

United Nations Global Compact Communication on Progress 2016



About

DAL Food is a visionary integration of agriculture with industry. As Sudan's premier food business, DAL Food is an industry leader passionate about providing good food for everyone. It aims to help people live better lives by providing affordable, basic staple food and drink products all over Sudan and in select neighboring countries.

Formerly the DAL Food Division, DAL Food incorporates DAL Agricultural Services Company, Sayga Investment Company, DAL Dairy Factory, and DAL Food Industries, bringing together a range of agro-food products under one organization. The DAL Food portfolio boasts a range of flours and pastas, bakery products, pulses, dairy, extruded products, animal feed, soft drinks, water, juices, and agricultural crops produced for both domestic use and export.

Our strategy is anchored in our purpose of providing good food for everyone, our passion for Tradition, Innovation, Education, and Sourcing locally (TIES), and our principles that seek to foster an empowered and engaged corporate culture. Our approach to corporate responsibility utilizes these areas as tools to embed sustainability into our daily operations and implement our values and bring our strategy to life.



Statement of Commitment

DAL Food's continued commitment to the United Nations Global Compact and the 10 principles is critical to achieving our purpose of providing good food for everyone. As Sudan's largest food company, we recognize and embrace the role we play in contributing to the development of the country and its people, continuing a long tradition of embracing a purpose beyond profit.

We will continue to take strategic steps to integrate sustainability, and in turn, the UNGC principles, into our organizational culture and daily operations. For 2017, this includes operating with discipline and high standards of governance, a more aggressive approach to managing sustainability risks, and encouraging the transformation of our organizational culture to embody our principles and values.

Despite the increasingly challenging economic and operating environment, we remain committed to manage our operations responsibly and invest in our



community and country. We will continue to be an integral part of the Sudanese landscape and a symbol of hope in our country's time of need. We will proudly showcase the diverse and rich Sudanese traditions through our products and partnerships. We will continue empowering and nurturing future generations of Sudanese leaders through education and providing high quality affordable basic staple food. It is our responsibility as a food company to serve our community in a country marred by gaps in basic services. This is our purpose. This is Good Food for Everyone.

Ihab Daoud

Managing Director



Human Rights

Our dedication to championing human rights can be seen in our purpose – making good for everyone. As a food company, we advance food security through our products, making sure they are safe, affordable and accessible. All our products undergo rigorous quality and safety screening to meet international standards and community needs. We continue to diversify our portfolio, expand our market, and impact more people while showcasing the rich diversity of Sudanese cultural traditions through our products. As the Sudanese economy increasingly worsens, one of our main challenges will be able to keep up with the inflation and increased cost of living and continue to provide our products at an affordable price. This year, we resized some of our most popular products to continue to make them affordable for our consumers. We will continue exploring sustainable solutions to continue providing safe and accessible food products at an affordable price for the community.

In other areas of the business, we adhere to human rights standards in our recruitment and personnel policies and ensuring employees a safe working



environment. Our Health and Safety Unit is very active in monitoring health and safety risks and continuously educating employees on safe practices and safety procedures. Monthly reports are consistently generated and any issues swiftly addressed, including addressing an increase in accidents with additional safety measures and intensive trainings.

In the community, we invest in social partnerships that promote the economic, educational, and nutritional wellbeing of stakeholders. Our School Milk Program provides daily servings of milk to over 26,000 schoolchildren in over 30 underprivileged schools, enhancing their nutritional, mental, and academic capacities and encouraging generations of milk consumers.

Our Bus Stop Initiative installs minimarts carrying our products at strategically placed bus stops in the Khartoum area. These bus stops are managed by people with disabilities, providing them with a stable income and livelihood. To date, over 370 minimarts have been activated. In addition to raking in revenue, testimonials from the minimart managers have attested to an improved quality of life, economically, socially, and mentally.



Our strategic partnerships with farmers illustrates our passion of local sourcing; these partnerships supply us with raw material and supply for our operations, while also contributing to the economic growth of the community.

Our Bakery Development Center, has provided free baking and cooking classes for organizations and the general public. While the main center is in Khartoum, we also have five mobile bakery schools that travel across the country to impact more stakeholders. Since its inception in 2003, the BDC has trained over 200,000 beneficiaries. This year, the Center has expanded its services and started offering technical trainings and consultancies for the baking, farming, and animal feed industries. In addition to building the capacity of a broad range of stakeholders and contributing to community development, the BDC has also increased sales through effective brand positioning, product awareness, and increasing our consumer base.

Next year, we are set to launch our school library project, an initiative that provides books and shelves to schools, allowing them to create their own libraries, enhance their education, and expand their body of knowledge.



To effectively manage impact, we informally engage with key stakeholders to understand their issues and how we can better meet their needs. Next year, we plan to better engage and dialogue with a broader range of our stakeholders to improve our impact and mitigate risks.

Labor

DAL Food diligently complies with local and international labor laws and standards. In addition, we continually take steps to enhance processes and transparency with our employees. This year we revisited our policy regarding casual labor to improve the process and reduce any associated risks. We also expanded our food services to cater to employee needs, and instituted round table discussions facilitated by our Human Resources department to better understand employee needs and concerns. Next year, a new performance management system will be used to better align company, unit, and professional goals and progress and enhance transparency. This year has also seen an increased investment in employee professional development. Our employees are the heart of DAL Food. Investing in their



development, well-being, and engagement contributes to company success, provides a better quality of life for their families, and contributes to the economic growth of a developing country. In addition to a diverse array of trainings provided, we have also partnered with Harvard ManageMentor to further develop our managers professionally.

Our DAL Food Principles will also play a starring role in shaping the organizational culture and producing an engaged, committed, and motivated workforce. We plan to boost morale and motivation through continued open dialogue and a series of employee engagement initiatives.

Environment

As our operations expand, as does our diligence to effectively manage our environmental impact. Our HSE unit works tirelessly across the organization to conduct audits, manage risks, and educate employees on environmental stewardship. Additionally, they regularly hold Morning Tea sessions to engage employees with various health, safety, and environmental issues. Safety Day, a day



long retreat focused on building health and environmental knowledge and awareness, was introduced this year. To date, 150 employees have participated in this initiative.

In operations, environmental stewardship and innovative ways to manage waste is being integrated into decision-making. Our animal feed is produced as pellets to reduce waste and utilize byproducts efficiently. Any residue left over from our agriculture operations is converted to fertilizer and introduced into the process again. An electronic waste initiative was created to refurbish old computers and sell them to contractors or donate them to schools and organizations.

Next year, in addition to continuing and strengthening these initiatives, we will be focusing on alternative energy sources, including initiating a biogas production trial.

Anti-Corruption

Our stakeholders give us the license to operate and maintaining their trust is essential to our sustainability as a responsible company. We are committed to



managing our operations with honesty and integrity and have a zero-tolerance policy in towards corruption and unethical behavior. While we work in a challenging business environment, where bribes and facilitation payments are regarded as normal and ensure smooth continuity of operations, we recognize the debilitating and lasting economic and social impact corruption has on society. Ending corruption is integral to lasting sustainable development and we are committed advocates in the fight against corruption.

In addition to integrating anti-corruption policies and processes in our operations, a strong anti-corruption stance requires a strong ethical culture. Our DAL Food Principles guide and encourage employees to embody integrity, transparency and accountability, making fighting corruption the responsibility of each individual.





دال الغذائية
DAL FOOD

Good Food For Everyone