



## **COMMUNICATION ON PROGRESS FOR 2011**

### MESSAGE FROM THE CHAIRMAN

During such difficult and defining times of a continued global crisis, which nobody knows when it would end, AKRITAS commitment to stay close to the principles of Global Compact remains intact but with no further funds disposed than those we allocated during the previous year 2010.

The "fair business" is now, perhaps more than ever, the key point to create a new model of doing business that will determine up to a degree, the future developments. <<We struggle>> with will and determination to show how our company can produce work to be competitive, while respecting the natural and human resources and contributing to social cohesion.

We maintain the corporate culture by confirming our adherence to the following principles:

- **Supporting human rights principles.**
- **Supporting the principles of working conditions**
- **Supporting environmental principles**
- **Supporting anticorruption principles**

In these unfavorable economic times, we still keep the defensive-conservative attitude and strive to meet our goals with very careful steps and movements.

Loukia Saranti  
BoD Chairman

## **Brief company's profile**

AKRITAS is one of the most significant companies in the Greek artificial wood production sector, having distinguished itself through the high quality of its products, its capacity, its solid organisational structure, and the rapid rate with which it is growing.

While its prestige and reliability have been recognised throughout its operation, it continues to “build” on its growth by taking firm, certain steps.

AKRITAS was established in 1977 and employs 274 people today. Its production facilities are located in the area of Alexandroupoli.

It is active in the production of chipboard products, the covering of artificial wood with melamine and veneer, the production of semi-finished furniture components (kitchen cupboard (cabinet) doors-worktops) called POLYTHETA®, while on the other hand it added the product series ARTIKA®, and the pioneer product EVROPANEL®

All of AKRITAS' products meet international quality standards. Production is ISO-9001 2008 certified.

AKRITAS' commercial network extends throughout Greece with its northern Greece sales offices in Thessaloniki and its southern Greece sales office in Athens as main bases. AKRITAS has developed significant export activity abroad through an organised sales network headquartered in N. Aghialos, Thessaloniki. The company exports mainly to countries of the Balkans, of North Africa and of the Middle East.

AKRITAS has established a subsidiary in Bulgaria, AKRITAS BULGARIA, and founded a melamine plant there. Since January 2010, products of this unit have been distributed in the Bulgarian market and the neighboring Balkan countries.

The company has been trading on the Athens Stock Exchange since April 2000.

## **PROTECTION OF INTERNATIONALLY PROCLAIMED HUMAN RIGHTS**

### **PEOPLE AND SOCIETY**

We believe that our employees are the most valuable asset to achieve business objectives and sustainable growth.

### **ENDORSEMENT OF HUMAN RIGHTS PRINCIPLES**

Respect for our workforce's rights and an emphasis on employee development are essential for AKRITAS to attain its objectives.

We declare that we are committed to respect and protect the internationally declared human rights.

In AKRITAS, we focus on attracting, developing and retaining the appropriate people to support our business strategy and ensure the best operation.

AKRITAS offers equal opportunity to all people regardless of their gender. There is no discrimination of labour force based on age, race, sex, family status, religion, sexual preferences or nationality.

Between the Top Management and the employees of the company, there is full and complete respect to that effect and there exists an excellent cooperation between all the colleagues and the Administration.

As it is defined by the National Law, employees are associated with a Labor Union and their representatives have the right to meet the line management for issues of major importance. In particular the company is committed to provide the capability of Union activities for its personnel, locking out any form of forced labour work, forbidding child work and disallowing any discrimination between the employees of the company.

The commitment to comply with the UN Universal Declaration of Human Rights (UNDHR) and the ILO Conventions concerning the labor rights and working conditions is underlined by AKRITAS values.

### **HUMAN RESOURCES DEVELOPMENT**

More than 1000 man-hours of training was completed. Training programs have covered a variety of topics; from health and safety to technical knowledge, and managerial skills, which all were held in external organizations:

### **HYGIENE AND SAFETY ISSUES**

- Fire Protection
- Use of Methods of Fire protection
- Personal Protective Equipment

### **TECHNICAL ISSUES**

- PLC( INDUSTRIAL AUTOMATION) a significant seminar for the needs of various industrial applications such as production lines(3 sessions took place).
- Medium Voltage Power System Products

### **MANAGERIAL SKILLS**

- E.E.D.E (HELLENIC MANAGEMENT ASSOCIATION ) : BUSINESS ADMINISTRATION
- EXPORT PROMOTION

### **PARTNERING WITH LOCAL COMMUNITY**

Building upon our strong local partnership, and the needs of the community, AKRITAS financial activity creates indirect employment for 2000 people in various areas of the local community, such as woodcutting, transportation, port and merchant services.

More specifically, indirect work has been created in 2.000 positions or tasks in the network of suppliers for raw and assistant materials, benefit of services like forest workers, lumberjacks, carriers, dockers, agents, customs officers, machine- works, hotels.

By creating local employment and enabling people to stay in the area, the company helps improve the acute demographic problem in the area.

Today, our concern for the community has mainly focused on:

- Contributions to charitable organizations like KETHEA therapy center for individuals who have drug addiction.
- The company maintains a blood bank for its workforce at the General State Hospital of Alexandroupoli.

## ENVIRONMENTAL PRINCIPLES

Our commitment to environmental protection guided us to adopt the principles of **Forest Stewardship Council** and support environmentally appropriate, socially beneficial and economically viable management of forests.

We declare and commit that AKRITAS is taking every measure to ensure that is not involved, directly or indirectly in the following activities.

- Illegal logging or the trade in illegal wood or forest products
- Violation of traditional and human rights in forestry operations
- Destruction of high conservation values in forestry operations
- Significant conversion of forests to plantations or non-forest use
- Introduction of genetically modified organisms in forestry operations
- Violation of any of the ILO Core Conventions, as defined in the ILO Declaration on Fundamental Principles and Rights at Work, 1998.

FSC certification is voluntary and is a tool that supports the responsible forest management worldwide. The FSC certification verifies the origin of forest products through the supply chain. The FSC label ensures that the forest products used are from responsibly harvested and verified sources.

FSC's model of certification allows products of our company that flow from certified forests to enter the marketplace with a credential that is unique. Any FSC labelled product can be traced back to a certified source. This aspect of the system is the basis for any credible certification system and is the link between consumer preference and responsible, on the ground forest management.

## **SUPPORT OF WORKING CONDITIONS PRINCIPLES**

### **SAFETY AT WORK**

Akritas upholds the freedom of syndical action and the effective recognition of the right to collective bargaining while supporting the elimination of all forms of forced or compulsory labor.

In addition, our company upholds to the effective abolition of child labor and also defends the elimination of discrimination in relation to recruitment and employment.

As an industrial unit, providing a healthy and safe working environment for all our employees at all our operations is amongst AKRITAS' first priorities.

Our vision is to achieve a safe working environment free of incidents, injuries and accidents.

We continually strive to embed safe and sound behaviour throughout the company in our everyday activities and to create an environment in which everyone takes care of his own and his colleagues safety.

All employees are expected to follow safe-work practices, obey rules and regulations and work in a manner that upholds the high safety standards developed by the company.

In 2011, AKRITAS organized training programs attended by employees where they were encouraged to be involved in consultation and communication on safety matters. The objective of these programs is to reduce hazards and raise awareness on health issues and prevention measures.

During the year 2011, the following courses were held in our plant attended by employees from different departments:

1. First aid seminars led by our company's doctor.
2. Methods of fire protection (use and categories of fire extinguishers) led by our Safety Engineer.
3. Methods of fire protection (use of fire truck) (led by our safety engineer)
4. Personal protective equipment (categories of safety shoes, working protective gloves, helmets, working clothes etc).

### **Endorsement of anticorruption principles**

Corruption is a major obstacle to sustainable development, with a disproportionate impact on poor communities and erodes the structure of society. The impact is also very important for the companies as ours of the private sector, since it prevents economic growth, distorts competitions and involves significant risks both from the legal point of view and in terms of reputation.

AKRITAS is committed to work against any form of non transparency including corruption.

Our company advocates the policy that all our transactions with our personnel, our suppliers, our customers and public services are fully transparent, do not sustain any form of bribe, money laundering, theft and so on.