tables (each with umbrella and stove) were distributed free of charge to tea ladies in Greater Khartoum Area .	2nd phase targeting a wider outreach – another 600 units to be distributed including areas outside Greater Khartoum..

FOCUS AREA	BUSINESS AREA	PURPOSE / OBJECTIVE	IN PLACE/ Achievements	Planned Actions 2009 - 2012
HEALTH & NUTRITION	In partnership with Blue Nile Dairy Co.  Products	Collect milk from farms throughout all of Greater Khartoum and improve the farming practices and in turn the standard of living for the farmer as well as improving the quality of finished product currently consumed in Sudan.	<ul style="list-style-type: none"><li>- Identified the number and area of farms in greater Khartoum.</li><li>- Identified the current issues faced by the farmers.</li><li>- Identified the current feeding habits of the farmers to their herds.</li><li>- Capabilities built in order to process the huge quantities of milk and make it safe for consumption.</li></ul>	<ul style="list-style-type: none"><li>- Build specifically located collection centres throughout greater Khartoum.</li><li>- Provide farmers with training in terms of food hygiene as well as best farming practices</li><li>- Provide the farmers with feeding programs for their herds.</li></ul>
	Services	To provide farmers in Greater Khartoum with Services which would enable them to produce better quality milk.	<ul style="list-style-type: none"><li>List of issues suffered by farmers.</li><li>Types of diseases suffered by the herds.</li><li>Types of medicines currently used.</li></ul>	<ul style="list-style-type: none"><li>- Provide a service department at every collection centre.</li><li>- Provide a free of charge animal production specialist to consult farmers on how to improve their yields.</li><li>- Provide a free of charge veterinary service to farmers in order to support them to keep a healthy herd.</li><li>- Provide reduced price medicines to the farmers.</li></ul>

# OUR COMMITMENT TO THE UNGC



Sayga Investment Company Ltd is proud to be a signatory of the United Nations Global Compact

The Global Compact identifies ten universal principles on human rights, labor, the environment, and anti-corruption, and requires companies around the world to support and abide by these principles. The signing of this agreement reaffirms Sayga’s commitment to pursuing its efforts in corporate social responsibility. These ten principles are aligned with our Operating Principles and Values Policy guide.

Sayga has been supportive of the GC Sudan Network since before its launch and has advocated for the UNGC from within DAL Group premises and via DG's Cultural Forum, it launched the Africa Leads – UNGC Publication (Dec. 2008). We have participated and presented in both the Launch Event and the recently organized conference on “Responsible Business and Investment Practices in Conflict Affected Countries” sharing the Baking Development Center as an example of a strategic social investment.

Sayga Co Ltd reasserts its commitment to the UNGC and in further advancing its efforts to help achieve the sustainable development of societies and the attainment of the Millennium Development Goals, by actively promoting CSR and by learning and adopting best practices from all around the globe.





# OUR BUSINESS

*Sayga , Leading the Way.*

- DAL Group
- Sayga at a glance
- Organizational Structure
- Process Efficiency
- Our Stakeholders
- Strategic Alliances: We value Partnerships
- Stakeholder Engagements: We value our agents and customers
- Our Marketing Activities: Giving our products a Human Face

# DAL Group

Since its establishment in 1951, under the name of Sayer & Colley, DAL Group has steadily grown into the largest and most diversified privately owned group of companies in Sudan. Underpinned by strong, clear business principles and ethics, DAL Group today consists of independent companies that are efficiently and responsibly engaged in food industries, engineering, agriculture, automotives, medical services, property development and education sectors, each playing a leading role in its own field.

DAL Group is committed to growth, focused on quality and always thoughtful of our ever-growing family of employees. At DAL, we believe in the power of people, as a valuable asset. It is our ongoing philosophy to attract, develop, recognize and retain the finest talent available in our industry. However, the aforementioned in totality is anchored by a strong belief in the welfare of our customers.

We encourage innovative thinking, expecting execution and best in class in all critical facets of our operations. We are committed to the concept of continuous improvement and competitive benchmarking in worldwide sourcing, manufacturing, distribution, and our customer value proposition.

Our success is simply based on both the quality of our associates and the standards and values we set and lead by. Our mission is to enhance our capability to add value by developing and operating businesses to international standards within Sudan. This is the driving force behind the group's constant pursuit of excellence.

*“We are committed by our beliefs to contribute to integrating economic, social and environmental considerations”*

**Osama Daoud Abdel latif \ DAL Group Chairman**

# Sayga at a Glance

*Sayga Investment Co. Ltd. is one of the fastest growing DAL Group companies. Our success is due to maintaining exceptionally high standards across all our products and services, ensuring that Sayga continues to lead the way in Sudan’s food industry. We aspire to becoming the first regional and diversified food company in Sudan. This is only achieved through a balanced approach to economic, environmental and social considerations. We believe our sustainability depends on realizing the right balance of all three.*

## OUR MISSION:

*To profitably manufacture, pack and distribute high-quality products at competitive prices, throughout Sudan and beyond .*

At Sayga, we believe that our business has “A Purpose Beyond Profit”. We believe in something much greater than the return on capital employed where we aspire to make a sustainable business for a sustainable world. Sayga plays a vital role in the economic landscape of the community and is a trusted partner and employer as it delivers superior value and growth to our shareholders. Employees, governments, investors and our communities benefit economically from Sayga’s activities. By creating jobs, enabling technology transfer, building human capital and physical infrastructure, generating tax revenue, providing business opportunities to local suppliers and of course a variety of products to consumers and other businesses we believe we are contributing to sustainable development and enacting our role as a responsible corporate citizen in the best ways possible.

Each of these contributions has multiplier effects on development; At Sayga we believe in the interdependence of the system and look for ways from within our daily operations to continue to add value economically, socially and environmentally. It is therefore difficult to share the real impact our operations and activities have on the economy and various stakeholders.

## OUR BASIC BELIEFS AND VALUES

- We provide a range of quality food products for people in Sudan and in neighbouring countries.
- We pay particular attention to ensuring our products meet the needs of local markets and support people’s traditional preferences.
- We create a new era in Sudanese enterprise by exemplifying international business standards.
- We provide the best through adopting state of the art manufacturing technology.
- We ensure the timely delivery of products to our customers wherever they are, without waste.
- We contribute to the economy and make a difference as a company and individuals to the daily life of our community by being good corporate citizens.
- We highly value our employees and recognize that our success depends on their active engagement, loyalty and commitment.



# Economic Performance Highlights:

Major and direct impacts for the year 2009 are highlighted:

Notwithstanding trying global economic circumstances, and Sudan's acute foreign currency shortages, Sayga delivered a satisfactory financial performance for the year FY2009.

- In FY2009 Sayga increased its flour production by 6.2%
- In FY2009 Sayga imported 58% of the total wheat imported into Sudan for commercial milling
- Sayga employs 1,173 people in FY2009 which was an increase of 7% on FY2008. The outlook and head count budget for FY2010 is to increase the staff complement by 27% to 1,490 employees

- In FY2009 Sayga spent \$29m on capital to maintain and grow its production. Over the coming year (FY2010) Sayga has budgeted \$40m of which a large portion is already committed in Storage Capacity upgrades (\$8m), Fleet expansion (\$8m), Animal Feed capabilities (\$12m) and ICT infrastructure (\$2.5m)
- Local procurement amounted to \$53.9m. Where possible efforts are made to procure goods and services locally and this reflects in a continuing rising trend where local purchases increased to 14.9% from 12.6% in FY2008

- Sayga's continuing business generated an increased EBIT (Earnings before Interest and Tax) FY2009 up by 3.8% from the FY2008 audited results.
- Operating free cash flow (cash from operations less capital expenditures) is an important benchmark of economic performance. In FY2009, Sayga's growth, cost savings, and working capital productivity drove operating free cash to 12.8% of revenue.

*A sustainable business is a profitable business, we are proud that our business operations continue to grow enabling us to deliver our best to all our stakeholders and proving that balancing profit, planet and people is indeed the way forward.*



Sayga is Sudan's premier food company and one of the country's most dynamic and successful organizations. It is well-positioned to be Sudan's first regional food company and partner of choice. With a powerful supply chain, Sayga boasts its own bulk-grain terminal and storage silos at Port Sudan, enabling the supply of our mills with approximately 1,500,000 MTs of grains, annually.

Deliveries are handled through both road and rail transportation, including Sayga's own fleet of railway locomotives (4) , in addition to 3 shunters and 250 wagons. With a geographic presence in 90% of Sudan, coverage is wide with depots in Khartoum, Medani, Obeid and Port Sudan, with new depots in Kosti and Juba.

In 1996, Sayga Flour Mills began producing Sayga's flagship product, high-quality bakery flour, supplying the dietary needs of the majority of the Sudanese population. This wheat-based flour is produced by highly sophisticated Swiss machinery with fully-automated production lines for flour, semolina and bran to meet the various requirements of both the retail and industrial food sectors. A pioneer in setting standards in the food industry, applying Good Manufacturing Practices (GMP) since 2005, Sayga is the first Sudanese company to be awarded Hazard Analysis and Critical Control Point (HAC-

CP) accreditation, an internationally recognized food safety system, in addition to Lloyd's Register of Quality Assurance (ISO9001:2000) in July 2001 which was recently renewed to (ISO 9001:2008). Sayga's successful foray into a diversified food company positions us as a market leader in both local home-grown and multinational brands. Sayga packages powdered milk under the Foremost and Capo brands and household sugar under the Safi brand, and produces a successful range of Nobo and Milli pastas. New developments include the introduction of Zadna sorghum flour as part of a traditional foods product range. In 2008, Sayga became the partner of choice for global food companies Kraft and Unilever, strengthening Sayga's leadership position in the local and regional food markets.



- Consistent and high-quality flour, pasta, semolina, sorghum and bran manufacturing.
- Packing sugar, milk powder.
- Unique sorghum milling technology.
- Largest milling capacity in Sudan.
- Specialized milling and product customization.

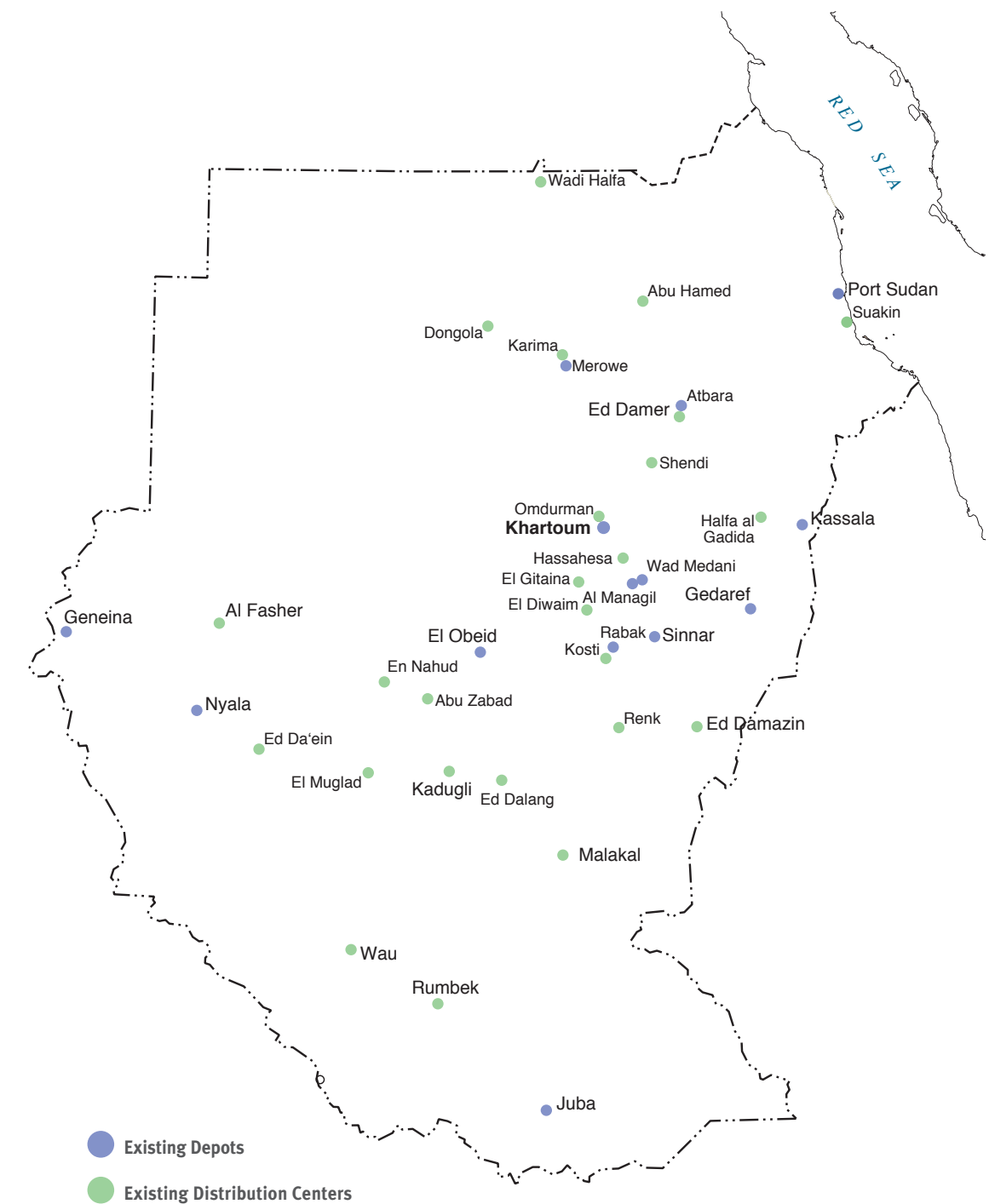


*Gari Free Zones (GFZ- No customs duties) – the largest and most flexible bond storage facility in Khartoum... DAL's was the first warehousing operation in the country to be awarded the ISO 9001:2008 certification.*

## Our Products



## Our Markets





# Our Business/ Organizational Structure:

*Our strength stems from our talented people, our clear structures and our efficient processes.*

Sayga's business structure is progressively revised to accommodate the business fast growth and to allow the organization to meet current challenges and incorporate future opportunities. Business segmentation strategy sessions are periodically conducted involving the leadership team, Kepner-Tregoe Consultancy and key business managers to ensure that Sayga is well positioned to accommodate new and existing businesses. Sayga's current Business Model includes three types of Organizational activities:

## 1. Management Activities

## 2. Core Activities

## 3. Support Activities

Management activities are the responsibility of the Sayga Leadership team and include the following process areas:

- **Develop long term strategies & plans**
- **Business Development**
- **Manage improvement & changes**
- **Corporate Social Responsibility**
- **Direct & review execution of business plans**
- **Develop Enterprise level brand portfolio**
- **Business review & audit**

The Leadership Team also comprises of temporary and long term committees of expert focal points with responsibilities to HSE and QA at a senior level.



## CSR Responsibility @ Sayga

The Managing Director of Sayga, Mr. Ihab Latif, takes pride in leading and supporting the Corporate Social Responsibility activities and engagements. Taking this approach, CSR initiatives are given higher priority and are considered part and parcel of Sayga's daily business activities. Under the direction of the MD, the Human Resources Department, with the other respective unit(s), handles the operational aspects of the different initiatives. Corporate Social Responsibility is a critical part of Sayga's Strategy and Business Plans and is a main element within strategy formulation discussions. It has its separate budget allocation each year. Performance of expenditure on CSR initiatives is monitored and tracked by the

budgeting team in coordination with the Strategic Planning unit. Sayga Management encourages product/brand related initiatives as well as Corporate level engagements as part of its CSR Strategy.

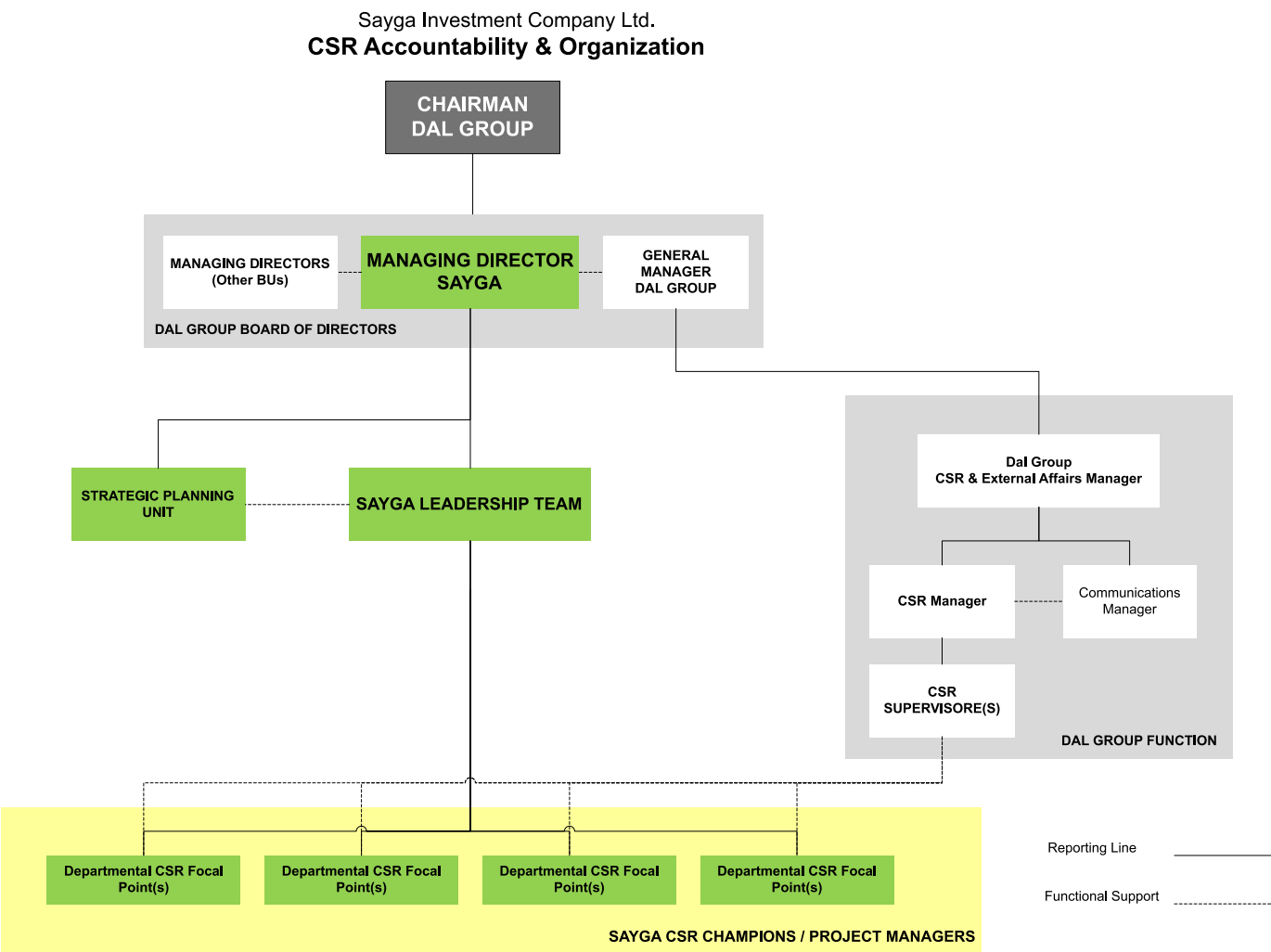
CSR Focal points within the different business areas work closely with the DAL Group CSR Manager and CSR Supervisors to implement different initiatives. This is for functional/technical support where they get the advise and expertise but their responsibility in terms of reporting falls under the Department Manager.

The Sayga Leadership Team plays a key role in CSR responsibility and accountability as it's comprised of department

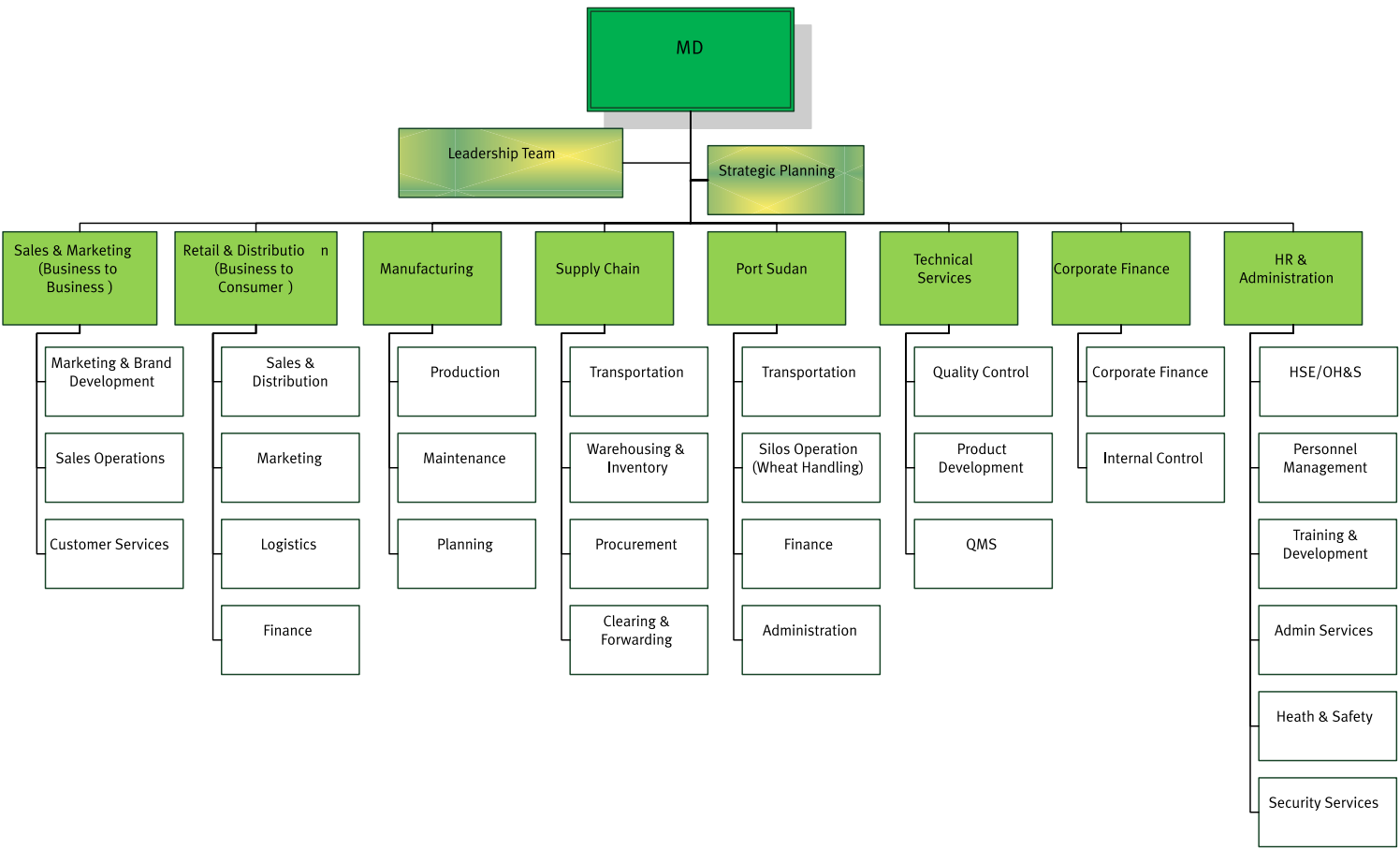
managers who hold ultimate accountability for their business areas including CSR initiatives which is considered as one of the KPI's of their performance. Key/Strategic CSR engagements get discussed in monthly management meetings with the Managing Director.



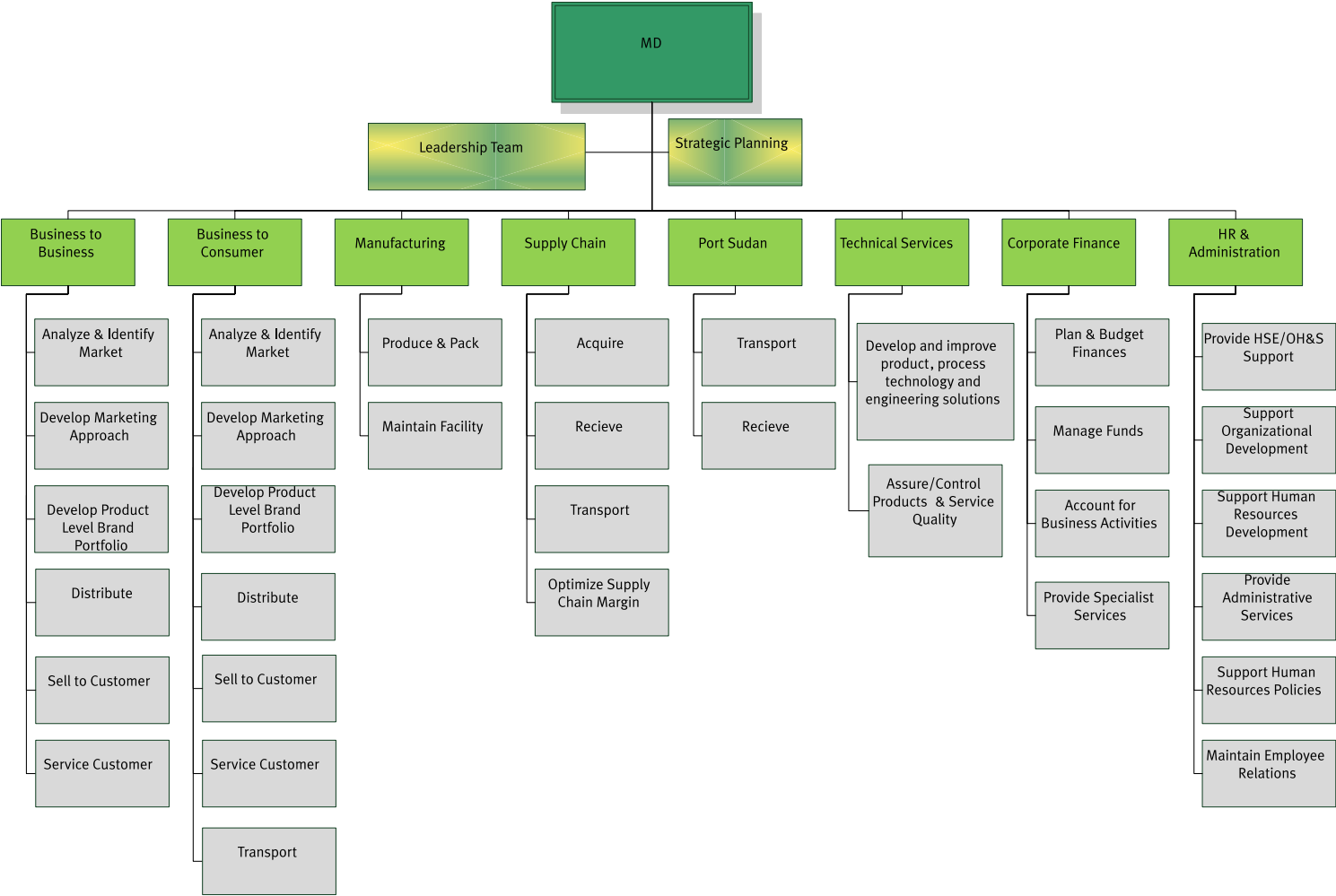
CSR Accountability & Organization



Organizational Structure



# The Organization Structure translates into the below process areas view:



# Process Efficiency

Having realized the effectiveness of Business Process Management in realizing and sustaining operational excellence, Sayga has adopted BPM as a key element of its management system apparatus.

*“The difference between Good and Great companies are the systems which are driving them.”*

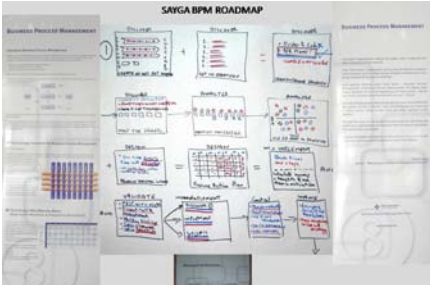
– Ihab Latif

Business Process Management is the mechanism we use to address common, platform-wide strategic planning, corporate performance and business process improvement issues in order to support and facilitate successful implementation of strategies and ensure achievement of business plans.

Sayga’s BPM unit was formed in 2004 and has engaged with different areas of the business in workshops aiming to create a comprehensive business model and analyzing the business structure and segmentation. Since then, it has contributed significantly in the development of business models for Sayga’s new businesses to ensure successful implementation and integration.

The main focus is on:

- Integrating BPM and Corporate Planning & Performance Management (CP & PM).
- Providing BPM and CP&PM tools.
- BPM infrastructure is in place – Sayga has selected ARIS methodology and BPM suite as platforms for launching its BPM initiative.

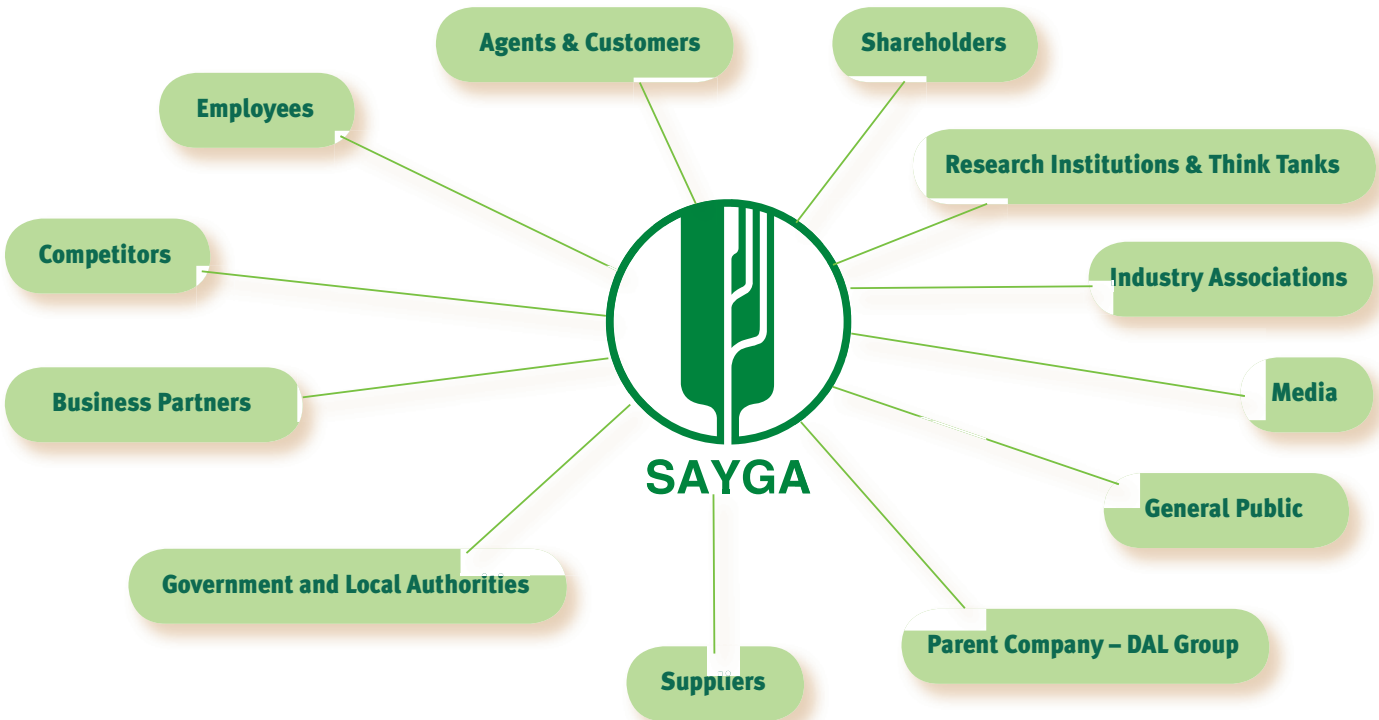


- A suite of BPM services have been defined and a number of initiatives have been successfully implemented, BPM Week in 2007 and several workshops within Sayga and other DAL Food Division Companies, including designing an enterprise business model for Sayga, documenting Sayga’s business processes and drawing roadmaps for improving some of the most critical process areas.

- Developing BPM organization and governance framework and adapting to match Sayga’s fast growth rate.

The implementation of BPM in Sayga is yet another manifestation of Sayga’s relentless pursuit of excellence, its progressive thinking and its readiness to take long leaps and wide strides in achieving it.

# Our Stakeholders



# Strategic Alliances: We Value Partnerships & Believe in Synergies

EXAMPLES OF OUR STRATEGIC ALLIANCES:

## With the Public Sector: The Sudan Railways Corporation

To attain sustained success and realize our goals for a more efficient and effective business, we many times need to undertake major investments. One of our most strategic investments is an alliance with the Sudan Railways Corporation. We needed to meet our expansion needs and to develop the capacity, efficiency and cost effectiveness of our logistics operations, realizing that the reform of our ailing national railways will result in benefits to us and others as well. This investment has revived the entire sector, generating more revenue to the Railways Corporation, ensuring more jobs are

secured and offering better services to other users as well. This investment not only has economic and social impacts, but an environmental one as well. Railways prove to be more economically viable, safer and with a minimum impact on the environment and considered much more energy efficient than other modes of transport. At Sayga, we have moved more towards using rail for transport rather than road for all of the above reasons. We believe that in a country like ours, investments in infrastructure reap huge benefits to many stakeholders at different levels.





With UN Agencies: The World Food Program

Sayga has started recently supporting the WFP (since 2009) and was then limited to discharging WFP bulk vessels and cargo bagging, for local consumption and to countries in the region. Currently we are also supporting and facilitating customs clearance, stevedoring, and ensuring an expedited discharging of vessels for timely delivery of food grains to beneficiaries. Moreover, we offer our silos for storage of bulk cargo in preparation of bagging process. Our business partnership with the UN Agency is one that we are proud of and consider it the stepping stone for further collaboration to realize Food Security in Sudan and eliminate hunger and malnutrition. As a responsible food company, we always aim to provide high quality, nutritious food that is affordable and accessible and we are currently exploring with WFP and other entities the possibility of providing fortified foods.



Ship unloading and handling facilities in Port Sudan



Large wheat and grain storage capacity silo in Port Sudan and Khartoum

With DAL Sister Companies:

1- Localizing production of wheat

The Wadi Halfa Project, in partnership with DAL Agriculture, is a good example of our expansion and growth aspiration. We aspire to make Sudan the breadbasket of the region and it is worthy to note that our business has evolved from being an importer of wheat flour in Sudan in 1993 to millers of imported Australian wheat since 1996 and lately Canadian wheat as well. In 2004 we identified a need for localizing the wheat production in Sudan; as a growing percentage of the Sudanese population now depend on wheat as their staple diet, and also considering economic challenges and risks associated with the sustainability of the existing supply chain and the need to look for sustainable options.

Since then and in partnership with DAL Group sister Company DAL Agriculture, we are investing in a 1 Million Fadden project in “Wadi Halfa”, Northern Sudan, to secure the future production of Wheat and ensure sustainability of our flour supply to the people of Sudan and perhaps the surrounding countries.



This investment will bring tremendous benefits to our nation beyond the food security aspects. It will completely flourish the economy of Wadi Halfa, creating employment and training opportunities to thousands of people locally and will contribute significantly to the re-settlement of locals within that region.





2- Milk Collection Centers and Animal Feed.

As part of an integrated DAL Group Project, Sayga together with Blue Nile Dairy Company and DAL Medical is undertaking a project to address farmers and herds issues that will ultimately increase farm yields. The project is a holistic one integrating a number of elements; infrastructure, capacity building training to farmers, veterinary services as well as provision of medicine as part of this initiative. Sayga is involved in setting

the milk collection centers in designated areas around Khartoum and working on recipes for animal feed which will be made available to the farmers ; the next phase is to avail relevant training to farmers around what to feed and when. This is yet another project that Sayga is involved in. Investments will yield returns to all stakeholders and upgrade health and hygiene standards related to production of milk and veterinary services.



*We have sustained important partnerships and alliances with a number of stakeholders, including research and academic centers and recognize that we all have our special strengths and core competencies and only through collaboration could we achieve the greatest impact for the benefit of all.*

Stakeholders Engagement: We Value Our Agents and Customers

We Value and develop Our Agents:

Sayga has the largest, most far-reaching agents distribution centers network in Sudan. Our relationship with our agents has always been special and unique and we are convinced that only through their prosperity and wellbeing, can we realize our goals. Sayga has undertaken upon itself to offer a distinguished package of facilities and services to our agents. We build and furnish agents distribution centers to reflect the elegance and excellence that Sayga embodies. Sayga, sometimes also rents centers on behalf of the agents and we also offer bakery equipment at competitive rates, subsidized and with installments scheduled over a long period.

Worthy to note that also during the financial crisis, Sayga recognized its agents' needs and provided soft loans and financial support to ensure the smooth running of their businesses and hence contributed to stabilizing the economy. Sayga did not limit itself to providing financial support only, however, and emanating from our firm belief in the value of human development to drive

sustainability and realize real progress, Sayga invests in availing various courses to the agents and their employees. Courses in customers' service, management, accounting, bakery management and others are among the areas covered. Furthermore, we organize overseas trips to introduce agents to the latest technologies and practices in the world. We provide high quality technical support and regular maintenance besides consultancy services in the different areas varying from bakery establishment to developing new products. Our relationship with our agents is not limited to professional services and facilitations; but also reflects our Sudanese traditions and values that go beyond the business relationship to the personal domains. We regularly organize social gatherings, celebrate special occasions, and annually sponsor a number of agents to go for their Hajj (Pilgrimage). Our most recent activity was sending a group to attend the 2010 World Cup celebrations in South Africa. Our agents are invaluable and indeed vital to our success and sustainability.



*“ Sayga is a pioneer in introducing the “After-Sales” services concept in Sudan. As a Main Agent, and walking the talk with Sayga since its establishment, Sayga has developed me as an individual and has inspired me with a vision for success! ...Dealing with both Sayga management and employees has broadened my knowledge and experience throughout the years and through its different Capacity Building activities. I’m proud to consider myself a graduate of the “Sayga Academy.”*

**- Abdel Salam El Toun, Khartoum Company Manager**



**We value and listen to our customers:**

Ensuring that our products and services are of the highest quality, guaranteeing hygiene and food safety is our utmost responsibility towards our customers. We are proud to have acquired recognized accreditations in this area and we shall continue to seek excellence to deliver the best. Part of our continuous endeavors to provide what is expected, is through listening to our customers. ALWAYS.

CRM – Customer Relationship Management is very important at Sayga and we value and appreciate our customers in all we do, striving to guarantee their satisfaction always. We have launched our Call Center specifically to ensure that customers needs and concerns get addressed in a timely manner and taken care of. We aim to provide regular feedback on concerns raised and ensure satisfaction with feedback given. Our service is based on our respect for customers and their welfare; our commitment to providing them with services that meet or exceed their expectations and working with them to develop both their business and ours.

At Sayga, we realize that our core strength lies in the world around us and

in our understanding of this world. Deciphering our customer code to deliver their innate needs, uncovering opportunities through leaving no unturned stone to share our partners’ unprecedented success and becoming the suppliers preferred customer is what we at Sayga consistently aim towards achieving to maximize our strength. Stakeholder engagement is how we accomplish this. Our ongoing 360 degree research allows us to leverage on our stakeholder knowledge, hence offering us a competitive advantage that establishes our company as a pioneer contributor to the Sudanese market.

“*Sayga looks for the comfort of its customers ... through their technical support they realized that we are not working in the best way possible so they brought us all together and organized training programs to show us the right way to bake , they even got international experts ... Whenever they feel there is any benefit they can give ;they do it without hesitation*”

*A Sayga Customer*

**Our Marketing Activities: Giving Our Products a Human Face**

**We try to do things differently : Our unique marketing activities**

Thinking of the broader society and the bigger picture is reflected in all that we do and our marketing activities are but one of many examples that reflect a deep sense of responsibility and sensitivity. CSR has indeed become a culture embedded in our thinking and behavior, the past few years have seen more examples of what we can call “responsible marketing” which ties the company to societal activities and concerns that incur benefit to a large number of people or sectors. This is a serious indicator of our responsibility ‘thermometer’; a clear example of this is the launch of ZADNA – which is the brand name for a number of traditional products. The first one to be launched of these products was the sorghum whose production demonstrated a breakthrough in the milling industry worldwide and in Sudan specifically. ZADNA is a name stemming from ‘zad’ which means food and is an embodiment of everything traditional and considered the staple food for many of the peoples of Sudan. To reflect this, a huge festival was organized that was attended by close to 40,000 spectators at a popular football stadium and a great cultural event was presented. Sudanese culture from the different parts of Sudan, especially with relation to sowing practices was reflected in forms of folklore dances, poetry, songs and different forms of art

and huge fireworks show. Zadna’s launch reflected the richness of Sudan’s heritage and culture, the beauty and richness of diversity that should be preserved. It was a great example of how can the launch of a product be turned into a symbol of unity and peace.

Another example of how we seek to add value is the recent CAPO (instant powder milk) Summer Festival... this time the efforts were to bring families to celebrate and have fun along the beach which was attended by hundreds of families. The idea behind the festival is to support children’s creativity through providing a number of initiatives and activities that range from crafts to sports, horseriding and many other outdoor games. Also competitions were organized where families can take part and again aiming at creating social bonds and enforcing familial ties. The Festival included both entertaining activities and cultural ones, which included music and poetry that reflect the different parts of Sudan. A message we are intent on sending is that of celebrating unity and diversity.

*“People’s lives are improved as businesses leverage their expertise, realize commercial success and run their operations responsibly.”*



Our fleet distributes our diversified food portfolio.

- Largest agents distribution network in Sudan
- Largest direct delivery fleet in Khartoum
- After-sales technical support
- CRM and call center
- Distribute local brands and multinational partners brands (Kraft and UniLever)

(Owned fleet consists of 4 heavy trucks, 124 trucks, and 94 light vehicles)





## OUR PEOPLE

- Overview
- Equal Opportunities and Diversity
- Work Environment
- Health & Safety
- Employee Benefits
- Performance Management
- Skills & Talent Development
- Our People... an endless pool of good will
- Employee Engagements



“Sayga is a company that invests in its staff and in building their competencies. I have attended many courses – customer service, public speaking, communication skills and in the 13 yrs I have continuously worked for Sayga, I always found respect from its management and endless cooperation and I deal with them as my children.. I work diligently with my colleagues towards making Sayga prosper as it is a company that respects its employees and hence finds from us all the love.”

Mr Abdel Raheem Mohd Nur Bashraik , Receptionist.



Overview

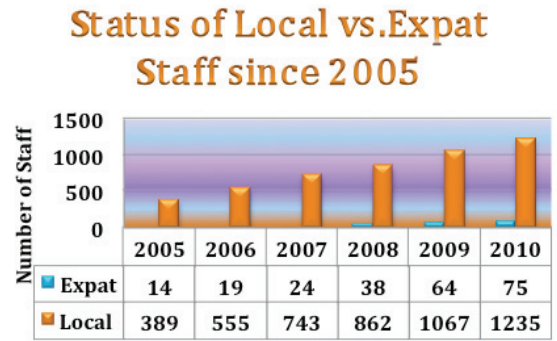
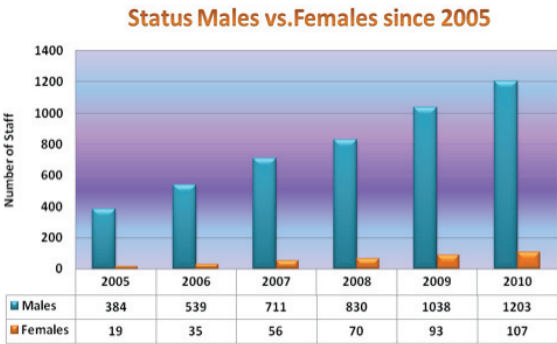
Sayga is a company committed to both its internal and external stakeholders. We believe our most prized asset is our people. Our philosophy focuses on management of the work environment in a way that provides a positive, healthy and conducive environment. We endeavor to promote at all levels core values which include respect, integrity, recognition and development. We believe that only through creating a work environment where people can realize their potential, can we enhance our value as a company.

We represent excellence in all what we do and what we are.....

Equal Opportunities and Diversity

We are proud to be an equal opportunity employer, recommitted to workforce diversity. Recognizing the fact that women are an integral part of society. Sudan’s multicultural ethnography makes Sayga a melting pot of cultures and a diverse work force including an international amalgamation.

Given the increased numbers of females in the job market, we are committed to strengthen a culture of inclusion. We recruit, retain and develop the best employees. We have set targets to be met and are working diligently to have a healthy and productive workforce and we are proud to have 23% females in senior positions and as first line managers across the various departments.



Job Level	Local	Expat	Total	% Expat	% Local
Top Management	10	1	11	9%	91%
Middle Management	75	25	100	25%	75%
Lower Management	247	10	257	4%	96%
Employees	898	38	936	4%	96%
Total	1230	74	1304	6%	94%

Sayga has maintained a steadfastness and commitment since its inception to local capacities that are dedicated and able to grasp our vision. Our Expatriate staff is valued for transferring knowledge and technology and we pride ourselves for the different perspectives they bring to the table. We truly believe that in diversity lies strength and we invest heavily in providing our staff with the best on the job learning experiences.

## Work Environment

We consider the work place in our organization as an essential pillar of comfort for our employees. We are adamant in availing a structure that is both effective and efficient and supportive to accomplish our organizational goals. All our premises are elegant and organized as we believe that our image should always be that of quality and excellence. All Sayga premises have been designed in a way so as to best serve and support our internal and external customers. New buildings are now more gender sensitive as we have provided a rest area for our female employees. Recently, based on the below quote, and the strong belief of Sayga's management in the benefits of Work –Life-Balance initiatives and what it can bring to both the employees and the business, Sayga offered a flexibility option to office based staff to work 5 days/week instead of 6 days/week to allow them an additional day off with their families. This initiative was launched across all DAL Group Companies as well.

*“Work-Life Balance, from a sustainable development perspective, is fundamental to Sustainable Business which is ultimately about improving the quality of life for everyone. It results in a win – win situation because people will be more productive if they are happy in their jobs and this is more likely if they are able to balance work commitments with family life.”*

Lyn Mayes, Acting Operations Manager

New Zealand Business Council for Sustainable Development

## Health and Safety

We are committed to being the best in our industry and to avail a safe and secure working environment that does not threaten the health or well being of our people. Safety of our people precedes everything else and we strive to have outstanding records to share with our stakeholders and to ensure high employee retention. We are proud to have been the first company in Sudan to be awarded the Safety Award of the International Association Organization of Operative Millers (IAOM) , recognizing the ‘outstanding’ efforts in achieving a recordable ‘injury rate’ equal to or less than 2.5 during the entire 2008 calendar year. Sayga is also ISO 9001:2008 certified, giving more assurance to the high level and standards adopted. We have accomplished a lot in the past few years, including organizing traffic campaigns, decreasing onsite accidents and promoting a positive HSE culture not only internally but amongst our external stakeholders as well. Up to date, more than 2000 people were trained from across the different stakeholders groups on HSE issues.



MD Walk about awards are also in place to reward HSE compliance and excellence.

In 2010 and beyond, we are committed to continue improving safety awareness across our facilities and with our contractors, challenging ourselves to always meet the best standards.

## Employee Benefits

In appreciation of our employees, Sayga offers an attractive package of compensation and benefit programs. From competitive base salaries to retirement plans, our goal is to support the health and wealth of our most valuable asset: our people.

- **Transportation:** We provide transportation and car schemes to all our employees. We take seriously the smooth and safe transportation of our staff in terms of secured arrival and departure to or from work regardless of time-day or night.

- **Medical:** We offer medical coverage for our employees and their dependants to ensure a healthy, productive work environment and motivated employees.

- **On- site Restaurant Facility:** Our organization has been rapidly growing since 1996 from 40 employees in 1996 to 1235 in 2010 and as a result of this expansion; all our supporting functions and facilities had to grow accordingly. In 2006 we demolished our cafeteria and have a new impressive restaurant in its place. We are proud to be unique in this aspect and offer a wide array of national and international menus. Since our employees are our most important asset, we also built another cafeteria in our main facility

which offers traditional food at a lower cost subsidized by Sayga's management.

- **Bank & ATM Services:** To ease the imbursement of employees our organization has introduced bank services where salaries are transferred monthly to the bank accounts in a timely manner. ATM's are located on our premises to allow our employees to access their bank accounts quickly and at all times.

- **Free Products:** We distribute free flour bundles on a monthly basis to all our employees which is presented in AL-AWAL Brand (total cost of 21,401.50 SDG (\$=8,560) -1321 bundles). During the holy month of Ramadan we also offer a range of free products to our entire workforce such as: milk powder, Lipton tea, flour, sugar and Tang , and this all reinforces how the company holds its people in high esteem and would like to share their happiness with the advent of this holy month.

At Sayga, all our actions and activities stem from our local culture and we portray Sudanese generosity and respect





## Performance Management

Our incentives are extremely rewarding and based on performance linked to innovation, motivation and excellence such as the technical services department Innovation Award Framework. We offer annual bonuses to our employees based on performance appraisal rating received during the PA cycle by the end of the year. The bonus paid ranges from 3x to 9x of the Base Pay payments based on a Rating Scale (1-5). We reward staff obtaining Performance Rating 3 and above. We also regularly conduct surveys where we measure our staff satisfaction and feedback on the performance given and we act on the findings.

**Total Amount paid for PA in 2010 is: SDG 6,146,346.02**



## Employee Communication:

Communication in the workplace is the backbone of any business. We believe in the importance of effective and right-on time communication. In our organization we have different media channels that we use to communicate including:

- Bulletin boards that are located throughout all our buildings and manufacturing areas.
- Emails: announcements, events, changes and offers right to the inbox.
- LCD Screens in the cafeteria and lobby.
- Sayga Intranet Portal/Share Point.

- HR Newsletter: HR News, HR Aspects, CSR, Learning & Development, Educational Tips and Entertainment that are issued electronically on a quarterly basis.

## Skills & Talent Development

We at Sayga are team builders and believe in our people thus ensuring the propagation of the team spirit. Our training & development programs/opportunities are “timely fashioned, fit-for purpose, customer-oriented, user friendly, aligned with product quality, business goals and operations”. Training strategically builds competent staff that are an assurance of sustainability, and promote competitive advantage.

“Learning & Forward Thinking” is an inherent objective of the company where people are open and proactive to learn from each other, share knowledge, experience, ideas, take risks, challenges and use them as learning tools.



Taking our responsibility towards our stakeholders seriously has allowed us to pursue and be accountable to implement ISO 9001:2000 system in general and it's training commitment (ISO: section 6.2) in particular and continually improve its effectiveness.

Our training packages are designed to provide development opportunities for all staff based on staff performance gaps and we adopt an ethical approach to managing and developing employees which is based on concern for people, fairness and transparency. We try to keep on top of new technology, equipment, machinery, staff development and all relevant developments in the arena, to increase employee commitment and ensure their job satisfaction.

*“Our continuous investment in skills development and training serves a wider social and economic purpose.”*



## Our people.. an endless pool of goodwill

We are proud that a group of our employees have set up their own group volunteering their time, efforts and financial contributions to ease the burdens of those in need; the poor, the sick, and the elderly. A group who mobilize funds and support from their fellow colleagues to make a change. We are happy to have them onboard and Sayga avails all support and encouragement to their noble efforts.







# OUR ENVIRONMENT

- Introduction
- Energy Management
- Resource Efficiency – Sayga Lean & Green
- ISO 14001 EMS
- Neighborhood Clean Up



“Sayga is a respectable company, that had a lot of credit in securing food to the peoples of Sudan. Its great expansion to adopt big agricultural projects has affected the country’s environment positively and recognizably. Sayga cared for the environment and the citizen and contributed to their development. During my role as State Minister the past years, I have considered Sayga a friend to the Ministry in view of the collaborative efforts to advance the environment from different aspects. Even environmental awareness was one of the areas that Sayga cared for, through dedicating a regular forum to discuss environmental concerns bringing together a pool of environmentalists, activists and policy makers.”



**H.E Teresia Sericio,**

*Current State Minister – Ministry of Communications*

*Former State Minister –*

*Ministry of Environment and Urban Development*

# Introduction:

## Are we part of the problem or the solution?

We believe that we can all be part of a ‘Green Economy’ and that we must diligently preserve the environment and try to find environmentally friendly technology and business processes to conduct our business. As part of our commitment and deep belief that addressing issues, such as climate change or resource efficiency, need individual action; we chose to be part of the solution. We have critically looked into our operations and processes and assessed where we can make changes. This commitment has already produced significant results especially with regards to material usage reduction, energy consumption, greenhouse gas emissions and reduction, packaging reduction among other areas demonstrating our ongoing commitment to improving the sustainability of our operations. Moreover, considerable cost reductions have been made; to prove that environment conservation will always have a business case.

In this section, we want to share our energy efficiency efforts up to date and some of our achievements with regards to resource efficiency.

## Energy Management

### The Power Systems Unit (PSU)

In 2004 Sayga decided to establish the Power Systems Unit to focus on the energy management in all aspects to recognize how much energy waste we have. In 2005 projects were proposed to achieve the minimum level of waste and highest possible level of safety to protect employees.

The new power systems unit looked into the main power distribution and back power supply, lighting issues across Sayga and the diesel supply system. A number of initiatives under the title “Power System Improvement Projects” were proposed and approved by top management.

### Initiatives :

A complete rehabilitation of the “ **East Power Station**” and an overall re-engineering of the station took place. It aimed at having less noise, increasing safety levels and decreasing power consumption. The cost of this project was \$1.8 million including the new panels, generators and cables procured resulting in a minimum of 8% energy losses and an increased safety level.

**Power Factor Correction** for all Sayga Production Line was undergone before the National Electricity Corporation actually made it mandatory for all “big loads” in the national grid. These were installed near the production lines to increase effectiveness and resulted in:

- Improvement in the voltage drop which ultimately translates into lesser consumption for the benefit of the national grid supply.
- Reducing load on generators, hence reducing fuel consumption and leading to a decreased level of emissions.

Ending 2006, Sayga’s application of the Power Factor Correction System was recognized by the NEC as best practice and we were requested to take part in a National TV show to demonstrate its effectiveness and how it was applied at Sayga.

- **Electro Flow System** at Mill A was introduced to effectively optimize power quality and saving power. This investment cost \$97,000 and resulted in 12% energy savings.

- **Redesigning of cables** (resizing and routing) was completed for all main distribution power cables at Sayga sites and this will be undertaken for any new project. This initiative resulted in a minimized voltage drop and an overall reduction in cable resistance as the distances in the new routes were reduced.

- **Redesigning lighting** aimed at reviewing the lighting intensity across Sayga and using high long life efficient lamps for food manufacturing. The plan to reduce energy consumption was divided into three phases; Phase A incurred zero investment and a 50% reduction in energy consumption simply by manually controlling usage, ensuring that lights are off when not needed and that all offices are blacked out after working hours. Phase B utilized the costs saved to replace all the lamps at Mill B with a proper lighting system according to the international standards using industrial electronic explosion proof lamps and to use the functional lamps from Mill B as spare parts to the other mills. This was aimed to be repeated to cover all Mills.

# IT'S NOT ONLY ABOUT POWER SAVINGS IN THE PSU!!

Sayga Power Systems Unit were the pioneers in using the PAPERLESS feature in the asset management system used for maintenance. Paper job cards were completely eliminated through purchasing computers and training technicians on their use. All records were available in the system reducing paper circulation by 80%.

Total investments since 2006 amounted to \$110,000 and a 16% savings in electricity consumption and a 50% reduction in busted lamps. Moreover, yard lighting was changed from vapor mercury lamps to metal halide lamps which deliver light more efficiently and produce better air quality and have a positive effect on the environmental waste stream. A long life system also ensures less landfill waste.

Photo sensors were generalized across the facilities to further reduce energy consumption. This project resulted in 15% energy savings.

## The Energy Management Committee

To show serious commitment for energy savings and reduction of gas emissions, Sayga established an Energy Management Committee in 2008.

- The first initiative of the committee was to develop an Energy Management Policy to show the commitment and support of Sayga's top management.
- The diesel system efficiency initiative achieved notable results. Piping losses were eliminated by 95%, allowing a 5% for maintenance and water separation losses; Handling losses were reduced by more than 86%; Spillage losses have been controlled by 100%. Metering losses were controlled by adding a meter for delivery in the railway site U/G tank, and calibrating all meters in synchrony with the main tank meter.
- The pasta plant boilers fuel was changed from diesel to LPG to reduce the environmental impacts from the gas emissions. The investment cost \$25,000 and resulted in a 15% reduction in CO2 emissions.

An Energy Awareness Campaign was run throughout the company. The awareness focused in both energy saving tips for offices and for homes to build a green energy culture among all employees & their families.

A lot of habits that need addressing require capturing hearts and minds, all energy consumption initiatives need everyone to believe that they have a role to play and that every little helps!!

## Sayga Lean and Green

In early 2009, Sayga adopted the LEAN approach to identify best practices for increasing efficiency, improving financial and operational performance. The ultimate goal is to create a system that consistently achieves excellence for customers, shareholders employees and the environment."

We are actively collaborating to create values, principles and initiatives to eliminate waste and minimize the consumption of natural & human resources .We deploy a set of tools and techniques to consume the least natural and human resources to produce exactly what our customer needs when needed.

# Resource Efficiency

We tend to specify activities that add value with the customer eyes, and then line up these activities together to produce required products or service.

We challenge ourselves to create capable, adequate, available, flexible and flowing production processes only pulled to consume resources when asked by customer. This results in higher value to the customer, less raw materials waste, less wasted worker effort, and an overall greener and more profitable company!

The Lean and Green concept is built around the premise of Waste Management.

## Waste Management at Sayga

"We are convinced that sustainability throughout the value added chain, comprehensive product responsibility and a clear commitment to saving resources are all an integral part of our success"

We have built a vision of managing our resources, processes and products to have the least negative impact on the environment. To enhance our response to our customers and internal communication by developing a simple integrated process across the entire organization. We define what adds value only with the customer perspective, aiming for 4 walls waste free business environment initially and reflect it where possible to our society.

The leading similarity between the benefits of lean and the benefits of green is waste, and so it makes perfect sense that in order to achieve higher levels of environmental performance, you have to follow a structured approach of waste elimination.

We have started by sharing the knowledge and actively changing the culture by following structured events to bring knowledge to practice. To ease the process we have developed key people in various areas in the business to become change agents. And have extended the basic lean knowledge to include over 750 engineers, machine operators, drivers, and security guards. We did not stop here but went beyond our 4-walls to include some of our customers and key local suppliers.

## Lean Culture

We are using different tools to create a business culture characterized by the endless pursuit of the elimination of waste. We see our people as our problem solvers and we continuously focus on making sure that our people are supporting processes they can see, understand and believe in.

We are actively working to create high performance work teams environment where;

We share One vision,

Empower and highly respect our people,

Make room for legitimate mistakes,

Problems are exposed because of increased trust,

We are solution and not blame oriented

Effective communication - Open two-way vertical and horizontal communication is in place

Commitment to being process and results driven.

## DO YOU KNOW THAT....

Turning on Sayga's offices overnight can waste energy to produce 27,000 bundles of Safi's sugar!!!!



Why use it if you don't need it?





## Change Management

### KaiZen

All the lean tools are built around people's thinking and behaviour; ensuring how to drive the thinking of people so that there could be a better way to run today's business. We are embodying several principles and tactical methods of bringing all ideas that can contribute in achieving our common vision versus doing it 'solo' or based on isolated thinking. These principles and methods effectively engage employees in a continuous improvement culture that naturally encourages waste minimization, optimizing use of resources and pollution prevention.

Key lean principles include involving employees in continual improvement and problem solving activities by implementing a rapid-plan-do-check-act framework to achieve results fast and build momentum using Kaizen (continuous improvement framework). We are conducting this with cross-functional teams following an organized use of common sense to improve cost, quality, delivery, safety and responsiveness to customer needs. Teams are encouraged to bring problems to the surface and to use multiple problem solving skills to resolve them. Recognizing that all are efforts would not

succeed without the commitment of our people, the project puts appreciation on top of the must dos so at the end of every event, teams are thanked by the management team, given letters of appreciation and taken out to celebrate success at fancy restaurants in Khartoum. It's a great family time where employees' families are always welcomed.



## Case Study: Paperless Environment

Although we are the biggest food manufacturing company in Sudan, we are still facing high risks regarding funding our overseas row, packaging and project materials due to sanctions and Forex fund limitations. This major challenge helped into developing our local suppliers to meet our standards.

As part of this program, we initiated an effort targeting the commodities requisitions and purchasing process, including the raw materials, capital projects and operation requirements with an average cost of 50mln dollars monthly. The focus was on process efficiency, volume of paper work, time consumption and resource utilization. The aim was to implement a value adding process that minimizes the use of human effort and natural resources. Notable results were made in using less paper, written approvals, unnecessary check points and movement of vehicles moving across premises.

The projects targeted different business units and processes resulting in increased safety and hygiene as well, particularly with relation to warehousing. Overall safety level within site was enhanced through the Sayga Premises Traffic Flow initiative which modified



the yard layout, leveling the number of trucks available inside the site at any point of time.

## Case Study: Pasta Plant Operation

Another success story was that of the Pasta plant were its overall performance was optimized by leveraging the ISO and HACCP certification which were seen as Lean enablers. The plant was able to achieve the following:

- An ISO Certificate – In February 2009, the pasta plant became ISO certified.
- In June, 2009 the plant became HACCP certified reflecting that highest level of food safety is guaranteed for our customers.

In November 2009 lean management & visual control concepts implementation started by conducting Kaizen as an approach, to reduce pasta packing machines downtime by 80% and reduce the waste generated through the manufacturing activities by 80%. Results were outstanding as an efficient process was put in place, guaranteeing a fast response to our customers' needs and high quality products. Moreover, direct environmental results were an increasing reduction in cartons waste, rolls waste.

Air pollution was also decreased through reduction of CO<sup>2</sup> emissions from the boiler and generator (753 and 1332 tonnes respectively).

## 5S + Safety - a chance to reuse, recycle, reduce?

5s is a systematic, five –steps process for developing and maintaining a clean and organized work environment, aiming to reduce waste due to clutter, time consumed to find required materials and equipment, duplication of equipment, floor space, and inconsistency.

The 5s steps can be summarized as follows:

In early 2010 we have started rolling out the 5s under the theme of "Safety is everybody's business".

All employees in Sayga were involved in the exercise and it has resulted in creating a high spirit of sharing and team work.

During the first S "Sort" all employees within each department got to select what was required to complete their job and remove everything not required from their respective work areas. Then all

buffers and unnecessary items were collected in a companywide disposal area displayed by categories to give a chance for other departments to pick what is required by them.

## Furniture, Paper and Plastic, Office supplies, Scrap and IT equipment..

*"how could we add value? Who could make best use of these?"*

Responsible practices surely have great returns for our long term success and for the benefit of the society as well. In our efforts to deal with the different items collected – furniture, paper and plastic, office supplies, scrap and IT equipment; we asked ourselves:

Currently paper and plastic bags are given away for free to factories to be used as raw input to produce products such as egg trays and plastic plates. A large amount of shrink rap and plastic paper is also disposed of and given to plastic factories for free. Excess office supplies including thousands of files, box files, pens and calculators were donated through local organizations to hospitals which are in the process of establishing records for the hospital. Scrap including aluminum pieces, iron and wood were sold for reuse by designated suppliers. All income is now collected to be used for school funds; some schools were picked in the same area where majority of the laborers live, our aim is to help those children to



have desks, chairs, toilets and drinking water, as per their requirement. Old and unused IT equipment including screens, monitors, batteries and accessories were all collected and we contacted small local suppliers and provided them with the items to be used as spare parts.

This endeavor has become a process whereby on a regular basis waste gets disposed of from our operations, IT equipment is distributed to local suppliers as spare parts and scrap is reused by factories. This has helped others and made us more aware of usage. We have extended these efforts to our customers to help them in developing the way they run their business and we believe that this will increase their productivity, eliminate waste and promote a resource efficient culture resulting in multiplier effects beyond our spheres of influence.

Although the lean program has been kicked off mid 2009 but it was able to achieve a total of 1.7mln savings and is expected to deliver a 5.1 saving in 2010-2011 from selected areas.

*“Indeed, what it took was a willingness to look at our activities with a different lens and challenging ourselves to do things differently. GREEN is indeed a business imperative.”*

**ISO 14001 EMS**

An Environmental Policy Statement was endorsed by the Managing Director, reflecting the importance and senior commitment to the long term environmental

objectives we have in place. Infact, to ensure a rigorous and robust Environmental Management System is in place in accordance with international standards, Sayga initiated the ISO 14001 implementation process on July 2010 by involving its staff in an EMS practical Implementation training by Lloyds Register Quality Co. A 2-Day course took place involving around 20 employees (ISO 14001 Champions) from across different areas of the Sayga business followed by a 2-Day Gap Audit activity.



**Neighbourhood Clean Up Campaign**

We also regularly carry out clean- up campaigns in the neighborhood, targeting all the areas around Sayga. It was astounding how much debris and pollution one finds and it was a learning experience finding out how small efforts make a big difference. We have also invested and continue to invest in cleaning the ditches in the neighborhood to minimize or eliminate harm done during the rainy seasons and we try to engage always with our neighbors on environmental issues of concern. A “Sayga Green Bag Campaign” is to be launched end of 2010, targeting different and various stakeholders and adopting a new technique to capture hearts and minds.

The initiatives above reflect our internal achievements, and throughout the rest of the sections of this report we also share our various community initiatives – The Port Sudan Project and El Obeid Tree Day to show case our efforts in partnership with other stakeholders in addition to our Environmental Forum and our ‘Green Bakery’ Project. All these initiative demonstrate our commitment to addressing environmental concerns in all our spheres of influence and beyond it.





## OUR SOCIETY

- Social Contribution – Charitable Giving
- The DAL Fora
- Kaleidoscope

# Sayga is part of the society...

At Sayga, we believe that societal issues are our concerns and that only through concerted efforts and smart partnerships could we have a greater impact on addressing these issues. We can only then create and deliver sustainable and long term benefits and become active participants in our society, committed to making a positive and lasting contribution.

The UN Millennium Development Goals are referred to in our Kaleidoscope section in our efforts to raise awareness about these global targets and to showcase that indeed every contribution serves a goal or more. Needless to say that through committing to be a responsible and successful business and contributing to the economic development of the country, we are hence contributing to the advancement of people, as poverty is the root cause of most ailments.

In this section, we tried to give insight into another aspect of our impact on the community and broader society. We provide a portrayal of the different activities we participate in and support. We target action at different levels, through our well organized forums that aim to provide the space and the enablers to bring together various stakeholders to discuss and address important issues; be it environmental, cultural, related to our Food Industry, or through direct support provided , or long term partnerships and commitments with other societal actors including government institutions, NGOs and community based organizations.

## Social Contribution – Charitable Giving

In Sudan, corporate philanthropic activities stem from inherent basic beliefs and values of our faiths and culture; Sayga's annual contributions are allocated to respond to various requests received for funds , mostly given in kind (our products and services) and in some specific occasions in cash. Community based organizations, charities and foundations, societies, student societies among many others are the beneficiaries.

A special focus is made on vulnerable sectors of the society, targeting poorest of the poor and the marginalized, in addition to the physically or mentally challenged in particular. Funds are also given to support national campaigns addressing societal issues or in many instances as one off investments to support a certain cause or development. In many cases, extraordinary funds are allocated to respond to natural disasters or extraordinary events affecting the communities.

For us at Sayga, charitable giving is a prerequisite of being accepted as an active player in the society and we take this as a responsibility to give back to society in ways other than those specified

in our strategic direction and business goals. Besides our long term strategic investments, our ongoing impact on the society is our involvement and role in addressing their minor and major issues at all times. Knowing full well that every little helps to make a change.

## The DAL Fora

Sayga, has been the drive and force behind launching the DAL Forum; it initiated and sponsored the Environmental Forum in 2007 followed by the Cultural Forum in 2008 and recently the DAL Food Forum in 2010.

Sayga is a pioneer in forward thinking and creativity, as it was the first private sector entity in Sudan to adopt such a novel approach which was limited to other public and civil society organizations. The Fora aim to bring together different stakeholders to come together, discuss and engage on issues of concern and interest. The adoption of such fora has been based on the premise and deep understanding that social and economic development go hand in hand; and that a business only thrives where a society thrives.

Also these Fora are seen as an important channel to interact and actively engage

with different stakeholders. Worthy to mention is that these fora were also primarily launched to serve the purpose of providing chances for intellectual discourse, awareness raising and entertainment to our employees and their families amid the clear gap in such activities in our society which has recently been picking up again.

Moreover, the sponsorship of book publishing and print is a clear demonstration that Sayga holds culture and arts in high esteem and understands that the real development of a country is based on much more than economic terms and measures.

An account of topics and events sponsored since 2007 are all available in the recently compiled DAL FORUM BOOKLET, a production that reflects the level of investment and resources that Sayga puts into supporting dialogue and social development.

## Environmental Forum

The purpose of this platform is to explore areas of environmental concern, with a particular focus on their impact on Sudan. The forums are run in conjunction with such bodies as the Higher Council for Environment and Natural Resources, NGOs, donor and UN Agencies and environment activists and bring esteemed international speakers together with local stakeholders from the government, media, business and wider community.

Topics and areas of interest include:

- Working with government to integrate the environment into development activities.
- Assisting raising public awareness about environmental risks and hot issues.
- Helping ensure that Sudan meets its environmental obligations.
- Managing natural resources sustainably.
- Raising awareness about climate change, biodiversity, desertification, deforestation.
- Informing the legislative reform process.
- Engaging with other industries regarding environmental concerns.

## Food Forum

The Forum aims at providing a neutral platform to bring public and private sector food industry professionals, together with regulatory authority representatives, and civil society organizations to upgrade the food industry , collectively act to address challenges and utilize availed opportunities.

DAL FOOD FORUM aims to :

- Introduce new (local, regional or international) food safety initiatives and programs.
- Promote joint collaboration amongst the food manufacturers and regulators to ensure food safety and security to the consumer.
- Enable Networking and the exchange of ideas and knowledge , geared to the Food Industry.
- Provide food professionals with access to professional training .
- Provide expert speakers on a wide range of topical issues of interest
- Bring together a pool of knowledge from representatives of DAL Food Companies from varied professional and technical backgrounds.
- Provide a platform for discussing food safety and current Good Manufacturing Practices.
- Update industry on the latest regulatory requirement and guidelines on food safety in the Middle East Region and Sudan.
- Support strategies for food manufacturing waste disposal systems.

## Cultural Forum

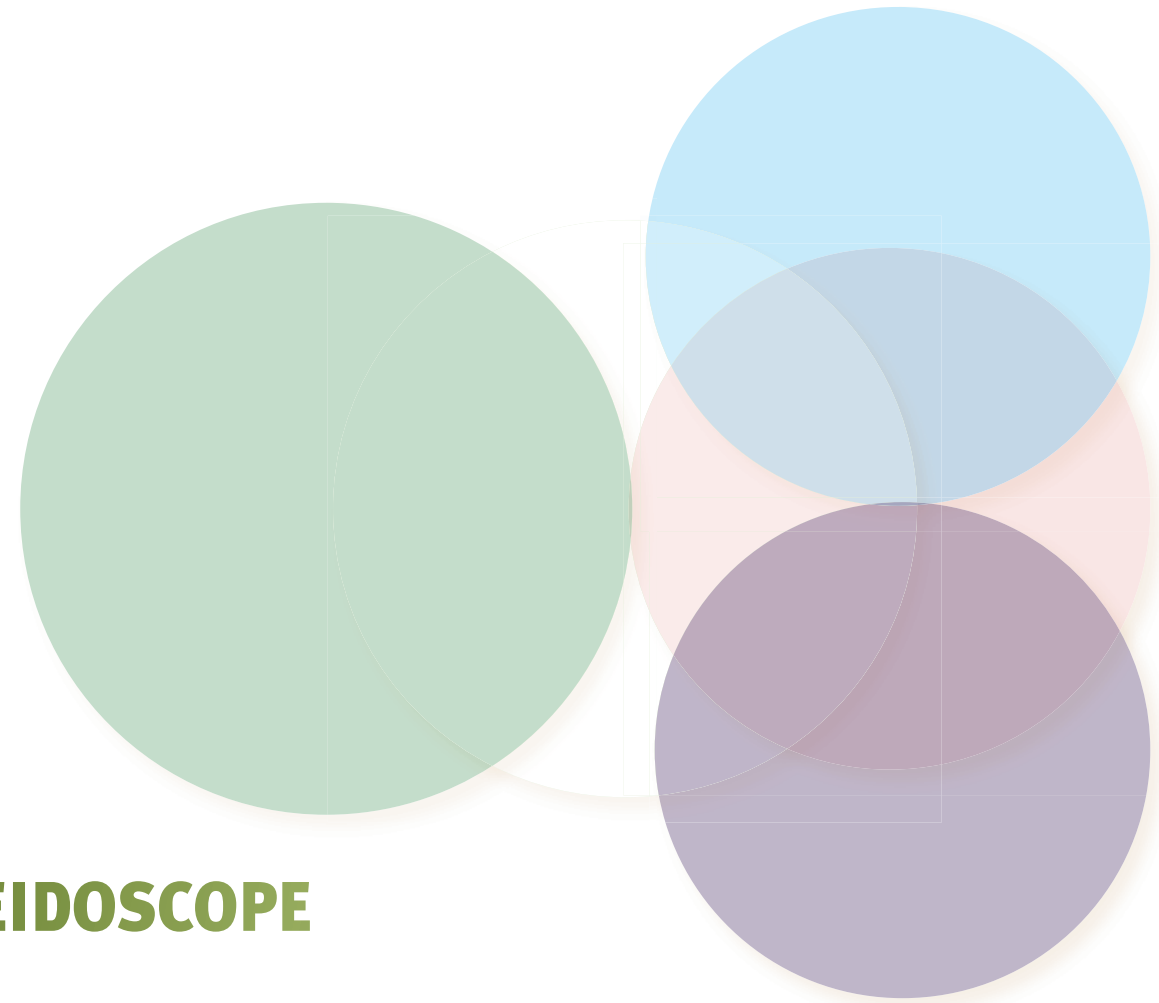
The DAL Cultural Forum (DCF) has been founded on the 29th of November 2007 as an initiative that introduces different cultural agendas to the employees of DAL Group, their families, DAL Group business partners and special interest groups - including music and art schools, various cultural centres, organizations, and NGOs.

The main objective behind the DCF is to enhance DAL's social responsibility commitment and brand image by utilizing culture and entertainment and providing a diverse insight into the Sudanese tradition and other global traditions and cultures.

DCF inbreeds strong feelings of loyalty and belonging that in turn enhance employee creativity and quality of work. It is intended for DAL to be perceived as a strong effective brand that is a value-adding member of the community.

DAL Group aims to bridge cultural gaps and differences, and aims to help others understand Sudanese roots better, Sudanese arts, music and poetry as well as those of other nations. DAL Group audiences and employees represent diversity and we expect to reflect that through our external activities.





## KALEIDOSCOPE

"A kaleidoscope is a tube of mirrors containing loose coloured beads, pebbles, or other small coloured objects. The viewer looks in one end and light enters the other end, reflecting off the mirrors. Kaleidoscopes operate on the principle of multiple reflection, where several mirrors are attached together."

In this section, we have put together bits and pieces of our engagements with the community that are indeed but small pebbles in a large ocean but we believe that in its totality it paints a pretty picture, the big picture.

## AL-AWWAL: Rewarding Excellence



In this initiative, our product Alawwal (arabic word meaning the winner, or one coming before the rest in rank) looks after rewarding winners and namely the students who have come top of the class in all the different educational streams of the Sudanese Secondary General Certificate.

Many companies and institutions reward and recognize the top students, the academic stream students. Those who have, with flying colours, crossed over a major milestone pursuing higher education. Yet we rarely heard about the other four streams of the Certificate - the Commercial, Agricultural, Industrial and Domestic/Women streams.

Sayga brought another edge to the practice, shedding light on the remaining four streams... not just rewarding the 'first'

of the academic stream but all streams and a commitment to doing this annually since 2009.

Sayga always does things differently, we thought yes, we want to recognize them but how can we add the most value to these students lives and urge them to continue excelling ?? and we came up with a totally new and different approach: what do they all need and can make the most value from in any career or choice they make in this highly competitive labour market?.. English Language and Computer skills!

For the latter, top notch personal computers were given to each student and for the former we came up with another idea... lets give them the chance to learn English in the not so traditional way, within a classroom boundary... So we decided to send them to learn the language

for a month in the United Kingdom and get to learn about a new country, a great civilization, its history and its culture ... providing them with a taste of a multicultural setting, and a broadening of experiences that we are confident will support them in aspiring to excel always...

The initiative transcends the effects on the students as individuals, to encompass education in Sudan in its totality and draw the attention of the concerned officials and media to the importance of giving more attention to technical and vocational education in the country... an area without which we, as a nation, will not be able to EXCEL....



# Responsibility is shared....



Amidst great festivities and a warm welcome from the people of Obeid the first of many trees was planted.

Sayga and its partners: the Wali of North Kordofan, Minister of General Education, the Commissioner, NGOs and some representatives from the local community commemorated August 2nd , 2010 as the 47th Tree Festival Day.

The celebration was a “first of its kind in 43 years” as quoted by the Commissioner. The event demonstrated a high level of stakeholder engagement and reflected the priceless value of partnership.

To resolve the problem of water shortage facing the city, Sayga also rehabilitated the city’s Central Nursery’s main water well which will lead to an increase in productivity from 10,000-20,000 trees a year to an astounding 100,000!!! The initiative is also currently piloting the school forest project complete with awareness leaflets containing attractive illustrations for the students.

The program also included an Income Generating Activity and Capacity Building Training for around 200 women in the city. In addition, and to ensure sustainability, Sayga extended its support for the Integrated Women Development Center by rehabilitating the center, providing cooking facilities, ovens, a mixer, fridge, stove, and various utensils. The use of gas burners in traditional bakeries instead of firewood was advocated for, to promote environmentally friendly and safe practices. We are always seeking partnership opportunities to add value and try to address through collective action global and national concerns.

# Lipton supports as well



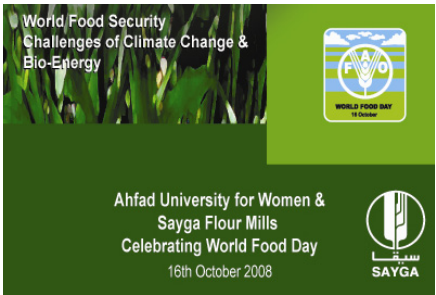
Women make a crucial contribution to household earnings and many are sometimes the sole breadwinners. A considerable number sell tea and coffee to pedestrians in the open roads; many of them are IDPs (internally displaced persons) whose best bet is such a job and many others found this as the only decent form of work they can have.

As it is an unlicensed form of work, these women risk the chance of getting raided by police and losing their tools or getting hurt.

The Municipality, introduced the idea of the kiosks, in its efforts to organize the city, and in light of recognizing that these ladies depend on this activity as a source of income. It was to aid in safeguarding these women’s interests and welfare.

To ensure supporting such a deserving segment of the community, Sayga entered into a partnership with Khartoum State to finance provision of a number of tables to the selected ladies. Through the State Ministry of Social Welfare and woman and child affairs, 600 tables were distributed to ladies in Khartoum, Khartoum North and Omdurman. This is to be extended to a larger number and a wider outreach to support those outside Greater Khartoum area as well.

# World Food Day at Ahfad University



The Food and Agriculture Organization of the United Nations celebrates World Food Day each year on 16 October, the day on which the Organization was founded in 1945.

A number of institutions and organizations, concerned with issues of national food security, hunger, malnutrition and poverty take part and are actively present in the annual celebration. Sayga, with a firm belief in the need to tackle these issues in a more engaging format, actively participated in the Day held at Ahfad University for Women in Omdurman.

There was an exhibition and presentations, we participated in both and the FAO Representative in Sudan, Mr Gana Diagne was in attendance.

Sayga had a bread display in addition to our Dayman Amreen Kitchen. Recipe books were distributed to the attendees as well as give aways. Our role as Food Makers remain large in trying to secure affordable and nutritious food products to the people of our nation..

# Our Youth Our Future: Enabling the Disabled



Youth represent many things - they are the future, the joyous present and the foundations of a healthy, prosperous society. Only with their well-being can we aspire to achieve anything small or great. What we do today is of little meaning if all efforts are not channeled to serve their needs in some way and the sustainability of any activity will be challenged. Disabled children are those special group of children who have had the misfortune of being mentally or physically challenged so the term “disabled” itself might not be doing them great justice as it is not through their own choice. It is society’s neglect of them that empowers this disability by failing to provide their special needs with the care they deserve. Even more difficult is the predicament of these children’s families and in Sudan little or no social support is offered to them to help them give their kids a measure of

normality. Facilities are poor and scarce and financial support is usually allocated to other sectors of society.

At Sayga, we believe that we can only excel at what we do by serving ALL sectors of the community we are a part of. Usratna is an NGO meant to contribute to caring for the disabled children, help creating better opportunities in their lives, and integrating the disabled children in the society. The initiative not only targets disabled children but IDP’s and street children who can sometimes be equally underprivileged. The society trains the children in bakery, pottery, paper recycling, computer skills and literacy classes.

In partnership with USADC (a local NGO) and other stakeholders Sayga has contributed to Usratna by fully supporting the training and capacity building of 265 beneficiaries from various IDP locations around Greater Khartoum in the bakery component. This includes full technical support of their vocational training

center as well as periodical maintenance for tools: fermenter, mixer, oven in addition to the provision of 2 coolers and a refrigerator. Furthermore the company’s contribution included transportation of the children to and from their various locations and full provision of the raw materials required for baking. Exhibitions of the training products were also supported by providing cloths, table covers, T-shirts and bakery kits. We hope that the initiative will succeed at helping these children and their families improve their livelihoods because instead of being a burden, they can be active, productive members of society. Great progress was achieved from the bakery trainings and even more rewarding than increasing the chances of these children at a better life is the smiles on their faces. Much appreciation also goes out to USADC for their vision and dedication. Sayga’s support and commitment to helping these children is ongoing to help provide these very “special” kids what they need for a brighter future.

# BRIDGE OF HOPE – let be there no stone unturned...



Creating partnerships for a sustainable future is what we always aim for here at Sayga. We aspire to lend a helping hand, extend the bridges of hope and inspiration. Through our core business support areas, and other contributions, we extend funds and technical expertise to different vocational training organizations and centers. The Bridge of Hope is one of these organizations.



It is a Non-Profit Organization located 30km south of Khartoum in the suburb of Haj-Yousif. It provides a safe place for homeless street children and tries to give these children access to education and better life opportunities. It provides structured classrooms with basic academic curriculum geared towards providing a basis for the entry level enrollment in the Sudanese regular school system. For the older children, the Bridge of Hope provides vocational and technical training that can be used as a means of income generation for the center, providing a space from which they can learn a trade and gain confidence towards becoming change agents in their community.



Here is where our efforts and humble contributions can make a great difference to these children’s lives.

SAYGA supported the Bridge of Hope organization by establishing a Commercial Bakery Facility & Equipment and provision of Technical training to provide the youth with a capacity building program and an income generating activity.

[http://www.lundinfoforafrica.org/s/Bridge\\_of\\_Hope\\_Sudan.asp](http://www.lundinfoforafrica.org/s/Bridge_of_Hope_Sudan.asp)

# Port Sudan – towards greener pastures



As part of the “Port Sudan City Rehabilitation and Development Project”, Sayga undertook the ‘greening’ of expanse lands at the city entrance: 3,000m<sup>2</sup> and 900m<sup>2</sup>.

Sayga PortSudan planted both lands using imported grass, Palm trees and various plants. Sayga also provided the Port Sudan Grand Park with a number of water fountains.



All these efforts are part of the city’s plans to rehabilitate Port Sudan as it is one of the main tourist attractions being privy to the beautiful red sea.

We believe such efforts bring a lot of return to the peoples of Port Sudan the city and Sudan the country. Tourism is an untapped treasure and all the municipalities efforts to make Sudan cleaner and greener should be supported by the private sector.



## OUT OF THE BOX

*In this section, we'd like to share some of the initiatives we chose to invest in that we believe are perfect examples of how a company can proactively create positive societal value by optimizing the multipliers of their own business operations and practices...*

*Examples that embody innovative and creative social investments ... where we really wanted to make a difference...*

## THE BAKING DEVELOPMENT CENTER

**Featuring the Green Bakery and DAYMAN AMREEN Show**



*"Corporate Social Responsibility is about creating new value through the innovation that comes from giving more consideration to societal problems and from cultivating a deeper relationship with a variety of stakeholders."*



*How can we add the most value we asked ourselves and where can we really make a difference?*

*How best can we meet our business objectives while benefitting the common good?*

We tried to look at CSR strategically to determine how can we apply our resources, expertise and insights to activities that benefit the society.

### The Baking School

The first of its kind in Sudan, set up and run with the support of national and international expertise.

The BDC Story is a story of a business plan that targeted the ultimate good, for a company that realized that acting responsibly is not only the right thing to do, but is also a source of opportunity,

innovation and indeed a competitive advantage.

The idea was initiated based on the company's desire to positively influence and upgrade the Baking Industry through availing specialized support to:

- Ensure the production of high quality and healthy products.
- Upgrade the competency of the people working in the industry (training in bread making and pastries)
- Develop businesses, whether through providing soft skills (courses in Bakery management, sales, accounting, and hygiene) or through the provision of better tools, machinery and equipment to produce end products of higher quality.

The targeted industry includes bakeries, pastry labs, restaurants, hotels (all

food related organizations) and support to this sector ensured a better quality of food to the whole population.

The goals of the school included combating and fighting harmful practices such as the usage of dangerous chemicals and unhygienic work environments.

Worthy to note that Sayga lead the fight against Potassium Bromate, which was used as a flour improver, and although banned in many countries, was still in use in Sudan. Sayga managed through its training and high quality products to influence changing the habits of bakers by introducing them to safe improvers and as a result the usage of such harmful chemicals dropped recognizably.

Changing habits and behaviors is quite challenging and to really effect a positive change, Sayga undertook many measures.



The training is fully sponsored by Sayga – transportation, tools , uniforms, teaching and production materials are availed for free. In some circumstances, pocket money is paid to bakers so as to ensure that they do not miss out on the opportunity, especially that many wouldn’t afford to miss their daily wages. Sayga- being sensitive to the needs and circumstances of the bakers ensured they were paid the same amount of money they would have incurred if they were working.



### Introducing the Mobile Bakery School

*if you weren’t able to come to us we’d come to you...*

In 2002, the Mobile bakery school (fully equipped, state of the art facilities costing \$350,000 per unit) was introduced so as to target those outside Khartoum and our mission expanded to include all Sudan...

In 2003, Sayga introduced a new segment to benefit from these services, namely the household women and all other non industry related representatives as well. New courses were then introduced to include making biscuits, savories, Middle Eastern sweets and cooking classes to cater for the needs of households and also aligned with the expansion of our products.

The Mobile Bakery School started working with the communities, with universities and research centers and a wide range of local NGOs and CBOs from different parts of the country. With the introduction of this segment, our outreach was huge and our contribution impact multiplied fast.

In 2005, the school became a full fledged center – the Sayga Baking Development Center (BDC) .

Since our support and services was extended to the upcountry targeting industry and non industry constituents as well, the demand on courses has become huge. In a short period of time, we were achieving record numbers of beneficiaries and customers, strengthening our relationship with the different sectors and stakeholders.

By end of 2010 there will be 5 Mobile Bakery School units available, visiting special offsite locations and maximizing outreach to beneficiaries in the upcountry.

Currently, there are:

120 beneficiaries from the resident bakery per week.

320 beneficiaries from the Mobile Bakery Schools per week.

The school currently offers 24 different courses, continuously adding value at both the industry and household levels.

The Center received accreditation from the Higher Council for Vocational Training (Ministry of Labour) in May 2009. This motivated more trainees to attend as it ensured better working conditions for those seeking employment in the

field. The BDC adopts a scientific and systematic approach, whereby follow up and technical assistance is provided to trainees post training. This is endorsed by a rewards and recognition scheme that is put in place to applaud best practices and model applications.

### So what else is special about the school?

In everything we do, we realize that we have a bigger role to play and that we can contribute to society from within our area of expertise.

Besides securing high quality food, diversifying the options of Sudanese cuisine, the capacity building and awareness raising programs ; we continue to avail resources to local NGOs , public institutions, academic institutions and Universities supporting various purposes. The BDC also offers material support in the form of products and that extends to the establishment of the bakery itself in certain circumstances (Bridge of Hope as an example).

Through collaborative efforts and in partnership with different civil society organizations and public sector authorities, we address various societal concerns (such as malnutrition, reproductive health and vaccination campaigns making use of our modern facilities in distant rural areas). We are currently partners with Universities in Elobeid and Gezira States providing a TOT (Training of Trainers) program targeting thousands of rural women. Training of women in the upcountry and within the state had created endless income generating opportunities for women; improving their living condi-

tions. Some women were also able to develop their businesses further and, truly, the multiplier effects of such impact can never really be easily assessed.

Women entrepreneurs are vital to reducing poverty and driving economic growth.

What has been achieved in the past ten years, besides the successful efforts to upgrade the baking industry, ranging from outreach abilities to availing support to the vulnerable and marginalized and physically challenged is remarkable. Efforts that have been greatly appreciated by the community , strengthening our relationship with the different society players.

Surely sounds simple and straight forward, but our story is very different than any other. It’s an example where even we were not able to anticipate the kind of impact our school would have.

This initiative started , in 2000, training only fourteen to become one that by 2010 has already trained more than 58,000 beneficiaries.





# The Green Bakery

Recently the interdependency between global issues and concerns such as Climate Change, poverty, water scarcity, food security and even armed conflict has become increasingly evident.

Hence the need to address issues such as environmental degradation and deforestation should come as a priority on the agenda of all societal actors. The interdependency of all merits these challenges as challenges to development and sustainability.

At Sayga, we initiated the 'Green Bakery' Project under *"the promise to reshape the baking industry in Sudan in order to conform with the sustainable development agenda."*

This is yet another initiative stemming from the BDC. Once Sayga targeted certain behaviors and practices through its capacity building and awareness campaigns, it identified more to do. This time we targeted both health and environmental issues caused by the use of firewood in traditional bakeries and have introduced the gas burner to be used instead. This saved trees and improved the air quality inside the bakeries. By doing so, we were addressing global concerns of Climate change and Green House Gas emissions.

We are committed to the environment both in our operations and also in promoting environment conservation in the

*"We believe it is part of our Corporate Social Responsibility to contribute to the wider de-carbonization of the economy."*



Food Industry. We were adamant on trying to influence the baking sector to become an environmentally friendly one, or atleast with minimum damages to the environment.

Sayga encouraged the bakeries by supplying them with an advanced safe gas burner which is dependent on LPG and not firewood. A system with highest standards of safety and security was procured from Italy for the bakeries and offered on subsidized loans; with Sayga contributing 30% of the cost to encourage bakeries to adopt this system.

Carbon dioxide (CO<sub>2</sub>) is the main greenhouse gas behind global warming. The total carbon dioxide(CO<sub>2</sub>) saved ,by the replacement of 1032 bakeries ,using 15-sacks of flour as an average per day, assuming 300 days per year, is estimated to be equal to 0.025745 Gg CO<sub>2</sub> for the period 2007 –2010.

These results revealed that atmospheric CO<sub>2</sub> is reduced by 0.025745Gg and there is a potential for increasing this to the higher possible quantities of saving CO<sub>2</sub> emissions in cities and villages.

The Green Bakery project also aims to develop solutions to rely on solar power so as to cater for the different circumstances faced by the bakers such as LPG and electricity supply concerns. We, at Sayga, believe in partnership and collaborating with others to attain the greatest impact and are currently looking into up-scaling possibilities with partners

to apply for carbon financing to ensure that this is supported and availed across Sudan.

The Green Bakery Project demonstrates our strong commitment to address environmental concerns within our Industry.

**Businesses can indeed always find green solutions!!**

## FACTS:

- Increased production capacity.
- Zero production loss (temperature control)
- Standard baking times
- Less maintenance cost for fire chamber.
- 1032 Burners installed in varied geographic areas.
- Resources dedicated for this project (4 Mobile canter W/S, 10 pickup mobile W/S.)
- Four technicians located in up-country to avail after installation services.

# Dayman Amreen...

*More than just a cooking show*

*Another novel engagement and commitment to make a difference*

A high quality production TV show, aiming to further strengthen our relationship with our customers and the general public sending different messages and each season has its new theme...

## Season One 2006:

Featured the Popular Arab Chef, Osama El Sayed and Sudanese Nutritionist Hiba Al Mutamad. The Chef explored with Sudanese cuisine, giving creative suggestions to the viewers and the nutritional value of each ingredient was discussed. More than just cooking- we're learning about nutritional value that we never thought existed!



## Season Two 2007:

Another arab chef but in a completely new setting. We went outdoors and took the viewers on a tour around our beloved country; exploring different traditions and special cuisines, and reflecting the country's rich diversity. The season provided extensive cultural knowledge and unveiled hidden treasures of nature.



*DAYMAN AMREEN... about responsible marketing - brings together knowledge, adventures, values and traditions and ofcourse our FOOD!*

## Season Three 2008:

Making it more personal, and this time in your home!! We targetted homes of married young couples and besides the new recipes and exciting presentation, we gave a special gift to the couples by renovating or furnishing a room in their home.

## Season Four 2009:

Culture, outdoor adventures in faraway lands exploring cuisines, was that season's flavour and this time with a group of young ladies and gentlemen competing for a prize! The prize had to support a noble cause.. a project that will benefit others and the season aimed to raise awareness around societal concerns and value of trying to make a difference.



<http://www.daymanamreen.com/>

***SAYGA, CONTINUESTO LEAD THE FOOD  
INDUSTRY THROUGH ITS INNOVATIVE  
AND GENEROUS INITIATIVES.....***



Sayga Investment Company Ltd  
awaits your valuable feedback on  
our activities and this sustaina-  
bility highlights report.

Tel: +249 (0) 185 220 000

Fax: +249 (0) 185 220 264

Email: [csr.sayga@dalgroupp.com](mailto:csr.sayga@dalgroupp.com)



