

Communication on Progress Year: 2011

Statement of Continued Support of the UN Global Compact

Diani Flowers and Landscaping Ltd (DFL) is committed to continue offering total support to the Global Compact Programme of the United Nations by publicly advocating the initiatives ten principles of the programme through our policies, services and products.

DFL shares the conviction that business practices rooted in universal principles contribute to a more stable, equitable and inclusive global market and help build prosperous societies.

Urs Ringler, Managing Director 17th January 2012 Company name: Diani Flowers & Landscaping Ltd Sector: Agricultural Number of employees: 100 UN Global Compact signatory since: 2007 Contact person: Mr. Urs Ringler Address: P O Box 16777 – 00620 Nairobi Email: diani.flowers@unon.org Phone: +254 020 7622640/0733 771235

Brief description of nature of business A. Core Business

Diani Flowers & Landscaping Ltd is a company based in Kenya established in 1987 offering Landscaping and Gardening Services. DFL has a wealth of experience in gardening, landscaping and irrigation systems. The company has a workforce of over 100 staff who comprise of horticulturalists, team leaders, supervisors, gardeners, florists, administrative staff, ironmongers, mechanics, drivers, pool attendants, storekeepers, greenhouse specialists and nursery development staff.

The company of objective is to have an innovative approach to landscaping with emphasis on environmentally friendly practices in all aspects of work.

Our main clients are:

- 1. United Nations Office at Nairobi (UNON) Landscaping and Garden Maintenance Services Contract since the year 1992.
- 2. Amahoro National Stadium, Rwanda Contract for Grounds Maintenance of Amahoro National Stadium.
- 3. Magnolia Hills Management Contract for Grounds Maintenance at Magnolia Estate, Nairobi
- 4. Commission of Higher Education (CHE) Contract for Landscaping and Garden Maintenance Services.
- 5. UNEP Nairobi Contract for Maintenance of Indoor Plants.
- 6. UNICEF Nairobi Contract for Maintenance of Indoor Plants and supply of fresh flower arrangements among others.

B. DFL Products

DFL produces a number of products from the UN Nature Trail, an initiative of the Step by Step Initiative group and the Friends of the Nature Trail. The products are sold at our Nature Trail shop and at the UN Commissary shop. Products stocked include charcoal, firewood, compost, tree seeds, wood chippings, honey, tea leaves etc

- We have a plant nursery which we propagate various plants i.e. Flowers and trees.
- We have established a vegetable garden which we grow fresh assorted vegetables. Some of the vegetables planted include Spinach, Lettuce, Beet roots, Aubergines, Cucumber, Coriander, Watercress, Leek, Tomatoes, Traditional vegetables, Parsley, Swiss Chard, Strawberries, Edule, Kales, Amaranthus, Carrots, etc.
- We also grow Herbs i.e. Peppermint, Rosemary and Thyme.
- We have fruit plants in our garden e.g. Pawpaw, Raspberry, Strawberry, Bananas and Loquats.
- We produce environmentally friendly charcoal, firewood and wood chippings by use of pruned materials. No tree felling is encouraged.
- We Produce compost manure and mulches from our composting units. This compost is used in our landscaping activities and is for sale at Nature Trail shop.
- We produce pure natural honey from our 36 beehives placed in different sites around the UN Complex and away from contact with human beings.
- We grow tea and coffee in the UN Memorial Garden, which was put up in memory of the 1998 American Embassy bombing at Nairobi.
- We collect tree seeds from the fields and prepare them for sale. These include, jacaran da, a gapanthus, acacia, croton etc.
- We make Greeting Cards using paper and dry banana leaves.

Scope of this COP

In this COP, we will report on all the 4 areas of the 9 Global Compact Principles. I.e, Environment, Anti-corruption, Labour and Human Rights.

<u>Environment</u>

DFL ensures that chemicals are not used in the Company operations and activities within the UN Complex. We use only biological substances for treatment of plant diseases e.g. ecotrap which prevents pests, mixture of neem plant and soap and white oil which are environmentally friendly and helps in control of leaf pests on plants and leave plants looking healthy.

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- DFL abides with, and are compliant with all relevant and new environmental legislation in the country.
- DFL prevents and reduces wastewater discharges and minimizes the impact on the aquatic environment through treatment and safe re-use of grey water for irrigation.
- DFL engages in recycling practices in relation to natural resources.
- DFL ensures that measures are taken to prevent and minimize operations and activities that have an impact on flora and fauna and degrade the natural environment and ecosystems.

Labour

- DFL takes all necessary measures to ensure that the company does not benefit from any forced labour.
- DFL ensures that workers enjoy basic freedoms i.e. Working hours, wages, Annual Leave and compassionate leave.
- DFL ensures that workers are afforded safe and suitable health & safety facilities in the workplace and training of the same.
- DFL supplies employees with protective equipment and training necessary to perform their duties safely.
- DFL ensures all staff are provided with transport means to ease lateness for their duties in reporting in the morning, thus functions are not delayed by lateness.

Human Rights

- DFL ensures the human rights of employees are respected.
- DFL ensures that it supports the community by buying raw materials and procuring services from the local inhabitants, markets and producers, through the CSR policies.

Anti-corruption

- DFL works against corruption in all its forms including extortion and bribery.
- DFL ensures that all international prescribed code of ethics and procurement code of ethics are followed.

UN Global Compact principles covered:		Principle 1: Business should support and respect the protection of internationally proclaimed human rights
princip	ies covered.	Principle 2: Business should ensure that they are not complicit in human rights abuses
Human Rights Current	 internationally human rights a <i>A brief description</i> DFL end degree of safety of Products dates or Enhance products DFL end locals. DFL prograss for also purt top-dress DFL ens observe the heal DFL of Orname Activities implem DFL has achieved services We hav dry/fresh DFL co employed require a 	on of our Processes or Systems sures that its products are of high quality and are prepared using high of hygiene and care to eliminate the dangers of threatening the life, health o of the users e.g. honey harvesting is are well package, clearly labeled, properties indicated as well as expiry in the labels to create awareness to the consumers. e consistency of production to enhance continuous availability of the is to consumers sures it supports to the local community by offering employment to the motes business with the local community. E.g. we give the local community or their cattle or firewood in exchange for manure (cow, goat, chicken). We chase items e.g. red soil from them, which we use to level our lawns and fo using. sures and requires that the catering company that supplies food to workers a high degree of hygiene in preparation of the meals so as not to endange th of its workers. fers internship to university students undertaking degree courses ir natal Science & Landscaping. <i>mented in the last year</i> s maintained constant supply of its products to customers. This has been d by increasing production while still maintaining quality of all products and

	hence increased income.
	 DFL has realised its Corporate Social Responsibility through doing business with the least community and also complexing the least habitante.
	local community and also employing the local habitants.
	Activities planned for next year
	Our vision is to continue with expansion of the Nature Trail product range in 2011.
	These products are as follows.
	1.Beewax candles
	2. Honey in combs
	3. Crystallised honey
	4. Pot pourru
S	5. Bamboo mat
n Rights ture	6. Papyrus paper sheets
an Rig uture	7. Laminated table mats
nan Futi	8. Additional types of seeds for; shrubs, flowers and bulbs.
Huma Fu	9. Wooden cutting boards
Ī	10. Wooden plates
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	11. Brooms
	12. Banana leaf art
	13. More vegetables e.g. salad, squash, pumpkins, ground nuts, potatoes
	14. Fruits e.g. oranges, mulberries, lime, Mangoes

Labour Rights	
UN Global Compact	Principle 3: Business should uphold the freedom of association and the effective recognition of

principles covered:	the right to collective bargaining
	Principle 4: Business should support the elimination of all forms of forced and compulsory labour
	Principle 5: Business should support the effective abolition of child labour
	Principle 6: Business should support the elimination of discrimination in respect of employment and occupation

Commitment

Diani Flowers & Landscaping Ltd is committed to observe the UN Global Compact labour principles by elimination of forced and compulsory labour, abolition of child labour and ensuring that workers enjoy basic freedoms i.e. working hours, fair wages, leave matters, health and safety in the working place etc. One of our key elements of Corporate Social Responsibility is to address our employeesqworkplace issues, as they are our number one stakeholders.

A brief description of our Processes or Systems

- Mandatory requirement for employees to have National Identity Cards before employment.
- United Nations Guaranteed Fair Employment Package+policy.
- Complied with the Kenya Conditions of Employment Act i.e. NSSF registration for all staff and casuals (as a retirement benefit), NHIF registration as a social medical insurance cover and PAYE tax payable to the Income Tax Department.
- Provision of a guaranteed net salary inclusive of housing allowance and transport allowance.
- Enrolled employees in a medical insurance scheme for outpatient and inpatient cover.
- Provision of a substantive and nutritious lunch through the services of a catering outlet as well as tea in the morning.
- Provision of proper equipment/protective gear to ensure the safety of employees. E.g. Canvas shoes, gumboots, overalls etc.
- Provision of 21 days Annual Leave. Compassionate Leave should an occasion arise.
- Provision of four months paid Maternity Leave, exclusive of annual leave entitlements.
- Provision on two weeks Paternity leave, exclusive of annual leave entitlements.
- Provision of Leave Travelling Allowance to employees when taking Annual Leave.
- Usual 8 hours working day. Overtime is paid for separately.
- The Management maintains an open door policy thus all employees are encouraged to participate in decision-making.
- Policy on maintenance of highest standard of staff discipline. Discipline handling procedures are strictly in accordance with the Legislation Subsidiary Agreement and prevailing labour laws.
- DFL issues all employees with fair and transparent employment contracts in a language understood by the workers before they start working.
- DFL issues its employees with a Company Guide+before they start working which stipulates what is expected of the employees conduct.
- DFL gives one-month notice to employees to remind them of the expiration of their Contracts.
- Equal employment opportunities on the basis of qualifications regardless of sex, colour, marital status etc.

Activities implemented in the last year

- DFL covers expenses sustained as a result of work related accidents and diseases. In 2010, one of the mechanics had an accident while at work. The employee was given first-aid and was then rushed to hospital. He was allowed sick-off until he fully recovered and his entire hospital bill settled by the company.

Labour Rights Current

	Activities planned for next year
	1. Employee Representatives
	DFL plans to appoint an employees representative who will meet regularly with the Management
Rights ure	to discuss work-related problems and any grievances employees may wish to be addressed.
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Labour Futu	
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Environment	
UN Global Compact principles covered:	Principle 7: Business should support a precautionary approach to environmental challenges Principle 8: Business should undertake initiatives to promote greater environmental responsibility Principle 9: Business should encourage the development and diffusion of environmentally friendly technologies

Commitment

Environment

Current

Diani Flowers & Landscaping Ltd is committed to observe the UN Global Compact environmental principles and acknowledges the generally accepted environmental principles such as legal compliance, precautionary approach to environmental challenges, use of environmentally friendly chemicals/substances and the continuous improvement through environmental management.

A brief description of our Processes or Systems

- We have an anti-chemical fertilizers policy.
- We have an anti-chemical pesticides policy.
- We only use recyclable plant potting bags
- We use environmentally friendly building materials e.g. Clay
- We recycle grey water through treatment and use it for irrigation.
- We acquire the necessary legal licenses from the Nairobi City Council to operate our business.

Activities implemented in the last year

- Use of sustainable natural fertilizers e.g. Use of cow manure, goat manure and chicken manure. All these are safe for plants and they do not pollute the environment.
- We produce compost manure in our 4 composting units, by use of dead leaves, shrub and tree trimmings.
- Use of environmentally safe products for Pest & Disease control e.g. a mixture of Neem plant and soap is wiped on plants and trees affected by fungal infections. We also use milk with water as it is environmentally friendly and help in control of leaf fungus on plants. Ecotrap is also applied on plants to prevent pests from accessing plants.
- We pledged 10,000 trees towards the UNEP billion trees campaign. To date we have planted over 22000 trees.
- The recycled and treated grey water from toilets and sinks of the entire UN Complex is used for irrigation within the UN compound.
- We transplanted fully-grown trees from one area to another due to a project of

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	 new office construction in the UN complex. We implemented and extended the use of rainwater collection from the newly constructed CMMF site. 	
	Measurement of outcomes and value added for our company	
	 By use of grey water we have been able to conserve fresh water especially during the first two trimesters of year 2009 when we experienced severe water shortage in the country. By constructing our Nature Trail shop with 85% of recycled materials, we were able to save costs. On May 14th 2009, DFL planted 10,000 trees at Kedong Valley in conjunction with Police Officers of Embakasi Police Training College. We use recycled materials from our prunings to produce products, which we sell in the Nature Trail shop e.g. Charcoal, firewood, toothpicks. We do not cut trees to produce these products. Use of recyclable plant potting bags led to a reduction in expenses incurred in purchase of plastic bags. 	
	Activities planned for next year	
Environment Future	<u>1. Construction of a big Composting Unit</u> We plan to construct an additional bigger composting unit to accommodate the amount of mowed and raked materials from the flower beds and lawns. The new composting unit will facilitate control of accumulated green matter especially during the dry and windy seasons, when a lot of dead leaves fall off trees. During this dry period, pruning of weak trees branches is intensified to avoid any eventualities. Cropping selectively of tree and bushes branches to restore shape and promote sturdy growth of the trees is also done. Trimming of water shoots especially of Bougainvillea hedges, Durantha hedges and Kei Apple fence is also done. All the waste material is swept, sorted and used for composting, the sticks are used to make wood chipping and the larger branches are used for charcoal production.	
	2.Installation of Underground/Surface Water Tanks Plans are under way to install additional Underground/Surface Water Tanks for collection of rainwater. The rainwater is used for irrigation, thus saving on fresh water.	
	3. Mau Tree planting We intend to involve our employees in planting trees at Mau Forest. This will be our contribution towards conservation of environment.	

UN Global Compact principles covered:	Principle 10: Business should work against corruption in all its forms, including extortion and bribery
 business practorion promote an an	arency in procurement procedures. Certificate of Good Conduct required on all workers. In tof all business legal fees and renewal of the same to the government e.

Ę	Activities planned for next year <u>1. Supplies Manual</u> DFL is in the process of creating prevention and monitoring procedures between the workers and suppliers. This is by creating & upplies manual+which will list the prices of all our suppliers against the commodities supplied
Anti-corruption Future	our suppliers against the commodities supplied. We are currently preparing a plants catalogue which we will list the prices of several of our suppliers and consult it every time we need to purchase plants other than sending employees to buy the plants without the knowledge of the prices. This is aimed at reducing the cost of purchases.

How do you intend to make this COP available to your stakeholders?

We intend to include this COP in our Annual Report.

Donations, awards

Donations

As a contribution towards conservation of the environment we donated 10,000 trees which DFL together with Police Constables from Administration Police Training College, Embakasi, engaged in a tree planting exercise at Kedong Valley

DFL also donated and planted 300 croton megalocarpus **trees** to Commission for Higher Education, Nairobi (CHE).

In 2010 we donated 500 trees to Peponi Preparatory School Nairobi towards planting on World Environment Day.

Awards

In the month of October 2009, during the Kenya Horticultural Society Flower Show, held at Muthaiga Country Club, Diani Flowers & Landscaping was awarded 7 certificates for different flower/plants display. Among them were 3 for first prize, 2 for second prize and 2 for third prize.