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13 November 2013

To our stakeholders:

I am pleased to confirm that Amathus Corporation Ltd reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labor, Environment and Anti-Corruption.

In this annual Communication on Progress, we describe our actions to continually improve the integration of the Global Compact and its principles into our business strategy, culture and daily operations. We also commit to share this information with our stakeholders using our primary channels of communication.

Sincerely yours,

A handwritten signature in blue ink, appearing to read 'Christou Christos', with a large, stylized flourish.

Christou Christos
Chief Executive Officer

Amathus Corporation Ltd – Communication on Progress

Reporting Period: November 2012 – November 2013

With origins dating back to 1943, Amathus Corporation Ltd consolidates a diversified group of companies with operations in all aspects of transport, travel and tourism and offices in Cyprus, Greece, the UK and Russia. Amathus approach to corporate responsibility is founded on the principles of reliability, integrity and quality, the core values of its founder, the Lanitis Group.

Amathus continues to support the United Nations Global Compact with its ten principles in the areas of human rights, labour, environment and anti-corruption. These principles are consistent with our values which were developed in 2012 as part of our “Investors in People” commitment and continue to be embedded across all our operations. These are Integrity – Sincerity – Reliability – Trust – Social Contribution and a commitment to maintain high ethical standards in all our operations.

2013 has been a difficult year for our company and the people of Cyprus following the collapse of the banking system and the implementation of austerity measures by the Eurogroup. The ongoing crisis has affected all sectors of the economy and every household. During these difficult times with rising unemployment and declining standard of living, our focus has been to sustain our operations, maintain as many jobs as possible and minimize the impact on our employees while maximizing our contribution to those in need.

Even though our focus during 2013 has been on handling operational issues and sustaining our operations, we continue our corporate responsibility programme and our commitment to improve the lives of our employees, support the community and strengthen the local economy.

UN Global Compact Human Rights Principles

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

Amathus actively supports the Universal Declaration of Human Rights across all its activities and through its relationship with third parties associated with those activities, such as business partners, associates, suppliers and clients. To this respect, we will not carry out any business with any countries or regimes or organizations where human rights abuses are known. Furthermore we are committed to ensuring that all our employees are treated fairly and with respect and we will not tolerate harassment of any sort.

The protection of human rights is an integral part of our policies and procedures and is incorporated in our Code of Conduct, Employee Manual and New Employee Induction Process. Our Code of Conduct is a non-negotiable requirement and should be strictly followed by all of our employees and third parties we do business with. It contains policies which ensure equal opportunity, non-discrimination and no tolerance of any form of harassment.

Employees are consulted on a regular basis as part of our Investors in People processes and the techniques we have adopted for listening to our employees through an elaborate coaching and personal development process which ensures that employees can participate in employee

representative groups, voice their opinion and influence outcomes and strategy. A grievance procedure is also in place to allow employees to bring violations and other incidents to the attention of the top management and our Board of Directors for mediation and resolution at an early stage.

We encourage all of our employees to ensure that our business ethics and practices extend beyond the organization's own activities to include our business partners, associates, suppliers and clients. Any possible violation by any of our partners, associates, suppliers and clients will lead to the immediate suspension or termination of services.

UN Global Compact's Labour Principles

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 labor;

5: the effective abolition of child labor;

6: the elimination of discrimination in respect of employment and occupation

These principles are embedded in daily operations and our Investors in People policies and procedures. Our Investors in People standard advocates the personal development of employees through coaching and training and development. In line with the standard, we have developed Human Resource policies which support best practices and include an equal opportunity and non-discrimination policy, an annual formal appraisal procedure and employee awards and recognition to reward outstanding performance.

Our employees are entitled to form and join trade unions and we recognize and acknowledge the role of union representatives. Moreover, an employee representative group meets regularly to discuss employee related, operational, and strategic issues.

Our employees have a contract of employment which clearly states their terms of employment and all employees are issued with an Employee Manual which describes labor rights, including non-discrimination and equal opportunities, the freedom of association and the right to collective bargaining, workplace health and safety, as well as conditions of employment and work (wages, working hours, leave, benefits etc) and grievance and disciplinary procedures.

We are committed to the UN efforts to abolish child labor and we will not do business with any organization that uses forced or child labor or where labor abuses are known.

Furthermore we have a Health & Safety Policy and a Health & Safety Committee consisting of employees which meets regularly to ensure compliance with the policy and carry out risk assessments and regular safety audits. We also comply with all relevant health and safety legislation and provide a range of different safety related training to staff as appropriate to their job role.

UN Global Compact's Environment Principles

7: Businesses should support a precautionary approach to environmental changes;

8: undertake initiatives to promote greater environmental responsibility; and

9: encourage the development and diffusion of environmentally friendly technologies



Amathus operates in the services industry and has limited exposure to environmental hazards. Nevertheless, we have developed an Environmental Policy and a Recycling Policy and we set annual targets to reduce waste. In the environmental recycling plan, we have outlined a clear course of action in order to reduce the negative impacts of our organizations' actions to the environment.

Environmental management is part of Amathus' daily practice. It is integrated in our organizational structure and planning of our activities, responsibilities, practices and procedures. Furthermore, environmental management is central to the processes and resources used within the organization as well as in the development, implementation and review of our environmental policy.

The Environmental Policy is built to both guide and monitor the environmental performance of the organization. It is a continuous cycle of planning, implementation, reviewing and improving environmental performance. It is based upon national, EU and other relevant legislation, the principles of sustainable procurement and waste reduction. Furthermore, we support and encourage employees to be concerned about the environment.

The environmental performance is measured through setting responsibilities, objectives, operational procedures, training needs, monitoring and communication systems. All of these factors are taken into consideration during the internal monitoring efforts and audits, the results are communicated and when necessary awareness programs are initiated.

UN Global Compact Anti-Corruption Principles

10: Businesses should work against corruption in all its forms, including extortion and bribery

Integrity is one of Amathus core values and a vital part in its Code of Conduct. There are strict guidelines for personnel on how to act in case of corruption and personnel are deterred from accepting any form of bribery or extortion. Furthermore, Amathus does not engage with business partners and clients with a record of corruption.

Amathus only accepts assignments which are within our range of expertise and experience and are compatible with our vision and mission. Should an assignment move in a direction that is inconsistent with our vision and mission, we discuss this with the client and, if necessary, withdraw from the assignment. Activities are closely monitored by the Finance department and the Internal Audit department which ensures strict compliance. The company is also audited annually by external auditors who confirm the accuracy of accounts and the enforcement of internal controls.

Furthermore, employees are not permitted to accept payment for recommending the services of third parties to a client. Employees are encouraged to communicate instances of corruption and the Code of Conduct outlines the appropriate action to be taken in such instances including termination of services and withdrawal from the assignment.