THE ANNUAL REPORT OF DIANI FLOWERS & LANDSCAPING LTD FOR THE YEAR 2007/2008

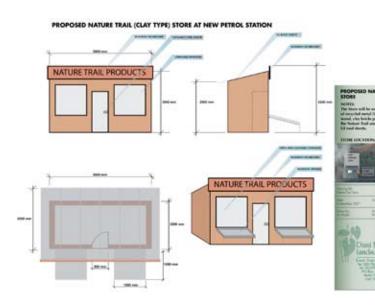
The year in review posed great challenges involving mountains of effort and difficulties experienced. The tasks which the Company was requested to perform were accomplished by devotion to duty.

On various occasions the Company was called at short notice to perform tasks and this meant that the Company was expected to work wonders in order to comply with extraordinary events that brought / involved prompt decisions and implementations. The Company working outside the ambit of its contract had to fulfil certain obligations by purchasing materials, affording transport, deployment of extra labour force to complete the task to the satisfaction of the proposers.

Plans had to be drawn, significant decisions taken to have profound effects and success. Worthy of attention and/or notice were the construction of

- (1) the platform
- (2) the helipad and
- (3) the Nature Trail Shop

The latter was constructed with available local materials, such as earth, clay bricks and recycled materials from the old recreation centre. They stand out as objects worthy of note. In accomplishing the tasks, workers were constantly reminded of their responsibility in the conservation of trees and plants so that restoration would be preserved for posterity.



Nature Trail Shop designed and build using 86% recylable materials



Nature Trail Shop Opening on 5th June 2008



The financial obligations and implications had to be considered and examined in detail, as these were not included in the Company's budget so conclusions and inferences had to be drawn for the sole reason that they were not explicitly stated initially. The immediate concerns were that prompt action be taken in certain cases so as not to impede progress. Recognising the urgency, immediate enquiries and purchases of materials necessary to complete the projects had to be set in motion, transportation of materials and workmen had to be finalized. Transportation involved the ferrying of workers to and fro in the mornings and late nights. Consideration had to be given for the provision of meals and payment of overtime. It was case of all hands to the pumps. To accomplish the tasks, which were performed free-of-charge required speedy planning and negotiations with material suppliers located distances away. The task force encountered unfavourable conditions, namely intermittent rains and muddy tracks, and uneven surfaces. The muddy tracks caused by the suppliers of materials for the UNFCC Conference, destroyed rugs, carpets and wooden floors in the course of transportation of plants and flowers to conference rooms and sometimes these interruptions and nuisances tampered with the easy flowing of the works. This necessitated stoppages, clearance of footpaths, etc.



Sad to note that the company suffered set-backs as a result of items being removed from the company's premises, especially the disappearance of a chain-saw, a valuable and costly implement thus holding progress and accomplishment.

The theme of the company was and is to generate, promote, enhance, harmonise and formulate guidelines that would provide the framework and understanding between management and employees and a forum for exchanging views on certain aspects and improve arrangements for all concerned.

The Company aiming at improving the working conditions of employees has adopted in entirety the Fair Pack Policy introduced by the United Nations Office at Nairobi. This Policy, a copy of which is forwarded herewith, caters, inter alia, for the treating of employees equally without favouritism or discrimination. The Company in its efforts to promote its activities established weekly meetings with employees' representatives and the management to discuss employer/ employee relations. The achievement has shown not only fair and equal representations for all but also harmonised relations.

Urs Ringler Managing Director

STATEMENT OF MANAGING DIRECTOR OF DIANI FLOWERS AND LANDSCAPING LTD PLEDGING CONTINUED SUPPORT TO THE UNITED GLOBAL COMPACT PROGRAMME.

Diani Flowers and Landscaping Ltd is committed to continue offering maximum support to the Global Compact Programme of the United Nations and will endeavour to abide by the ten principles of the programme, most of which are part of our vision and mission statements. Please find attached the Communication of Process expressing our willingness to continue supporting and advancing the ten principles through our policies, services, and products.

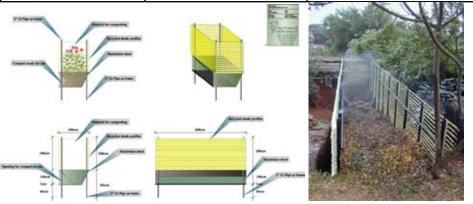
Area of Intervention	Key Initiatives	Process	Results
Health Care	HIV/AIDS workshop training for all staff Appointing of group leaders to counsel staff Risk assessment in the working areas	and testing for HIV/ AIDS -Free ARV's for HIV/AIDS carriers and immediate family members	Reduced absenteeism due to HIV/AIDS related cases Reduced accidents within the working areas Highly motivated work force due to sound medical management for self and immediate family members
Environmental Preservation	Environment conservation initiative	- Pledged 10,000 trees towards the UNEP Billion tree campaign	2500 trees planted to date and 12000 trees produced in the nursery
Use of Environmental Friendly Building Materials	Demonstration of Environmently friendly ways of building (Shop is Built with Clay walls Material sourced from within the Complex)	- Construction of a Nature Trail Shop at UN Gigiri using recycled materials from the UN Complex	Shop commissioned during the UNEP World Environment day held on 5th June 2008 at UN Complex, Gigiri
Environmental Preservation of catchment area along the river	Preserving the wetlands and river catchment areas	- Conservation of indigenous tree species at the UN Nature Trail	Planting of Indigenous tree species and clearing of exotic plants especially <i>Lantana</i> <i>camara.</i> To date planted 698 indigenous trees

COMMUNICATION OF PROGRESS



Conservation of indigenous tree species & planting of trees at Silole conservancy

Area of Intervention	Key Initiatives	Process	Results
Recycling	Testing phase	Use of biodegradeable plant potting bags	Tree planting on biodegradeable bags led to a reduction in expenses incurred in purchase of plastic bags. Also collection of plastic bags was reduced
Environment	Carried out for over 16 years. No chemical pesticides used to treat pests on plants, flowers etc.	Use of environmentally safe products in the control of pests and diseases on plants -	We used a mixture of Neem plant leaves and soap to wipe pest infested plants. There was a great reduction in infections and plants grew more healthy. Planting of Tagetes also to control pest infestation on Olea trees.
Environmental Preservation	Use of sustainable , natural fertilizers e.g Cow, goat, chicken manure. Bone meal, Horn meal etc.	Use of environmentally safe plant fertilizers	We purchased 56 tons of cow manure which we mixed with soil for our plants. We also used over 1000 Kg of bone meal in the potting mixtures. This was used instead of the chemical fertilizers which are not environmentally safe
Environmentaly friendly recycling	Use of on site produced compost and we made the same product available for sale at the Nature Trail Shop	Construction of composting pits	We have four composting pits where we put all waste plant materials and food for composting and eventual production of compost manure



Fast Composting Unit composting pits made of recycled materials

Area of Intervention	Key Initiatives	Process	Results
Labour	Adoption of the UN Fair Pack Policy	The company has been using the Fair Pack Policy as a guideline to its recruitment activities. Staff have thus enjoyed wages higher than the government set minimum pay	Improved living conditions Better health for staff since a balanced lunch is provided by the company Medical attention is accorded to staff hence low staff absenteeism Motivated work force
Labour	Child Labour abolishing	No employment of minors is allowed in the company	Mandatory submission of an Identity Card by all job seekers
Education	To have Students on attachments from Universities	Students come for attachment for a period of 4 to 8 weeks	Students on attachments get practical experience of working in the field and private sector
Labour / Pension	National Social Security Fund	All employees required to have a National Social Security number for submission of the stipulated legal fee	Company facilitates the acquiring of the National Social security card for all staff for submission and future claim of their funds.
Staff welfare	Staff welfare	Recognition of outstanding performance	On 20th July 2007, the company turned 20 years and to commemorate this achievement, staff were treated to a party at a hotel and staff whose performance was exemplary were awarded gifts.

Charitable Donations to Humanitarian Appeals:

Diani Flowers and Landscaping staff donated food stuff to the Red Cross Save a Life Kitty.

