

2010 AKRITAS WOOD PROCESSING INDUSTRY Communication on Progress (COP) REPORT

Statement of the Chairman

The financial crisis and the economic recession which is even deeper than the last year, urge our company to revise its strategy so as to rationalize its operation emphasizing on more conservative movements.

Under these unfavorable circumstances, The Board of Directors decided to continue the same policy for the year 2010 and consequently not to distribute more funds for that year. In this scope, we maintain the corporate culture by confirming our adherence to the following principles:

- Safe workplace, protection of human rights, and development of good relationship and cooperation within our labor force.
- Environmental protection and improvement
- Social responsibility

It is worthwhile mentioning that our company voluntarily supports the United Nations Global Compact since 2005. The public commitment depicts the administration's will, the employees and the whole's company in general for continuous and responsible growth.

For AKRITAS, the priority is to protect the environment as well as to provide a safer workplace. Investments in programs for the environment of the life's quality are at our plans and this fact not only affects the local community in which we operate but also the country in general.

Loukia Saranti
BoD Chairman

A.PERSONNEL

Our continuous efforts at building and maintaining a safety environment throughout the Company is one of our objectives.

We have safety rules and regulations that govern the safety policy of the Company, in an attempt to ensure health and safety of all employees. More specifically, there is a periodical written or oral briefing for accidents prevention. There is a specialized person called safety technical adviser who is exclusively dealt with these matters and we have periodical specialized training for safety issues. The coordination and continuous improvement of the application of occupational safety and health is among the responsibilities of the safety technical adviser.

We have programs of accidents prevention and also of health problems . The Doctor's presence has been established at the working environment, while life insurance program for all personnel exists. We have workers Union that have full and free syndical action. Additional benefits are provided to our employees like annual achievement award programs for employee's children gaining entry to Universities and Technical Colleges.

The company's policy features workforce education, training and development with participation and training programs designed to develop staff skills and abilities.

To be specific, Staff executives participated in training programs on Administration issues - Technical Training, Information technology - Marketing and Sales.

There are written policies that clearly state employee rights and responsibilities.

Moreover, AKRITAS in respect of employment and occupation, applies the non-discrimination policy by employing staff with no diversity factors (ex. ethnicity, age, gender)

B.ENVIRONMENT

AKRITAS adopt the development and diffusion of environmentally friendly technologies.

To be more precise, the company has invested substantially in the use of environmentally-friendly alternative forms of energy production, setting up facilities to generate power from biomass-a process which produces no pollutants and does away with the burning of hydrocarbons. The company has also installed machinery and set up certified procedures for tracing and managing polluting emissions.

Apart from active involvement in the protection of its immediate environment, AKRITAS also makes financial contributions to and encourages the evolution of well respected agencies.

- It makes regular contributions to: Support for programs of environmental education and awareness-raising for students like the Forestry and Natural Environment Department of the University of Orestiada for promoting environmental protection, improving environmental management and support their endeavors related to education .
- It applies policies on awareness raising or training of employees on environmental protection by encouraging initiatives in order to reduce waste materials (ex. recycling the waste paper)

C.SOCIETY

As AKRITAS facilities location are in a small town , near Greek-Turkish borders, with small population and not many businesses, one of the company's main concerns is its contribution to local development and social solidarity. The community in which a company operates and develops represents its immediate natural environment and should be the target of attention and corporate giving. The company also recognizes, in practical terms, that Businesses need the community just as much as the community needs business.

AKRITAS' financial activity creates indirect employment for 2000 people in various areas of the local community, such as woodcutting, transportation, port and merchant services. By creating local employment and enabling people to stay in the area, the company helps improve the acute demographic problem in the area.

Indirect work in 2.000 posts in the network of suppliers for raw and assistant materials, benefit of services (Forest workers, lumberjacks, carriers, dockers, agents, customs officers, machine- works, hotels).

The company maintains a blood bank for its workforce at the General State Hospital of Alexandroupoli.

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

- Provision of scholarships to various educational bodies like, THE AMERICAN FARM SCHOOL.
- Contributions to charitable foundations and organizations like, KETHEA therapy center for dependent individuals who are drugs addicted.

Also, as a part of its social responsibility Akritas has certified the safe transfer of its goods through its privately owned trucks, from the internationally recognized German agent DEKRA. It is worth noting that Akritas is one of the first companies in Greece that certified the safe transfer of its goods.