

**ZONAL CONSTRUCTIONS AND
HANDLING SERVICES, Co, Ltd.**

COMMUNICATION ON PROGRESS

STATEMENT BY MANAGING DIRECTOR

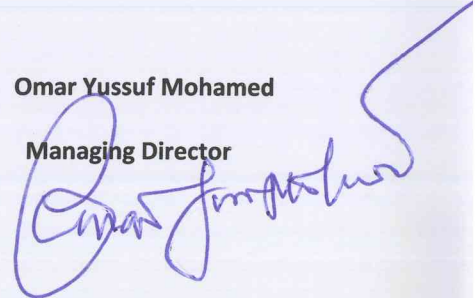
Zonal Construction and Handling Services Company do hereby kindly confirm our renewed commitment to the Global Compact development and promoting its ten principals with respect to labour, human rights, environment and anti corruption by continuing to align and integrate with our day to day activities, projects and programmes , culture and our operational strategies , planning and implementations in our sphere of influence for the broader development of the United Nation Goals, corporate sustainability governance and leadership in particular the Millennium Development Goals .

Focus and commitment in one end will inevitably raise agap on the other end and this been said Zompany concentrated on business growth investment and strategic plans development caused by substantially growing targeted business market demand of the company in the areas of commercial trade , construction works , transportation and supply chain management for the reporting period of 2014 to 2015 ,

We will continue integrating this principles in practice for all our engagements and activities , I kindly once again confirm to the United Nations Global Compact team our continuous commitment submission of Communication on progress reports to the United Nations Global Compact and to our stake holders and the public domain to maintain transparency and accountability .

Omar Yussuf Mohamed

Managing Director



Zonal construction and handling Company Operates Legally in Somalia and marginalized North and Eastern Part of Kenya actively and we undertake Business services in the below areas in order to fill competently the logistical and support gap existing in both private and public sector particularly in Somalia where central government role in the public sector is no existence for more than two decades hence the die need for private sector vigorous engagement/ involvement in filling this gap for sole sake of community and the larger public needs satisfactions in spite huddles , ups and downs connections in accomplishing this tasks .We as private sector Company play vital role in delivering different needs of the community and public we serve ranging from basic to tertiary needs .



About ZONAL

Mission/Vision Statement: - Provide high quality, cost effective logistics Support services and Construction works solutions to promote socio-economic infrastructure Networks in post conflict affected country (Somalia) and marginalized Eastern and North Eastern province of Kenya.

“ZONAL” is committed to excellence in services deliveries / provisions

. The Company is managed by highly well trained, experienced, dedicated, focused, motivated, self driven and innovative professional team with sense of entrepreneurship background and skills in post conflict affected country wide operations and related social economic networks .promotions .

We provide competent and innovative workforce solutions to clients to meet the challenges of the today's dynamic business and working environment.

Our key deliverables are Efficient and effective out puts results measured on competency and team work.

We have the right mix of resources to help clients maximize the efficiency and productivity of their workforce through our wide range of services.

Our aim is to provide and deliver quality Logistics support services to our clients/Customers with an in-depth understanding of their needs. We always maintain excellent rapport with our Clients and flexible to accommodate busy schedules and short time notices in meeting their varying needs.

We welcome ideas, suggestions and advices from clients/professionals/experts /partners and well-wishers.



Zonal Products and Services



Zonal seeks to facilitate efficient, cost-effective and top-quality services.

“ZONAL” offers a wide variety of Logistics support services to fill and respond to the demand and supply gape competently with reduced lead time, effectively and efficiently with sole satisfaction objective to clients and customers.

- **General trade activities and Procurement services**
- **Transportation services.**
- **Heavy and Light construction/rehabilitation and maintenance services of roads, ports and bridges.**
- **Border transit and ports Customs Clearance and forwarding facilitation services**
- **Storage and Commodities handling service,**
- **Gender Equality , Women Empowerment and Child Protection promotions activities**
- **Consultancies services**
- **Securicor services**
- **Supply of assorted food and nonfood Commodities items–e.g. food commodities , construction materials , fuel, Jet A1, Diesel, Kerosene**

- Plumbing and electricity installations service
- Waste Management services
- Infrastructure Development/Assessment Services
- Livestock keeping and marketing /promotions services
- Agricultural productions promotions/development and fishing activities
- Sustainable development on climate changes Impacts and environmental protection and promotions activities.
- Conflict resolution, Good Governance and leadership promotion activities

“ZONAL” seeks to set high standards in service provision through our professional, technical work force experience and expertise. The following attributes provides Zonal with an edge of professionally:



We are committed, communicative and competent in delivering our services to the best satisfaction of **Wh** our clients/customers with reduced lead-times responses and just in time delivery of services.

EXPERTISE AND EXPERIENCE

Our expertise and staff have work experience and technical knowledge and skills required and had successfully implemented varying projects in both private and public sector across operational zones. Zonal has personnel who **understand in depth different socio-economic infrastructure** networks interactions levels, needs of the community and are dedicated to specific market zones as a fundamental component of our **business strategy**. In a word, Zonal enterprise solutions to social services enabled to capture new opportunities and expand operationally.



Integrated Solutions Zonal highly qualified Competent, dynamic and multicultural team of associates enabled “ZONAL” to provide effectively



Developments During 2014-2015

Zonal Construction and Handling Company main activities during the reporting period was General Trade / Transportation and Supply Delivery Services Activities which the top executive together with entire work force were involved, focused and committed to by expanding business in existing operational markets and regions as well as inventing in new areas and specific market zones .

Procurement and Supplying of goods and services from main ports to land locked regions and neighboring bordering countries regions

Supply distribution to regional premises centers with reduced lead time and just in time deliveries while at the same time gaining more targeted market zones and expanding its business in length with application of coherent and well planned operational business strategies and focused and dedicated management and motivated staff .

We transport goods from entry ports to and from other regions in the country and across neighboring countries like Ethiopia and Kenya where commercial goods and services with demand from clients are exchanged by road and delivered accordingly to satisfy customers across different regional corridors.

Zonal expanded operational staff, offices and other relevant facilities in all its strategic market zones and operational areas.

- **During the reporting period Zonal Company increased its over land and inland transport and supply delivery services to both public and private investors and traders, Local and International Non Governmental Organizations and United Nations clients in its operational areas.**
- **Zonal has also established good relationship relationship with its clients and various administrations and authorities in its operational areas and new market zones which enabled the company to operate continuously in complex and challenging atmosphere and environments where competence with output is mandatory for business sustainability , accountability and continuity while maintaining momentum and credit from clients and stake holders .**

Construction Works

We also carry out construction activities ranging from rehabilitation, maintenance and buildings of new structures and real estate construction works

in the private and public sector, various construction works has been company second major activities for the year 2014.

We provide modern construction works real estate housing and business premises and malls to fill growing market and fill the existing gap competitively.

We employ professional construction engineers and experts in that regard to create clients satisfaction with reduced lead times.

Attached pictures shows business trade, construction and transportation works activities carried out by Zonal construction and Handling Services Co, Ltd.

Ports of Entry Customs clearance and Boarder Transit facilitations activities

We facilitate trade on behalf of Private and public sector at port of entries and transit boarders by ensuring no much delay is taken by filling the logistics gap and ensuring just in time delivery of commercial goods and services awaited at respective final destination locations by end users.

Main entry ports are Mombasa and Mogadishu where our company is officially registered and undertakes business operations on daily basis and also transit boarders that we mainly operate and facilitate business is Kenya –Ethiopia and Kenya-Somalia boarders on commercial truckers ranging from 40 tonners to 70 tonners through overland transportations .

Supply and Procurement Services

We do provide supply/procurement of goods and services to private business people as well as International humanitarian organizations and United nations AMISOM operations in Somalia in our operational area/zones.

In our operations we observe the supply and procurement processes and factors to consider when procuring and supplying to clients to maintain credibility and to be accountable of our services so that we maintain integrity and create effective and efficient customer satisfaction.

In our day to day operations and strategies we align with ten principles of the global compact by integrating our activities , culture and day to day activities implementations , planning and achievements .

Zonal Construction and Handling services Co , Ltd supports the United Nations Global Compact which is a strategic policy initiative and aligns our day to today and strategic operations in our business that is committed in integrating our operations and strategies with the following ten principles :

HUMAN RIGHTS 1. Businesses should support and respect the protection of internationally proclaimed human rights; and
2. make sure that they are not complicit in human rights abuses.

LABOUR 3. Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;
4. the elimination of all forms of forced and compulsory labour;
5. the effective abolition of child labour; and
6. the elimination of discrimination in respect of employment and occupation.

ENVIRONMENT 7. Businesses should support a precautionary approach to environmental challenges;
8. undertake initiatives to promote greater environmental

responsibility; and

9. encourage the development and diffusion of environmentally friendly technologies.

ANTI-CORRUPTION 10. Businesses should work against corruption in all its forms, including extortion and bribery.

Zonal embraces and supports these principles and strives to integrate them into policy, Strategy and practice.

Environment

The environment surrounding has great impact on our living and business we do around, for Zonal Operations in Somalia where land degradation, deforestations , scarcity of water , increasing aridity , over grazing , waste disposal , ecosystem service and climate changes are some of the main challenges surrounding us that we are struggling to make it more friendly through community sensitizations and mobilizations , posters and by workshops as well as through the local media .

This challenges contributes further to an already existing problems of poverty, health, economy, ecological and human resilience

Zonal professional staff on environmental protection issues is tireless on the move to coordinate environmental activities and supervise relevant field staff.

In addition, Company have strict policies in our commitment in complying on enviromal and climatical protections and development issues which is approved by Company top management and made available to staff and stake holders .

In our business we also have internal regulations on the preservation and good use of the environment surrounding by saving a lot of energy and paper by avoiding misuse of resources.

Zonal also provides capacity building trainings on good and productive farming practices and farming inputs to Local farmers in Hiran region .

LABOUR

Our core value in relation to labour practice and Decent work is to respect the dignity and well-being of All those people who work for us. Looking after the People who work in our businesses, wherever they May be based, is our priority.

As we aspire to be the leading Construction and Logistics Support Services Company in the region we are continuing to invest Significantly professional with exact background experience in specific operational market zones and in order for us to retain this Position it was inevitable for us to develop our Existing and new staff and personnel by means of formal and on the job training.

In 2016 we will continue to expand our Leadership development and training programs Creating a sustainable competitive edge.

HUMAN RIGHTS

The Company respects the ILO Convention and the UN Global Compact Principle on Human Rights.

Our business units do not tolerate human Rights abuses, and are not engaged or party to any Activity that encourages human rights abuse.

We have a social policy that declares our commitment To complying with labour laws and international Agreements

The policy summarizes the rights and responsibilities of the Management and workers, with emphasis on human Rights, labour aspects, living conditions, basic Services, occupational health and safety, training Opportunities and community relations.

The social policy has been approved by the top management And made available to the Company's entire team and Staff All our employees have the right to freely organize and voluntarily negotiate their working conditions in a collective manner as established in ILO Conventions 87 and 98.

By complying this policy we guarantee this right and do not impede workers from forming or joining unions, collective bargaining or organizing for ideological, religious, political, economic, social, and cultural or any other reasons.

We periodically provide opportunities for workers to make decisions regarding their rights and alternatives to form any type of organization for negotiating their working conditions. And any type of forced labor is prohibited

We do not withhold any part or all of workers' salaries, benefits or any rights acquired or stipulated by law, or any of the workers' documents, in order to force them to work or stay on the farm, or as a disciplinary action. The units do not use extortion, debt, threats or sexual abuse or harassment, or any other physical or psychological measure to force workers to work or stay on the farm, or as a disciplinary measure.

We prohibit direct or indirect employment of full- or part-time workers under the age of 18 within our business units.

ANTI CORRUBTION

Zonal Company Businesses operations and activities work against corruption in all its forms, including

Extortion and bribery and have strict policy regulation to be complied In regard to corruption and in its all forms.

Zonal embraces and supports these principles and strives to integrate them into policy, Strategy and practice of our day to day activities and operations and culture of our business.