

ZONAL CONSTRUCTIONS AND HANDLING SERVICES, Co, Ltd.

Chief Executive Director

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COMMUNICATION ON PROGRESS

STATEMENT BY MANAGING DIRECTOR

Zonal Construction and Handling Services Company do hereby kindly confirms renewed commitment and engagement 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 and our business actions in our sphere of influence for the broader development of the United Nation Goals, corporate sustainability governance and leadership for the overall achievement of the sustainable development goals and in particular in agenda eight and nine .

During the reporting period the company accomplished and contributed to the successful achievement and implementations of the cash based transfer / digital financing system, expansion of cash and electronic voucher retail services.

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 /clients and to the public for transparency and accountability .

Chief Executive Director

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Zonal Construction and Handling services Co, Ltd supports the universal principles of the United Nations Global Compact which is a strategic policy initiative for business corporate and social responsibility and aligns day to today and strategic operations in our business operations, strategies, actions implementations and compliance adhering with the following universal principles effectively and efficiently.

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 business action practices and day to day activities and accomplishments of tasks and responsibilities across the operation and with our staff, clients and stake holders.

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We vey much acknowledge that our activities have the potential to Affect the environment either positively or negatively Hence aim to improve continuously all environmental aspects of Our business operation.

In addition to using resources wisely, We strive to minimize any negative environmental Impacts that could be caused by our business activities.

We focus our environmental efforts on activities that we believe have the greatest impact. Today we work on an overall level in major areas such as reducing Carbon dioxide emissions, using alternative energy Sources, managing waste water, and reducing Energy consumption

We moved forward and ahead in comparison with year, company is investing and marketing alternative modern high energy efficient products, goods and services e.g. solar lights and installation systems introductory

Environmental Activities co-ordination

Each and every business unit has a senior manager in charge Of developing, planning and implementation of measures to

ensure strict adherence and compliance, they are also responsible for developing and implementations and roll out of related and specific business activities (SOPs)Special Operation Procedures

Each unit has its own action

Plan detailing the work towards achieving the goals

set for social and environmental, waste

Management, saving energy and water, as well as

minimizing environmental impacts from company supply and transportation sector services

The operations progressively introduces tougher

Demands in the area of environmental management,

Such as energy consumption, waste

Management and the use of alternative efficient energy products and services .

They also demonstrate that they have

Effective and reliable methods for monitoring

Progress and risk management

. There are monthly reviews, focusing on Issues related to environmental management set-up and evaluation of actual performance.

Description of our Processes or Systems

We support the principle of "wise- and efficient use" and

Management and see this as key to sustainability development goals and tnew technology engagement and the long term preservation of our natural resources.

As part of our business objectives we therefore:

- Seek the efficient use of natural resources:
- Seek investment opportunities where sound Economic development is coupled with the Protection and improvement of the Environment:
- Avoid investments where impacts on Communities and the environment have not been properly considered and mitigated in their design.

The Company has the necessary processes for follow up, measurement and analysis, including that of claims by workers or other persons or groups, to evaluate the functioning of our social and environmental management system. The results of these processes are recorded and incorporated into the policies through a continual improvement plan and program.

In addition:

- We ensure that the environmental effects of our investments are assessed and Monitored in the planning, implementation And operational implementations stages.
- The business is designed and operated to comply with national and international legislation.
- We do not knowingly support businesses and practices which contravene any relevant international conventions.
- We assess the environmental standards and practices for planned projects and achieved by operational projects with reference to local regulations and policies.

This is to enhance environmental sustainability and encourage a long term development Perspective in the way we conduct our Business parallel with global sustainable development goals. All existing natural ecosystems, both aquatic and terrestrial, have been identified, protected and are being restored through a conservation program. The program includes the reforestation of areas within the farms that are unsuitable for agriculture.

the company maintains the integrity of aquatic or

terrestrial ecosystems inside the farms and do not permit their destruction or alteration

as a result of management or production activities.

- The company Production areas are located in places that cannot provoke negative effects on national biological corridors, forestry reserves, buffer zones or other public or private biological conservation areas.
- The company implement a training and education program in order to guarantee the effective execution of the social and environmental management system and its programs. The training topics are identified according to the position, and type of work carried out.
- Records are kept that include the participants' signatures, topics covered and the instructor's name for each capacity building training and educational event. The employees and clients are both covered in our trainings and educational events.

Waste management

Our operations have an integrated waste management program for the waste products generated in the our activities and that of the vulnerable groups in the communities we serve and programmes supported by humanitarian agencies benefitting humanitarian aid beneficiaries.

This is based on the concepts of refusing or reducing the use of products that have actual or potential negative impacts on the environment or human health waste as well as reusing and recycling waste.

The sources and types of waste have been identified and the quantity (weight or volume) estimated. The activities of the integrated waste management program are in accordance with the types and quantities of waste generated.

We have appropriate treatment systems for all of

Wastes solid and liquids generated.

The treatment systems

comply with applicable national and local laws and customs and have the respective operating permits.

There are operating procedures for wastes

Systems management and biological indicators such as fauna and flora showing good growth and diversification in species proving that it is effective, this is for waste water management

Ashes and clinkers

generated from the combustion of firewood are placed on the compost heap.

On the other hand Solid waste i.e are placed on compost heap for recycling i.e used as manure, an alternative fertilizer source..

Office refuse is sorted and the combustible materials are burnt in boilers and other material disposed of in a pit. The metal scraps are collected and sold to a scrap dealer. Paper and plastic is disposed of by recycling where possible. Solid factory waste consists mainly of plastics, paper, textiles, cotton wool, glass, pieces of wood etc. Litterbins are provided at each factory for collection of waste with separation at source.

Incinerators are available to dispose off and the ash from the incinerator is buried accordingly.

Human waste from management houses and factories are collected in septic tanks. The human waste from the village is handled by use of the pit latrines, which are properly decommissioned when full. The 'VIP' pit latrine types, are well ventilated for reduction of bad odour and flies.

The compost heaps for biodegradable rubbish generated in the estate villages are built according to a very specific design from our social/ environmental consultant.

As a further waste management strategy a waste classification report has been compiled and the analysis conducted.

Energy consumption

Zonal company farming and production of Banana, lemon juice, seism, onion, beans and fresh fruits and green vegetables consumes mainly thermal and efficient solar energy installed system and electrical

energy as alternative source of energy when need be .

Our goal is to reduce related environmental hazardous and impacts by investing /marketing new efficient and effective high energy products and services like solar lights and system installations, capacity building for repair and maintenance, thermal energy use and by doing this we are turning the global goals in to business actions and implementations across our operations

Energy use is continuously monitored at each Sector and area.

Staff are well trained on utilization of energy recourses – with principles of observations of switching off light when leaving office and living quarters , avoid printing un necessarily , printing and preserving the environment .

Transportation

The impact exerted on the environment as a result of Transport activities related to our operations cannot be overlooked and therefore Smart route planning, full utilization of the volume capacity in a trailer as well as the filling with the right weight of goods is the most effective weapon to reduce the environmental impact and cost of transport, in time transport reservising

Households

Households levels main sources of energies are still fuelwood, Kerosene, Liquified Petroleum Gas (LPG)

, but The shift to high efficient energy products investment has contributed to great change at village levels whereby the solar energy system is gaining popularity and becoming clients choice.

Water Management

We have instituted a water conservation program that ensures the rational use of water resources. The program activities make use of the best available technology and resources.

We consider water re-circulation and reuse, maintenance of the water distribution network and the minimizing of water use. We keep an inventory and indicate on a map the surface and underground water sources found on our farms. The operations record the annual water volume provided by these sources and the amount of water consumed. We have obtained the relevant permits for the abstraction of water for all extraction points.

We have maintained vegetations growth along the Rivers and streams and canals and wetland sections are conserved accordingly.

Monthly water quality analysis is carried out and the verification of the parameters done by External laboratories. The parameters analyzed for include chemical, physical, Microbiological and nutrient composition. A possible source of contamination of the surface water wash-down effluents, runoff and the nutrients in the form of the fertilizers applied in the fields. Fertilizer runoff has been monitored in recent years. No pollution of watercourses or swamps has been detected.

Regular audits, of water pumps are conducted to determine deviations and enquiries done to ascertain whether the storage tanks are leaking.

Air Quality management

The estates emissions into the air include smoke from the boilers, gases from maceration, dust from tractors, vehicle emissions, as well as smoke from within the households (Charcoal stoves) and firewood across the estates. The point sources of emissions are the generators and the boilers. Air pollution may be caused by emission from the combustion of fuel wood. The main pollutants of

concern are carbon dioxide, carbon monoxide, Sulphur dioxide, nitrogen oxides, hydrocarbons, dust, fly ash, and particulate matter, which are produced during combustion. Indoor pollution may lead to negative impact to occupants and exposed workers. Common effects are respiratory disease including allergies and bronchitis. Mitigation measures including proper ventilations, tall stacks, provision of chimneys in kitchens, and fuel efficient high energy cooking stoves, Jikos are practiced on the estates. No evidence of any significant air pollution from our activities or vehicles is apparent and no complaints have been received. A dust analysis was conducted by an independent consultant and remedial actions implemented as recommended. Households within the villages are using high energy efficient products like solar nergy conservation efficiency and ventilation.

The use of improved cooking stoves using noise less efficient energy has reduced fuel consumption and ensured that there is less smoke in workers homes and environment.

Soil management and conservation

High rainfall and undulating hills favor erosion. Isolated areas are prone to erosion but these are identified by conducting soil profile analysis prior to fields being uprooted and replanted. The Company implemented erosion control measures to combat the problem in all fields that were replanted which included, contours, soak pits, vetiver grass, oats etc. The operating policy of the management is to leave 30 m from water bodies/courses uncultivated. to retain its natural vegetation. This policy has been continued with felled areas in riverine areas being rehabilitated. Erosion control measures have been put in place to secure areas that are unstable and on steep slopes. The management has continually carried out rehabilitation of riparian vegetation river catchments as a way of conserving the environments while protecting the riverbanks and hence controlling erosion and flooding incidences downstream. prunings are left in the field as in previous years to improve organic matter, water retention, soil cohesion and fertility. Vegetative protection to prevent soil erosion at the edges includes Lemon grass, Agapanthus and vetiver grass. Sediment traps, spillways and barriers are dug in the gutters to reduce the velocity of water and prevent erosion from the roadways into farm field.

Natural resources

Apart from the indigenous forests there are no other natural resources of significance in the area. No mineral resources have been found on any of the estates.

Annual Environmental audits are done within our operation and environmental management and integration plans developed and incorporated with implementations. The plans have indicators and clear implementation timelines. Any new developments with anticipated major impacts are only implemented after Environmental Impact Assessment has been done and an elaborate Environmental management plan put in place. In addition, we work closely with regional/national and international bodies involved in environmental natural resources protection and promotions

Company Information

Established 2004. Zonal Constructions and Handling Services Company, in headquartered in Kenya, with its operations, Country Office and Area Offices in Somalia offers including Provision wide array services of Development Support/Maintenance Services for Business Intelligence & Analytics to its clients across the region. With "Exceptional Just In Time Service Delivery/Customer Satisfaction", as one of our core values, Zonal's outsourced Support/Maintenance Services and software development service capabilities cater to clients ranging from Start-ups, Partners, and Enterprises.

Since its inception one decade ago, Zonal Constructions and Handling Services Company has taken pride in continuing to be the most preferred custom software Development Company Support/Maintenance service provider to a large number of clients which includes many clients within the horn of Africa region governmental, private sector and developmental organizations.

Other main activities include general trade and Business activities . Procurement services, **Business** Intelligence **Analytics** and services provision/consultancies, Assessments and conducting surveys services, Transportation services, Heavy and Light construction/rehabilitation and maintenance services of roads, ports, Airports, bridges and Buildings, Capacity Building and Skills Development vocational training services, Gender equality and Women Empowerment Services, Border transit and ports Customs Clearance and forwarding facilitation services. Digital finance and Cash Based transfer Activities as alternate to in kind responses

Vision

Highly contribute to the overall achievements of the global sustainable development goals and in particular to agenda Eight and Nine through constant provision of high quality, cost effective and efficient developmental and business operations support and maintenance services solutions to promote socio-economic, environmental and governance challenges to Global sustainable development communities achievements /implementations in post conflict regions and marginalized communities in the horn of Africa .

We seek to achieve the above through networking, public private and developmental organizations partnership, high level forums/events participations.

To strive and continue aligning Business planning, development, strategies, actions and implementations with ten universal principles, Somalia New deal Compact, and GSDGs and agendas, act as local and regional pioneer for GSDGs contributing effectively and efficiently to the broader achievements of the goals and in particular agenda eight and nine of the 17 goals.

What sets Zonal Unique –Values

We are a quality focused, professional service organization in the information technology, construction, logistics, supply chain management and Business Operations support services industry

We aspire to maintain and be recognized as a premier partner in our industry, with our own suite of products and solutions built around proven technologies and practical field experience and presence in varying contexts

We maintain a steady growth, we maintain clients as a close knit family, helping each other succeed, within and outside the scope of our work

We provide constant opportunity for each employee to continue to grow both personally and professionally

We reward those who contribute to the success of the organization while striving to improve ourselves, our performance and processes, constantly

Being registered with United Nations Global Market and partner of UNGC , Zonal focuses on delivering the highest quality product, services and value added experience to all its customers across its operations worldwide

Zonal Major Activities and services during Reporting Period

During the reporting period the company major areas of business interventions and responses evolved around Digital Finance Cash Based Transfer Systems/ responses/preparedness projects investments and implementations, Working with cash group committees, inter agency liaison and coordination, staff and propgramme participants and stake holders, cash based transfer systems and platforms projects management trainings and capacity building workshops, digital finance cash and electronic voucher based transfer retail business expansion, Digital Finance market and infrastructure assessments and Reporting.

In addition to the aforementioned and other routine activities, during the reporting period Zonal Company provided complete Microsoft business intelligence development support/maintenance solutions and services to clients and developmental partners that are to their varying needs of different nature and sizes. We develop and implement BI solutions for public private and developmental humanitarian organizations and our solutions range from system analysis to data warehousing and report development.

Our combination of proven delivery methodologies and technical expertise enable us to leverage clients existing investment and needs, our team comprised of architects, consultants and developers are vastly experienced in working with large amounts of data and user counts for enterprises and SMBs. We have a great track record of successfully helping customers in bringing together various data sources into workable and useful BI solutions.

Below is breakdown of Activities

Zonal company is Mainly undertaking Cash Based Transfer projects - electronic voucher and cash based transfer intervention benefiting humanitarian aid beneficiaries under WFP Somalia –Operation of Strengthening food and nutrition and enhancing resilience's project , provision of services in the form of electronic voucher benefits by means of dimmable e-transfer cards in exchange for food commodities based on beneficiaries choice of preferences with maximum ceiling prices , regulations of terms and conditions services , monthly services proforma invoice preparations for the electronic voucher transfers with monitory values and transactions , verifications of beneficiaries and alternate data information and specimen .

Application tools and activities includes POS -point of sale terminal linkflex machines , recording and capturing of transaction in the POS machines ,etransfer cards verifications and validations , electronic synchronization of data transactions , display of sign boards indicating e-transfer cards transactions and services available ,storage , handling , storage and management of CBT tools and equipments like solar panel ,rechargeable and portable battery , biometric / finger print scanners and POS devices , cables and accessories , mobile simcards for the POS data connectivity and toping up of sim cards to limit full threshold , capacity building training for CBT staff , retailers and digital financing cash /voucher based institutions ,power supply trouble shooting services for equipments like solar panels and POS devices , food and non food items quality control and safety , handling , storage , management , monitoring and evaluation services in respect with Cash based transfer services , conducting market prices assessments , conducting cash based transfer market infrastructure assessments

Call center support services –beneficiaries data collection and warehousing , verification of beneficiaries/entitlements , handling of complains from beneficiaries , beneficiaries mobile credit card toping up services , assessments , monitoring and evaluation services , vulnerability analysis and markets assessments **Digital Finance Cash Based transfer is** accountable , transparent and real time based business transaction that is fast , effective and efficient system that ensures beneficiaries and clients are not exploited , ensure entitlements handover and delivery service to intended and right people , at right place in the right time contributing to sustainability and developing resilience's .

This services also empowers vulnerable Beneficiaries since they are aware of their entitlements and no chances for diversion and exploitations, easy to monitor progress and creats community resilience's against shocks like loss of assets, suitable in protracted recovery and rehabilitation responses and interventions in post conflict environment with vulnerable communities relying on humanitarian aid beneficiaries, ready service delivery for beneficiaries and clients regardless of their location, biometric based registered alternates

for clients and beneficiaries from the same households can benefit from this system without delay ,

Business Intelligence Consulting Services: management needs to make informed decisions; we provide first hand information to clients. Zonal believes in delivering the right information to the right resource at the right time that will help our customers make valuable decisions for their business.

We understand every customer's needs are unique and it is highly critical that the business intelligence solutions that we develop are aligned with their business and needs. Our BI consultants carry out a complete assessment and understanding of business process by meeting with your key decision makers and studying clients internal and external systems to device a roadmap for your company's business intelligence solution.

Data Mart & Data Warehousing services – Zonal Company performs data analysis, profiling and system study to architect dimensionally modeled data warehouse using SQL Server. Data warehouse being the backbone of any business intelligence solution needs to be built with careful consideration and needs to evolve as your business grows. With data coming in from various disparate sources and in various forms, company consults and liaison with a Data Warehouse team with deep understanding and experience of having worked with the source systems as well, thereby enabling faster and effective development of the data warehouse. Our consultants and developers build a data warehouse that is developed in-line to meet not just for current business needs but also for future needs. This is achieved by thoroughly studying your systems, business needs and understanding what we /you as clients are trying to achieve with the data warehouse and what reporting and analytical capabilities you expect of it.

Features of Zonal Data Warehouse Development services

- Scalable A data warehouse that is scalable and grows along with your business
- Data Accuracy Highly accurate and consistent data helping you with first hand information and enable you make better informed decisions
- Consolidated view One single place to store the data from all disparate sources and in the right format to support Business Intelligence solutions
- Quick to respond Minimal response time for queries enabling faster decision making
- Self-service Supports self-service BI with little or no dependence on IT

Mobile BI Development Services

Digital /Mobile devices and business intelligence is rapidly growing hence enabling smooth, effective and efficient and real time, transparent, accountable and fast transactions on the way, at home, work, farms, villages and cafeteria while making sure users to make informed decisions on the road. Top level executives can now monitor key performance indicators on the fly using their respective mobile devices and act immediately as required., helping and supporting enterprises to stay top of their respective verticals by empowering them with information and analysis to make decisions faster than ever by delivering business intelligence to their mobile devices. Dashboards, reports, charts and alerts are designed in a way to be presented on mobile devices to make quick and informed decisions in real time, thereby helping organizations

and clients to increase the efficiency of their field executives to maintain zero response time for customer queries.

Zonal delivers mobile business intelligence as web apps and as well as native apps on windows phone, iOS & android platforms. Zonal respects and honors with utmost confidentially client's security and confidentiality issues that worries clients and partners; we put utmost importance to secure data.

Our development teams are highly experienced in building encryption and strict authorization components which are impenetrable for client's applications.

Data Visualization Services

Designing and developing reports that are accurate, informative and at the same time visually appealing and easy understanding.

Data visualization services for businesses, enabling companies to monitor their entire business performance on a single screen, in an easily understandable format. We help companies track their KPIs with rich, visually appealing graphical presentations of their data, Our right mix of consultants, developers and analysts make sure clients get all the required information in one place in a visually appealing and easy to comprehend format.

We serve clients based on the understanding how important it is for everyone in the organization to access insights and work with the same version of data and at the same time we also realize the fact that each user is unique and their needs varying. We use dashboards that are tailor made to clients needs.

Our personalized dashboards adhere to the varying needs of each user.

Our extensive experience in building Dashboards means, you can go from data to dashboards in real quick time.

Training services

- Resilient and Responsible Supply Chain Management trainings –request for purchase, tendering / quotations, procurement, pipe line and in transit commodities follow up, receipts, warehousing, dispatches, transportation and delivery, reporting and documentations, market forecasting forecasting and foreseeing risk preparedness and management.
- Market and Vulnerability assessment and analysis trainings market prices, stock availability, supply routes selection, market and clients needs, consumption and lead times, barriers to supply regulations, data collection, data analysis, data warehousing, seasonality's variations affecting market, local production and imports goods and services data collection, reporting etc...
- Conducting Cash transfer digital financing system Assessments trainings e.g related physical infrastructure, payment infrastructure, security and cost to deploy and the policy environment.
- Retailers/entrepreneurs –Capacity and technical skills Building Small scale and start up Business management - Good Warehousing practices , commodities handling and management , inventory taking , inspection and quality control , hygiene upkeep and relating documentations trainings
- Conducting Cash transfer and Digital Financing –Institutional technical capacity building and preparedness and related environmental policies trainings –.
- Provision of Trainings to Retailers/wholesalers/suppliers on effective and efficient delivery of cash transfer Digital Financings System
- Call Center Services Training -

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