



Year: 2012

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 and will endeavour to abide and support the ten principles of the programme through our policies, services and products. The company has been a UN Global Compact signatory since 2007.

Diani Flowers and Landscaping was founded in 1987 and is under the direction and leadership of Mr. Urs Ringler, the Managing Director. The Company offers many services and can be summarized into the following sectors: Landscaping, Agricultural, Horticulture and Floriculture. The Company has a workforce of 121 employees.

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BRIEF DESCRIPTION OF NATURE OF BUSINESS

Core Business

Diani Flowers & Landscaping Ltd is a company offering Landscaping and Gardening Services.

Main Clients

- United Nations Office at Nairobi (UNON) - Landscaping and Garden Maintenance Services Contract since the year 1992.
- Amahoro National Stadium, Rwanda - Contract for Grounds Maintenance of Amahoro National Stadium.
- UNPOS, Nairobi Office - Contract for Grounds Maintenance.
- UNEP Nairobi - Contract for Maintenance of Indoor Plants.
- UNICEF Nairobi - Contract for Maintenance of Indoor Plants and supply of Fresh Flower Arrangements among others.
- Red Court Hotel - Landscaping, Design, Construction of Fountains
- Boma Hotel - Landscaping and Garden Maintenance Services Contract, Red Cross Kenya, Landscaping
- Swiss Embassy - Landscaping Maintenance

Products

DFL produces a number of products from the UNON 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 UNON Commissary shop.

Products stocked include:

- Charcoal
- Firewood
- Compost
- Tree seeds
- Wood chippings
- Honey
- Tea leaves
- Coffee
- Jam
- Pickle
- Vegetables
- Cards
- Toothpicks
- Flower seeds
- Herbs
- etc.

We have a plant nursery where we propagate various plants i.e. Flowers and trees. We have established a vegetable garden where fresh assorted vegetables are grown by the Company's Nursery Team. Some of the vegetables planted include Spinach, Lettuce,

Beetroots, 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. Fruit plants are planted on the UN grounds and maintained by the Company. e.g. Pawpaw, Raspberry, Strawberry, Banana and Loquat.

DFL produces environmentally friendly charcoal, firewood and wood chippings using pruned materials. Trees are not felled for this purpose. DFL produces compost manure and mulches from the composting units specifically designed by DFL for this purpose. This compost is used in our landscaping activities and is for sale at Nature Trail shop.

DFL are also involved in apiculture and pure natural honey from our 42 bee hives placed at different sites at the UNON Complex around are collected and kept in its natural form and packaged without destroying the natural properties. Care is taken to keep all hives and production at a safe distance from UNON Staff Members and Contractors at the Complex.

The Company provided the development, drawings and implemented the concept to plant tea and coffee plants at the UN Memorial Garden to represent the people who passed away in the 1998 American Embassy bombing.

The seeds collected from the fields are dried and prepared for packaging and are sold at the Nature Trail shop.

DFL makes greeting cards using recycled paper and dry banana bark.

We sell fruit Jam that we produce using different types of berries e.g. strawberries, grown at the vegetable garden in the UNON Complex Gigiri.

We make Toothpicks from *Acacia sieberiana* tree thorns originating from the Nature Trail.

No trees are felled for the production of firewood, wood chippings and charcoal.

In this COP, we will report on four areas of the 9 Global Compact Principles. I.e,

ENVIRONMENT, ANTI-CORRUPTION, LABOUR AND HUMAN RIGHTS.

DFL ensures that chemicals are not used in the Company's operations and activities within the UNON. We use only biological substances for treatment of plant diseases.

DFL abides with, and are compliant with all relevant and new environmental legislation in the country.

DFL prevents and reduces waste water 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.

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 Maternity 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 allowance to ease lateness for their duties in reporting in the morning, thus functions are not delayed by lateness.

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.

DFL ensures that all international prescribed code of ethics and procurement code of ethics are implemented.

DFL works against corruption in all its forms including extortion and bribery.

Human Rights

Current Human Rights Principle

Business should support and respect the protection of internationally proclaimed human rights

UN Global Compact principles covered

Business should ensure that they are not complicit in human rights abuses

Commitment:

Diani Flowers & Landscaping Ltd is committed to support and respect the protection of internationally proclaimed human rights and ensures that its policies are not complicit in human rights abuses.

OUR PROCESSES AND SYSTEMS

DFL ensures that its products are of high quality and are prepared using high degree of hygiene and care to eliminate the dangers of threatening the life, health or safety of the users - e.g. honey harvesting

Products are well package, clearly labeled, properties indicated, barcode as well as expiry dates on the labels to create awareness to the consumers.

Enhance consistency of production to enhance continuous availability of the products to consumers.

DFL ensures it supports to the local community by offering employment to the locals.

DFL promotes business with the local community. E.g. We give the local community grass for their cattle or firewood in exchange for manure (cow, goat, chicken). We also purchase items e.g. red soil from them, which we use to level our lawns and for top-dressing.

DFL ensures and requires that the catering allowance provides the opportunity to buy a nutritious meal to workers that observe a high degree of hygiene in preparation so as not to endanger the health of its workers.

DFL offers internship to university students undertaking degree courses in Ornamental Science & Landscaping.

Packaging of charcoal in both the 10kg and 5kg bags to make it affordable to all consumers

A survey conducted by DFL Management earlier in 2012 revealed that the employees were unhappy with the services of the caterer. We therefore opted to pay cash for meals at lunch time.

DFL offered internship to five university students undertaking degree courses in Ornamental Science & Landscaping at Jomo Kenyatta University of Agriculture and Technology (JKUAT).

Measurement of outcomes and value added for our company

By maintaining constant supply of our products we have gained many customers hence increased income.

DFL has realised its Corporate Social Responsibility through doing business with the local community and also employing the local habitants.

DFL employees are happy with the cash for meals being provided by the new cash catering arrangement.

The students on attachment have been able to get practical experience in relation to Horticulture, Ornamental Science and Landscaping within our professional environment.

In 2012 we participated and provided a sports team made up of Diani Flowers & Landscaping Staff members. This team participated in the UNRC Mud splash run and successfully won the competition.

We also produced, designed wooden medals for competitions for winners 1st price 2nd price and third.

IMPROVEMENTS PLANNED FOR NEXT YEAR

Our vision is to expand the Nature Trail product range in 2013. These products are as follows.

1. Bee wax candles
2. Honey in combs
3. Crystallised honey
4. Potpourri
5. Bamboo mat
6. Papyrus paper sheets
7. Dry flowers
8. Laminated table mats
9. Additional types of seeds for; shrubs, flowers and bulbs.
10. Wooden cutting boards
11. Wooden plates
12. Brooms
13. Banana leaf art to be more diverse
14. More vegetables e.g. squash, pumpkins, ground nuts, potatoes
15. Fruits e.g. oranges, mulberries, lime, Mangoes

Human Rights Future Labour Rights Principle

- 3: Business should uphold the freedom of association and the effective recognition of the right to collective bargaining Principle
- 4: Business should support the elimination of all forms of forced and compulsory labour
- 5: Business should support the effective abolition of child labour
- 6: Business should support the elimination of discrimination in respect of employment

UN GLOBAL COMPACT PRINCIPLES COVERED AND 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 employees' workplace issues, as they are our number one stakeholders.

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 cash for a substantive and nutritious lunch. The Company provides as well 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 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.

- a) Labour Rights Current
- b) Activities implemented in the last year
- c) Measurement of outcomes and value added for our company

LABOUR RIGHTS CURRENTLY IN PLACE

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, religion etc.

DFL engages in staff welfare by recognising outstanding performance and sponsoring employees in training. One of our Florists was sponsored for Floral Design Training organised by Kenya Flower Council also a German Florist visited our offices in December 2012 and made a training course. Some employees were awarded a certificate upon completion of the training.

Employees were provided with equipment/protective gear to ensure their safety while working. E.g. Canvas shoes, gumboots, overalls etc.

We submitted the stipulated legal fees of all employees and casual labourers to the National Social Security Fund (NSSF), NHIF and PAYE.

DFL Provided the required four months paid maternity leave to one employee on maternity leave.

DFL maintains harmony among its workers by issuing them with fair, transparent and understood employment contracts before they start working. This ensures that our employees are motivated and leads to greater productivity.

Due to the open door policy, employees are able to express their grievances and the Management solves them amicably.

The "Company Guide" serves as the employee manual that gives details about our company, employees' role, career prospects, benefit entitlements and rules & regulation. This guide gives employees understanding of their job.

Through our medical scheme workers who have been officially recognised as suffering from HIV/AIDS, access and receive ARV's as well as their immediate family members thus increasing their productivity.

The "Guaranteed Fair Employment Package" salary policy has helped to improve the working conditions of employees and has created a healthier and happier work force as well as increased the effectiveness and efficiency of the day to day running of the company.

Provision of cash for a substantive and nutritious lunch as well as tea in the morning has greatly improved productivity.

DFL does not coerce its employees to forced or unpaid overtime and thus employees are always willing to work for extra hours and hence earn extra money.

Due to the mandatory requirement of National Identity Cards, we have ensured that no minors working at DFL and thus child labour is abolished.

ACTIVITIES PLANNED FOR NEXT YEAR

In view of the above the Management decided to involve the DFL staff-members in several sports activities. Under discussion is to create a Football team, Darts club and an Athletics team.

Employee Representatives DFL plans to re-appoint an employees representative who will meet regularly with the Management to discuss work related problems and any grievances employees may wish to raise.

Labour Rights Future

Environment Principle

Our Business should support a precautionary approach to environmental challenges

Our Business should undertake initiatives to promote greater environmental responsibility

Our Business should encourage the development and diffusion of environmentally information

UN Global Compact principles covered:

ENVIRONMENTALLY FRIENDLY TECHNOLOGIES

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

Activities implemented in the last year

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.

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.

The recycled and treated grey water from toilets and sinks of the entire UNON Complex is used for irrigation within the UNON compound.

We transplanted fully-grown trees from one area to another due to a project of new office construction in the UNON complex.

We installed two Solar Hybrid Automowers from Husqvarna in Red Court Hotel in 2012

ENVIRONMENT CURRENT

We implemented and extended the use of rainwater collection from the newly constructed NEW OFFICE FACILITY AT UNON 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 year 2012.

We use recycled materials from our pruning 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 re-cyclable plant potting bags led to a reduction in pollution.

Activities planned for next year

Construction of a fitness trail at the UNON Nature Trail.

Construction of a big Composting Unit 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.

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.

Segera Ranch Tree planting

We intend to involve our employees in planting trees at Segera Ranch. This will be our contribution towards conservation of environment.

Anti corruption UN Global Compact principles is covered

Our Business will work against corruption in all its forms, including extortion and bribery

COMMITMENT

Diani Flowers and Landscaping Ltd is committed to engaging in transparent and fair business practices that do not distort the business environment. It is DFL's policy to promote an anti-corruption business environment.

A brief description of our Processes and Systems

Measurement of outcomes and value added for our company

The company signs contracts with all clients.

System where all employees personally sign after receiving their salaries and wages.

The Managing Director has openly declared that the Company will not engage in corruption at any time or in any form.

Company promotes and encourages employees to report suspicion of corruption- related cases or practices.

Discouraging employees from accepting corporate gifts other than diaries, calendars and stationery.

Transparency in procurement procedures.

Police Certificate of Good Conduct required on all workers.

Payment of all business legal fees and renewal of the same to the government e.g trade license.

DFL implemented a process of signing contracts/agreements with all its clients and DFL discourages misuse of entrusted power for personal or private gain, which would otherwise ruin our reputation and increase the cost of doing business thus hampering economic development.

By discouraging employees from accepting of corporate gifts other than diaries, calendars and stationery we have been able to curb bribery.

All employees are required to obtain a Certificate of Good Conduct from the Criminal Investigation Department of Kenya before employment and to renew it annually. This has enabled us to detect workers with past criminal records.

We installed a Biometric scanner in order to reduce fals attendance records and have correct attendance records available.

ANTI CORRUPTION ACTIVITIES PLANNED FOR NEXT YEAR

Supplies Manual

DFL is in the process of monitoring procedures between the workers and suppliers. This is by using "supplies manual" which will list the prices of all our suppliers against the commodities supplied.

We have a plants catalogue which we have listed 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.

In order to improve transparency in salary payments we introduce a advanced Payroll system and upgrade the accounts system with advanced software.

We also installed a server in order to centralise the electronic data.

A time capsule back up system has also been approved and is currently being tested.

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

We support the community in various activities among them are:

Providing trees for tree-planting exercises in schools namely Peponi School, German school, Nairobi City council.

We provide prizes and Gift vouchers for raffles and tambalas.