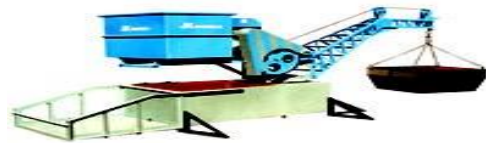




United Nations
Global Compact



ZONAL CONSTRUCTION AND HANDLING SERVICES, Co, Ltd.

Chief Executive Director

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Communication on Progress

UN global compact principles implementation in Zonal Construction and Handling Services Co,Ltd.

Statement Letter

I am pleased to confirm that Zonal Construction and handling Services Company Ltd , reaffirms its continuous support for the United Nations Global Compact Universal Ten principles implementation and continuous submission of annual Communication on Progress(COP) . *We do align and integrate our business strategic implementation with National Development Plan and UNGC principles* promoting its ten universal principals with respect to labour, human rights, environment and anti corruption by continuing to align and integrate our day to day activities, projects and programs , business culture and our operational strategies planning , coordination/liaison to achieve local economic growth and decent jobs provision for all and for the broader development of the United Nation GSDGs, corporate sustainability governance and leadership .

We are also committed to share this information with our stakeholders using our primary channels of communication.

Yours Sincerely
Hassan Maalim
Managing Director

Established in 2013 , ZONAL Construction and Handling Services Company head quartered in Baidoa , Southwest State of Somalia, is competent construction , rehabilitation and maintenance works (undertaking all kinds of construction , rehabilitation and maintenance works including trading heavy construction and industrial equipments , spare parts and maintenance m onsite and offsite services ,electro mechanical installation and maintenance specialized services) an Supply chain management of large scale operation strategic implementation including order processing and distributions ,transportation , warehousing , procurement activities and services executions including -products development , fiancing , sourcing , production , logistics , forcasting , information system management with excellent progressive operational,technical and strategic leadership in planning, designing and engineering skills, coordination/liaison with wide and diverse stakeholders , documentations and reporting skills , research and data collection on Public transport , environment and energy infrastructure including roads, waste management systems, electricity grids and public buildings such as schools and healthcare facilities, supply chain infrastructure data analytical , market development and contextual analysis , contracting and negotiations, capacity building and creating decent skilled jobs for the youthful groups to promote local communities and most vulnerable groups livelihoods , we provide excellent technical , vocational and educational trainings , supply chain corridors and Supply routes monitoring ,convoy tracking and ODK data collection , potential suppliers and contractors relationship management services , Cash Based Transfer projects interventions management, Logistics and supply chain capacity assessments and related Business support and marketing services provider committed to achievement of agenda eight of the SDGs locally and across business sphere of operations to Promote sustained, gender inclusive and sustainable economic growth, full and productive employment and decent work for all in line with today's first growing business and technology competently with reduced lead time response , adding value to the market and supply chain infrastructure thus increased local communities incomes and livelihoods with sole objective of clients satisfaction , We provide innovative and exceptional business processes and transactions analytical services with deep attention to details and meeting customers' demands for various business sectors services provisions .

What Sets Zonal Construction and Handling Services Co,Ltd Unique

The Company is managed by highly competent , well trained, experienced, self-driven and innovative professional team with sense of entrepreneurship and civil engineering background , managerial and strategic leadership , mix of skilled personnel with diversified specializations engaged in promoting technical, financial and management capacity of public and private sector service deliveries and clients to achieve economic growth and productivity of low income and marginalized communities with an in-depth understanding of community socio economic prevailing conditions and surrounding productivity opportunities to sustainable development generation achievement

Our approach to the 10 principles

In the fall of 2013 Zonal Construction & Handling Services Co,Ltd signed up for the UN Global Compact Initiative . At that point we could define our major stakeholders, where we wanted to make a difference within the context of our business.

These are:

- People (employees and members)
- Local Society
- Global Society

In this connection we decided to implement our initiatives in two stages. The first stage would thus concentrate on implementing initiatives within the Secretariat to ensure that all members of staff understood UNs basic principles and ensure the willingness to implement sustainable solutions throughout the Company. The second stage would hereafter be directed at initiatives outside the secretariat, first towards our members, and later toward society, locally and finally globally.

To make sure that all initiatives were employee borne, we set up a CSR committee, which became responsible for choosing and implementing the internal initiatives within stage one

ZONAL” Main Activities During the Reporting Period;

- General trade and commercial activities - import , export , produce , sell , distribute , supply and buy all kinds and types of goods and services in domestic , regional , national and international markets
- Various Construction , rehabilitation and maintenance Works Services –concrete buildings ,roads , wells , boreholes and water catchments , canals and lakes , feeder roads , airports and airstrips , ports , schools and hospitals , residential states , business premises and related rehabilitations and maintenance services works
- Cooking and catering services - exceptional larger scope of business services of hoteliers, caterers, restaurateurs, food suppliers, proprietors of inns, camps, canteens , lodges , motels , coffee houses , team rooms and refreshments rooms , licenses victuallers , proprietors or ball rooms , hall conference centers , theatres and recreations place and confectioners ,
- Carry on business of all sanitary works , taking over contracts of cleaning of homes , offices , guest houses and buildings , office blocks , go downs , warehouses

, prefabs , carpets , floor , telephones , polishing, upholstery , supply and offer services for garden maintenance , interior designing , partitioning , florists , fencing of farms and gardens , fumigation , security and caretaking services , Plumbing , waste management and disposal , hygiene upkeep.

- Carry out and undertake the business of high precision electrical engineering works including fine machining , gear cutting , turning , shaping , fabricating , welding , fittings and other tools and implements required for industrial , commercial or domestic use , and also carry out business of manufacturing metallic and steel products such as windows and doors , windows frames , security grills , burglar proofing , steel gates and metallic containers .**
- Distribute , buy , sell heavy engineering machines , dealers of heavy machines , spare parts , repairers of turbines , tractors , maintaining and offering services of repairs of all electrical appliances and otherwise dealers of industrial , agricultural , mechanical , commercial , domestic and all types of machinery , power pack , machinery , tools , instruments , implements , spares , apparatus , materials and equipments**
- Carry out general building and construction works , contractors of both building and transport infrastructure , to construct roads , to offer building, renovation and constructions services in domestic electrical wiring , tiling , plumbing , electrical works , consultants' in civil and mechanical engineering and electrical ,engineering works and to build ,maintain ,alter , enlarge , pull down , remove or replace any buildings , mills , factories , offices , to carry out joinery work , engines , walls , fences , banks , dams , roads , sluices , or whatever courses to clear sites for the same , and to carry on the business of merchants and dealer in stone , sand , lime , brick , timber , hardware and other building materials and requirements , and to undertake the business of high precisions engineering works , indicating fine machining , gear cutting ,screw cutting , tuning , shaping , fabricating , welding , fittings and other tools and implements required for industrial , commercial or domestic purposes**
- Set up / installation of Mobile Storage Units -prefabs , emergency mobile storage units , installation and maintenance of efficient s energy solar system services deliveries solutions , dismantling and maintenance services of the same**
- Transportation , storage and Handling Services – in land , overland , ocean and air transport services , offloading , order processing and distributions , loading , packaging and breaking bulk , repackaging and reconstitution , exceptional**

stacking services , storage and management of both food and non food items , inspection and inventory taking and quality control services

- **Agriculture and agro processing and related value addition business support services** -This includes establishment and use Green Energy for Power and for use in Irrigation Systems and other processes-Working with youthful farmers (women/men) to increase production and youth employment and incomes by establishing irrigation based horticulture farms and plots for production of various field crops and vegetables to help the youths establish vegetable farms and provide farm inputs and training in modern agricultural production farming methods/techniques, market information in real time business using M-Farm Mobile Phone platform .
- **Post-harvest management and efficient storage, transportation various interventions utilization, including establishing efficient refrigeration mechanisms and cold storage and delivery. Making arrangement with buyers before harvesting our crops; it is safer and cost effective. Provide specialist complementary; conduit, consulting, contracting and facilitation services delivered using effective and efficient, world-class communications tools to help the youth's access markets.**
- **Supply chain management services –retailer/whole sale /suppliers /transport/warehousing capacity assessments / excellent tendering , clearing and forwarding services , monitoring of supply routes and supply corridors, market prices and supply replenishment , exchange rate and cash flow , local production vs imported food commodities availabilities in the market , flow and movement of supply and related information management , Business intelligence and analysis solutions ,**
- **Start ups /small scale Business Operations Management and related support services – market capacity Assessment –recording keeping , quality control , inventory taking , creating and maintain customers , customer satisfaction services ,retailers relationship management techniques on in time response to clients needs with reduced lead-time .**
- **Strengthening food security and enhancing communities resilience through Electronic Voucher Cards Digital Financing cash based transfer Services deliveries -procurement , supply a, order processing and distribution of food commodities to humanitarian aid beneficiaries including IDPs and returnees , excellent skills of point of sale machine administration , verify clients Biometric data and voucher value , redemption services ,**

generation of system redemption transaction reports , customer relationship management services , invoicing and after sale services

- Carry on business of general supplies in stationary ,office equipments , suppliers of computers and accessories sellers , printing and publishing materials , distributors of accounts books , envelops , papers , pens , pencils , inks , arts and crafts equipments ,cards , pins , staples , type writers , electronic type writers and computers , duplicating machines , printing and calculating machines , security printing machines , tape recorders , office equipment and requisites of all kinds and types and to repair , service and maintain computers , printers , fax machines , type writers , copiers , duplicating machines , and requisites of all kinds and types

Contents of Zonal Construction and Handling Services Co,Ltd CSR policy

HUMAN RIGHTS

LABOUR

ENVIRONMENT

ANTI-CORRUPTION

1. The environment

The environmental impact of a smaller and medium size business enterprises and our scope for reducing the carbon footprint is smaller in scale than in many other industries. Even so, we find that this is no excuse not to make an effort. We have therefore adopted a green purchasing policy, in which environmental considerations are essential.

Therefore the new printers, which have been purchased in 2013 consume considerably less power than other printers, and the supplies are sustainable. This applies not only to consumption but also disposal and transport of packaging.

With regards to lighting, we chose low-energy solutions wherever possible, buying energy efficient light bulbs and purchasing electricity which primarily derives from wind power. We have furthermore installed videoconferencing facilities in order to reduce CO2 emissions from travelling.

The Company has also purchased 11 bicycles, so that meetings held within same localities can be reached by bicycle. We also joined the "Bicycle to work" campaign in May, where more than half the employees bicycled to work regularly in the course of the month.

Goals

We wish to continue to find areas where we can reduce our CO2 emissions.

How do we monitor and evaluate performances

The CSR committee regularly informs the Company, which initiatives have been initiated. Furthermore once a month, a prize is given to the most environment friendly employee and department.

1.2.The working environment and health of the employees

The Zonal Construction and Handling Services Co,Ltd believes that all employees have the right to individual freedom of expression and opinion. This is upheld by regular meetings between management and employee groups and bi- monthly office meeting.

We have conducted a work place assessment, which showed a few areas of employee discontent. The findings were acted upon immediately to improve the satisfaction of the employees.

In having a good working environment, lies also having good health. A bad working environment affects the health of the individual and vice versa – and both have an impact on employee well being and motivation.

Some of the initiatives we have implemented thus aim at promoting and protecting our employees' physical well being. The employee rights therefore include home working, ergonomic work place assessment, an employer subsidised healthy lunch, fresh fruit, a private health insurance, influenza vaccinations, massage, and annual sports and social activities.

Goals

It is our goal to have a high rate of employee satisfaction and low sickness absence.

Monitoring and evaluating performances

Constant dialogue with the employees is deemed the best way of securing a good working environment and preventing stress. The management therefore has a responsibility of monitoring the employees well being, both on a regular basis and through the yearly "Performance and Development review"

Future initiatives

In 2020 and 2021 our focus will be directed towards our members – The Zonal Construction & Handling Services Co,Ltd .

We are planning to:

- Start a campaign to get our members to register within the global compact framework
- Set the agenda for diversity and encouraging equal opportunities in recruitment, training and promotion, especially for female professionals.
- Actively inspire our members to give legal advise on Corporate Social Responsibility issues.