



Communication on Progress 2013

Statement of continued support

As a member of the UN Global Compact, our organization supports the actions and principles contained in the UN Global Compact. In spite of the continued global crisis and the regional competitive pressures felt on our business, AKRITAS remained committed to all principles contained in the UN Global Compact by using the same conservative and defensive policy.

We treat with proper respect all four core areas of the UN Global Compact, human rights, labor standards, environment and anti-corruption.

Our top priority is to create superior value for our customers, employees, stakeholders and society by offering customized products and services while reducing or eliminating environmental impacts to the society.

We confirm our commitment to voluntarily adopt the UN Global Compact Principles, by integrating them within our everyday overall activities.

AKRITAS S.A.

Loukia Saranti

Chairman



#### **Brief company's profile**

AKRITAS S.A is the Greek wood processing company with a historical background and business activity of more than 35 years. Its significance has been established through products with quality and technical specifications that satisfy fully the market needs

AKRITAS was established in 1977 and employs 268 people today. Its production facilities are located in the area of Alexandroupoli Greece.

It is active in the production of chipboard products, the covering of chipboard with melamine and the production of HPL(worktops) and doors.

All 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. The company has developed an important export activity abroad through an organised sales network headquartered in N. Agchialos, Thessaloniki. The company exports mainly to countries of the Balkans, of North Africa and of the Middle East.

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



## **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**

### **Description of activities**

AKRITAS S.A. has adopted high standards of professional ethics, as they are described in her code of conduct. The code has been developed internally and describes the rules that the staff has to follow.

We are not complicit in any kind of human rights violations while conducting our business activities and our main policy is to choose companies to cooperate with, which are not violating in any manner the internationally proclaimed human rights.

Our commitments are not only reflected on our internal employment policies and partnership standards, but additionally our company, as a corporate citizen, provides active support to organizations dedicated to human rights protection and supporting the non-privileged.

We have also been recognized for our support and donations in kind(products) to the Centre for the Autistic – AHTIDA, the organization founded in Thessaloniki by parents and relatives of autistic children and KETHEA SXIMA-CHROMA ,the unit graphic design which is the production unit of therapy center of drugs addicted persons . Its aim is the training and specialization of former drug users that are in the process of social rehabilitation.

### **BLOOD BANK**

Our company maintains in addition a blood bank as every year there is a voluntarily blood donation of employees in cooperation with the Alexandroupolis National Hospital. In case of any medical emergency concerning any employee or family member, our company will arrange the transfer of the blood to the national hospital of Alexandroupolis Greece.

## HEALTH AND SAFETY

The company respects all the staff and their rights by providing a safe, stable and healthy working environment. Thus the company offered 3 internal sessions of seminars for fire-protection and safety conducted by the Technical Manager .

There is six times a year office and warehouse inspection by the security technician, to ensure that the work place is safe for all employees. There is a Safety booklet that comprises information about keeping all employees at their workplace safe fair and honest.

During this year's inspection, the maintenance and cleaning are been checked, and there has been control of the fire safety systems, and also inspection (validation) of forklift truck by a licensed company.

There has been a control to the premises ventilation and recommendations were given to the warehouse employees for the personal protective equipment and the media of Fire Protection.

### Measurement of outcomes

According to the internal company check that were held in 2013, no violation of human rights have been recorded in the company.

All the managers have accepted the code of ethics.

In 2013, more than 300 donations in kind (AKRITAS PRODUCTS) value of 2500 Euros were given to the local community (schools, churches, museums, camps, hospitals, charitable institutions like ahtida and child institution). These donations were offered to ameliorate the living conditions of them.

In KETHEA SXIMA CHROMA unit graphic design, there have been issued invoices for providing graphic design services to our company of the amount of 8200 EUROS.

In there has been no fatal accident in the company and no employee has been involved in accidents

### **Labor rights**

- 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; and**
- 6: The elimination of discrimination in respect of employment and occupation.**

### **Description of activities**

#### **Code of conduct**

AKRITAS has developed and implemented a code of conduct which describes the rules of conduct to be followed by employees in their professional activity and focuses on setting standards that facilitate ethical and incorruptible professional behavior in the company.

We have developed and implemented INTERNAL OPERATING RULES . In these rules issues are indicated like commitment to implementation of each Labor Legislation and Official procedures described as this of the enforcement of Disciplinary Sanctions.

AKRITAS does not use any form of forced or compulsory labor and all our policies are stay tuned with employment legislations

We focus on having, developing and retaining the appropriate people to support our strategy and ensure the best operation.

AKRITAS offers equal possibility to all people regardless their gender. There is not and there will not be in future discrimination of labour force for whatever reason, like age, race, sex, family status, religion, sexual preferences or nationality.

Between the Top Management and the personnel of the company, there is full and complete respect to that effect and there exists excellent cooperation between all the colleagues and the Administration. To this purpose instructions have been issued to all concerned in respect to the mutual respect of their fellow men and women and this is part of the company's philosophy.

As it is defined by the National Law, employees are associated in 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, to lock out any form of forced labour work, to forbid child work and not to allow any discrimination between the employees of the company.



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

We have adopted a practice for fair employment practices and our staff also participated in training programs to encourage fair trading practices and business ethics. These are: continuous training provided to all employees

#### **Internal & external training**

AKRITAS S.A. ensures that every employee is trained and developed according to their customized needs and ambitions. Every new employee attends an induction training program, especially designed to cover all subjects that affect their daily job. Additional training is also provided according to the Annual Training Plan or according to emerging business needs. In the 2013, training hours have been dedicated to internal as well as external training, covering many subjects. More specifically, training has been done in Logistics Management from the Hellenic Institution of Management Association. Training programs have covered a variety of topics in technical knowledge like valves of hydrostatic channels, the air compressor suitability, and fire prevention.

The aim and objective of these training lectures is raising awareness on issues like logistics and maintenance - safety.

We do not tolerate forced or compulsory labor, excessive overtime, hard behavior and harassment. We definitely comply with national laws and requirements concerning minimum age of employment, we would never employ any child or teenager in our workforce and we remunerate all overtime work.

Meritocracy is the first core value of our company, while our equal opportunities standards and commitments are applied and reflected on all of our internal processes and systems (recruitment, training, etc). Starting even with the employment application form, we state that we are absolutely committed to providing equal opportunities in employment and to avoiding unlawful discrimination. No job applicant or employee receives less favorable treatment because of their gender, marital status, sexual orientation, color, race, ethnic origin, religion, disability, age, or any other conditions or requirements which are irrelevant.

The average age of our workforce is 40 years old and the 50% of the employees are in the company more than 10 years.

#### **Measurement of outcomes**

No child or underage (under the age of 18) doesn't employ in the company during 2013.

In 2013 more than 200 training man-hours were implemented for our full-time employees.

## Environment

- 7: Businesses are asked to 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**

## Description of activities

Respecting the environment, the ecosystem and its resources is the fundamental priority of AKRITAS S.A. and a significant part of our philosophy and culture. We put this philosophy into practice by taking environmentally responsible and preventive actions every day for saving resources and minimizing the environmental impacts.

During the year 2013, we have recycled plastic and paper, while batteries and toners are also recycled on a regular basis.

Additionally our culture of environmental responsibility is reflected on our systematic efforts to measure and minimize our emissions to the environment and reduce our products' carbon footprint.

The company is committed to use environmentally friendly technologies as maintaining the nature balance which is one of the fundamental principles of the company. In addition, it makes significant investments in energy saving. For this reason, The company takes preventive action for saving energy.

AKRITAS uses innovative and alternative forms of production energy in order not to harm the environment.

We use integrated information systems to minimize paper consumption, our employees are trained to follow environmentally sensitive practices, printing of electronically available material and correspondence is discouraged and preventive maintenance on equipment and building is regularly performed.



**Promotion of environmental responsibility.**

Our company strives to enhance employee participation in environmental initiatives. The program aims to enable employees to follow the six practices for environmental protection below:

- Reduce paper use
- Paper recycling
- Battery recycling
- Recycle plastic
- Reduction in energy use at office
- Lighting use reduction

In AKRITAS we care for the responsible management for consumable materials. In order to reduce the paper consumption we use methods like:

We have incorporated to our everyday activities the following practices :

1. Allowing scanning of different documents, without using ink or paper .
2. Intranet utilization .By using the implementation of intranet where every information becomes available electronically, we drastically reduce the unnecessary printing
3. Use of fax servers, double-side printing( use in more than 5000 PAGES)
4. Installation of electronic system( for the management of payment slips, vacations etc)
5. We use also ecological fabric bags for offering samples of our products to our customers
6. Energy consumption management : our company tries to reduce the power consumption through a number of initiatives by:
  - replacing conventional light bulbs with energy saving bulbs
  - replacement IT systems with more energy-efficient ones
  - toner recycling



We are committed to providing our customers with product options that have strong environmental credentials. Our company's philosophy is to meet these requirements. Our products bear the the FSC logo (forest stewardship council is an international organization that promotes responsible stewardship of world forest).

#### **Measurement of outcomes**

- More than 50% of our printers are laser printers, ensuring lower energy consumption.
- 70% of our displays utilize new technology and ensure lower energy consumption.
- Production energy by burning biomass, a procedure that avoids pollution as replaces the burning of hydrocarbons.
- Indicative results of our company within 2013 in materials management (total recycling are presented below:

PAPER	10000 KILOS
BATTERIES	500 KILOS
GLASS	300 KILOS
FLUORESCENT LAMPS	100 KILOS
PLASTIC	500 KILOS
TONERS RECYCLING	5000 KILOS

**Anti-corruption**

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

**Description of activities**

Ethos has always been the fundamental value that runs through the 36 years history and business activity of AKRITAS S.A. We are fundamentally opposed to any kind of corruption and bribery, our activities conform in total with the applicable law, and this is one of our major criteria in our selection process of a new supplier, customer or employee.

Our procedures safeguard transparency in every single transaction with our internal and external stakeholders. Our credibility as a supplier and business partner is highly rated, appreciated and expressed through satisfaction surveys.

AKRITAS has developed a code of Conduct. The Code describes the behavioral aspects employees should follow in their professional conduct and focuses on setting standards that facilitate ethical and anti-corruptive professional conduct in the company. Our core operating principles and values such << Trust and Respect>> emphasize on the importance of businesses working against all forms of corruptions, understanding the line that divides the right and the wrong and not crossing it in relation to competitive behavior, employee safety or environmental issues within the workplace.

The Code refers to the following issues:

1. Commitment to act in compliance with professional ethics laws and regulations.
2. Report of potential violations of the code of conduct or illegal act.
3. Conflicts of interests.
4. Health and Safety
5. Environment protection



Internal Regulation of operations: The company has developed and applied a Regulation of Operations to comply with the corporate governance laws and regulations. The regulation of Operations describes the organizational structure of AKRITAS, the management responsibilities, the main company procedures, the operating principles, the composition and responsibilities of the Audit Committee and the Department.

The Internal regulations of operations is renewed on an annual basis to ensure that it complies with the current working practices and the relevant laws and regulations.

#### **Measurement of outcomes**

- According to our Internal Audits conducted through 2013, no violation of our code of conduct for cases of corruption and bribery have been investigated.
- No fines have been imposed for legislative purposes.