Sayga Investment Company

United Nations Global Compact Communication on Progress

2012 - 2013



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About Sayga Investment Company

Sayga, part of the DAL Group conglomerate, is Sudan's premier food company and one of the most dynamic and successful businesses in the region. Beginning with its flagship product, flour, in 1996, the business has since diversified considerably and grown exponentially. Today, Sayga has a portfolio of brands ranging from industrial bakery products to pasta, milk powder, sugar, pulses, and animal feed.

Sayga's extraordinary success is due to its exceptionally high standards across all products and services. Using state of the art machinery, investing heavily in its supply chain capabilities and an excellent marketing operation, the company has revolutionized the food industry and offered consumers affordable and accessible products.

Sayga's high manufacturing standards, enlightened management approach, quality products, skilled workforce, and strategic partnerships all contribute to ensuring that Sayga continues to be a trailblazer in Sudan's food industry, including its commitment to corporate social responsibility and the UNGC.

Address:

No. 1/15, Block 4F Industrial Area

City/ State:

Khartoum North, Khartoum

Country:

Sudar

Sector:

Food

UNGC participant since:

10th June 2010

Number of employees:

2,000+

Date of submission of COP:



Leadership Statement of Continued Support for the UN Global Compact

Sayga is proud to support the United Nations Global Compact.

Like the UNGC, Sayga has always believed that responsible business practices are critical to promoting local well-being. As a major food provider in a country where the World Bank reports that almost half the population lives in poverty, we are not only mindful of the challenges the company encounters, but of the responsibility we have to our society. We believe that business is about more than earnings; Sayga embraces a purpose beyond profit as we work to improve people's lives while providing affordable, basic food products.

As Sayga moves forward in its pioneering journey to create more shared value, not only with our products, but through the process of creating them, we do so in alignment with the UNGC principles. This report highlights some of the ways in which we have supported human rights, labour, environmental, and anti-corruption principles.

I am proud that Sayga continues to be active in the UNGC local network, of which we were founding advocates. In July of 2013 our company's corporate responsibility team participated in a UNGC workshop hosted by our parent company, DAL Group, in coordination with the local network, which stressed the value of the UNGC principles and reporting and was reported to all internal stakeholders.

In the coming years, we are restructuring our business in a way that will, among other objectives, allow us to improve the integration of corporate responsibility into all our business processes and practices. This is an expressed objective of the changes ahead, and one we feel strongly about implementing. We look forward to continuing future engagement with the UNGC as we remain allied to its values.

Sincerely

Ihab Dagud Abdellatif

Managing Director, Sayga Investment Company

Human Rights Principles

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights.

Principle 2: Businesses should make sure that they are not complicit in human rights abuses.

The positive contribution that Sayga can make to human lives through good business is important to our long-term success.

Ethics and human rights clauses are incorporated into our overall management scheme, shaping the way we carry out operations and approach our mission and responsibilities.

We are also serious about the rights of our labour force. In the past year, Sayga's dedicated HSE department implemented safety workshops on premises to raise awareness about various aspects of workplace health and safety, particularly addressing the challenges and dangers of vehicle operation and management. HSE conducted 90 trainings in 2012.

Other stakeholders also receive special attention to ensure their inclusion around the products and services we provide. Among them, people with disabilities, who receive customized training at our Baking Development Centre to learn valuable skills.

Perhaps most importantly, however, Sayga seeks to provide decent work and quality goods and services to our stakeholders. With the Sudanese economy continuing its decline, we committed in our strategy to revisiting products in order to ensure that they are available and affordable especially to low-income and more vulnerable populations. We began by packaging our sugar brand into new, affordable, smaller packages in addition to the standard size, as a means of making the product more affordable and accessible. Sayga is committed to continuing the exercise of ensuring our products reach all populations, and will report on the coming year's progress in our future communications.



One of the things that swayed my decision to join DAL Food about 3 years ago was the exciting projects undertaken by the business to help improve the quality of life of the people in Sudan.

Christine Wangari MwauraMarketing Category Manager

Labour Principles

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

Principle 4: Businesses should uphold the elimination of all forms of forced and compulsory labour

Principle 5: Businesses should uphold the effective abolition of child labour.

Principle 6: Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Sayga recruitment is open and transparent, with a multi-person committee and process in place to hire new employees, safeguarding fair opportunity for all applicants. Qualifications, skills, and experience remain the basis for employee recruitment and advancement. Our policies include a non-discrimination clause regarding personnel practices, and the diversity of our workforce is a special asset of our company. We are opposed to forced and compulsory labour as well as child labour, and pay our employees and contract hires fair wages.

Sayga has an Employee Grievance Policy, which serves as a channel through which all staff members are given a fair hearing concerning grievances or complaints they wish to raise and have the right to appeal to a more senior level management in line with the policy. Human Resources also have a roundtable initiative whereby they seek employee feedback and opinions.



Sayga employees

Environmental Principles

Principle 7: Businesses should support a precautionary approach to environmental challenges.

Principle 8: Businesses should undertake initiatives to promote greater environmental responsibility.

Principle 9: Businesses should encourage the development and diffusion of environmentally friendly technologies.

The environment is closely tied to our business interests, and is one of our three main corporate responsibility focus areas.

Sayga has proactively worked to become more environmentally-minded, adopted DAL Group's Reduce, Reuse, Recycle (RRR) initiative to both raise awareness and recycle plastic bottles in our offices and cafeterias, and hopes to continue to reinforce the programme and its impact. In the past year, RRR has extended to Ozone, our popular cafe in Khartoum, raising more money through its recycled plastic, which is then used for DAL Group-led charity initiatives around the country.

In the past year, Sayga hosted our annual celebration of World Environment Day, engaging with neighbours, government authorities, and local charities to raise awareness and promote community service around the environment. Sayga raised awareness internally about the year's theme, *Think.Eat.Save*, encouraging employees to reduce food waste. An environmental forum opened to external stakeholders discussed green economies and food security. We also donated trees to various initiatives, including the Revolving Funds Project, which is financed by the UN to support underprivileged families; Sayga partnered with the Sudanese Conservation Society to distribute the trees.

Sayga supported an internal project to build an extruder plant with 70% recycled and reclaimed materials, which the company plans to put to use as part of future business development.

Additionally, Sayga's Green Bakery initiative has converted 1,520 traditional wood ovens to cleaner gas burners across Sudan.



Sayga's extruder, made of 70% recycled materials

Anti-Corruption Principles

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.

Sayga operates in a challenging business environment: the World Bank ranks Sudan at the bottom 4.3% of countries in its Control of Corruption Index. Sayga is aware of the detriment of corruption, and committed to clean, sustainable economic development free of bribery and extortion.

The DAL Group Code of Conduct outlines acceptable behaviour and has a zero tolerance position in relation to corruption, in whatever form it may be encountered. The policy clearly states the requirements for ensuring that our business conforms to legal requirements and expresses no tolerance for corruption under any circumstances. Sayga's Risk and Compliance Manager oversees implementation of our anti-corruption policy.

Commitment to the MDGs

Sayga has remained committed to supporting the Millennium Development Goals through our various corporate responsibility (CR) programmes. The DAL Food 2012 sustainability report highlights CR initiatives with a focus on the MDGs they support.

Sayga's award-winning **Baking Development Centre** (BDC) is a modern training facility on our premises that offers free, certified classes to bakers and consumers and – through its five customized mobile bakery schools – to Sudan's rural communities. It partners with governmental and civil society organizations and charities to build vocational skills, and donates food produced during classes to different institutions through its Food Share Programme. The BDC targets women and underprivileged groups, including customized classes for people with disabilities. It has a long-running Green Bakery Initiative that works to convert traditional wood-burning ovens to more environmentally-friendly gas burners, which also lowers bakers' exposure to harmful smoke and other occupational safety hazards.

The BDC is aligned with the MDG goals of eradicating extreme poverty and hunger (1), promoting gender equality and empowerment (3), and ensuring environmental sustainability (7).

Sayga is also proud to have an annual celebration of the top scoring students in each category of the Sudanese Secondary school exam, called **Al-Awwal Honours the First**. In the past year, Sayga's Al-Awwal brand flour celebrated five students, including three girls, with a ceremony, various gifts to support their continued learning, and an all-expense paid trip to Malaysia for an English language intensive course. Through this programme, Sayga aims to reward the students' achievements while giving them tools for continued success.

The Al-Awwal Honours the First initiative is aligned with the MDG goals of achieving universal secondary education (2), and promoting gender equality and empowerment (3).



One of our BDC instructors with students

Availability of COP

This COP will be available and accessible to all internal and external stakeholders.

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