



AKRITAS COMMUNICATION ON PROGRESS REPORT

2015



CONTENTS

STATEMENT OF CONTINUED SUPPORT..... Page 3

COMPANY PROFILE Page 4

HUMAN RIGHTS Page 5-6

LABOUR RIGHTS Page 7-8

ENVIRONMENT Page 9-10

ANTI-CORRUPTION Page 11

STATEMENT OF CONTINUED SUPPORT

Message from the Chairman

Following several years of global economic uncertainty and social unrest in many countries , AKRITAS managed to remain stable to its strategy and enduring commitment to the 10 principles of the Global Compact.

The construction activity continues to decline in Greece despite the extremely low levels of activity and no significant improvement is expected in the short term. But we continue to build our business and strengthen our position through our commitment to offering superb products and excellent services .

Despite the significant challenges and uncertainties, we will be aiming to have a positive outlook beyond the scope of our operations. We build relationships with our collaborators, share best practices with local community and work with them to ensure that their needs are met.

The financial crisis has presented a significant challenge for our business and the whole construction sector . We have countered this by managing our business more tightly , reducing our budgets , prioritizing expenditures and managing more effectively our capital structure.

AKRITAS S.A.

Loukia Saranti

Chairman



COMPANY PROFILE

AKRITAS is a wood processing industry with headquarters in Alexandroupoli.

Its main activity is the production of particleboard and products based on it like, melamine, hpl worktops -kitchen tops, furniture semi-finished products Postforming. Since its establishment in 1977, the company operates on a continual basis offering excellent services with consistency and respect to its collaborators. AKRITAS remains constantly oriented to the goal of manufacturing high quality products and offer excellent services. It employs 240 people.

All AKRITAS products comply with high quality standards and are the result of the company's effort to satisfy the needs of the market by far exceeding the international standards. 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 to the Balkans, North Africa, Middle East and Australia.

AKRITAS 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

Respecting and supporting human rights remains one of the most challenging areas of AKRITAS corporate responsibility.

AKRITAS has adopted standards of professional ethics that describes the behavioral aspects employees should follow. It focuses on setting standards which facilitate ethical and anti-corruptive professional conduct throughout the company.

The company respects human rights, providing a safe, secure and healthy workplace to our employees.

The company's policies include:

- Equal opportunity to work.
- Prevention of violence, drugs and alcohol use at the workplace
- Prevention of sexual harassment

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 wood products to Local Community (schools, churches, museums, troop camps, hospitals) , the Centre AHTIDA, the institution founded in Thessaloniki by parents and relatives of autistic children and KETHEA SCHEMA-CHROMA ,the unit graphic design ,which is the production unit of KETHEA therapy center for dependent individuals.

Promoting voluntary blood donation

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.

Measurement of outcomes

According to the internal company check that were held in 2015, no violation of human rights have been recorded in the company.

In 2015, more than 150 donations in AKRITAS PRODUCTS value of 7806 Euros were given to the local community (schools, churches, museums, camps, hospitals, charitable organizations like AHTIDA the institute founded in Thessaloniki by parents and relatives of autistic children for ameliorating the living conditions of them.)

In Kethea Schema Chroma unit graphic design, there have been issued invoices for providing graphic design services to our company amount of 2152 euros.

There hasn't been recorded any 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 deployed Code of conduct which describes the behavioral aspects employees should follow in their professional conduct and focuses on setting standards that facilitate ethical, anticorruptive professional conduct.

Hiring : selection of employees is based on a procedure, founded on our company's values, following competency based interviews. We do not use underage workers at any stage of the work function

Health and Safety: AKRITAS occupies doctors and safety technicians to implement informative programs on health and safety issues. a) to ensure that working conditions follow the respective legislation and offer our employees a safe working environment. Thus the company provides "operations safety training " and offered two internal sessions of seminars for fire-protection and safety conducted by the Technical Manager. The doctor's presence is essential in the workplace and under her supervision a training seminar was held on issues of first aid.

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

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, complying with International Labor Organization standards.

Equal opportunities, gender and age equality

Achieving growth in an environment depends on our capacity to respect and manage diversity of culture, skills and competencies in an efficient and effective way. This makes equal opportunities not only a prerequisite for meeting our voluntary commitment to international standards as defined by UNGC principles and the Universal Declaration for Human Rights, but also a critical part of implementing our business strategy.

We do not encourage discrimination in recruitment, payroll, training, promotion or retirement of our employees, which are based on the differences in terms of their ethnic origin, religion, disability, trade union membership or political affiliation

TRAINING PROGRAM AND STAFF TRAINING

AKRITAS S.A. ensures that every employee is trained and developed according to their customized needs and ambitions. Additional training is also provided according to emerging business needs.

In 2015, training hours have been dedicated to training on Information Technology issues of 10 hours that was attended by the IT Manager

More specifically, training has been done in the Information Technology field . The aim and objective of these training lectures is raising awareness on information technology sector, demonstrating our tireless investment in our employees' development.

The aim of this seminar was to learn about the new trends in technology and the necessary safety measures. Also to get acquainted with the methodology of assessment of the Disaster Recovery Plan . To be capable , based on specific criteria, of determining the selection Strategy information systems and to get acquainted with the services and evaluation of Cloud Virtualization Services and be familiar with the methodology for the evaluation of new systems as well as install-planning and quality management and get acquainted with the exact methodology audit of information systems and with the principles of Document Management, Paperless office, Content Management and the ISO 27001 Standard.

OUTCOMES

No child or underage (under the age of 18) has been employed in the company during 2015.

In 2015 , more than 15 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

ENVIRONMENTAL RESPONSIBILITY PROMOTION

- Implementation of programmes for the reduction of environmental impacts of the company
- reducing air emissions, wastewater
- Recycling wastewater placing them in statutory bodies (ELTE.PE)
- The paperboard used in the packages of our products for their protection, are derivatives of recycling.
- We deliver the paper recycling paper and cardboard packaging to a licensed recycling company.
- Use ecological bugs and paper
- Reduce energy use at the office
- Reduce lighting usage

Recycling batteries (car):

Longer due to legislation for each new car battery purchased must be delivered the old. For some batteries from old vehicles before implementation, we keep the batteries and we gave them to licensed recycling company.

Energy management : Our company strives to reduce energy consumption through a number of initiatives such as using high efficiency lighting fluorescent bulbs, replacing IT systems with new more efficient ones.

Materials management: Through a number of systems we try to manage materials used

Paper management

- Reduce paper use by using fax servers, double side printing and reuse of printed paper as drafts when no longer useful (either due to poor printing or too old) before being sent for recycling.
- Reduce printing, sending daily newsletters via email
- Utilization of Electronic systems (for payment slips , for hotel and travel arrangements etc).

Measurement of outcomes

- More than 60% of our printers are laser printers, ensuring lower energy consumption.
- 90% of our displays utilize new technology and ensure lower energy consumption.
- The majority of servers use blade technology, including lower energy consumption
- Indicative results of our company within 2015 in materials management (total recycling are presented below):

Metals		21690 KG
Paper cartons	1	11910 KG
Lead Batteries(mainly UPS)		1330 KG
Lamps		80 KG
Packaging(cardboard, plastic,metal)	2	2630 KG

1. Concerns the paper cardboard from raw materials packaging

2. Relates to product packaging that consumes the staff and concerns materials that can be placed in special paper recycling bins.

On the WEEE (waste electrical and electronic equipment) was not a move either in 2015. Also, collected conventional batteries (alkaline by cameras etc.), but the Touch Bin has not yet been filled so as to have a licensed company to proceed to their collection

.We managed to recycle significant quantities of materials, varying from metals, to batteries , lamps and paper .

ANTI-CORRUPTION

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

Description of activities

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 and employee safety.

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. Health and Safety
4. 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 operating principles, the composition and responsibilities of the Audit Committee and the Department.

The Internal regulations of operations is renewed on a regular 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 2014, no violations of our code of conduct for cases of corruption and bribery have been investigated.
- No fines have been imposed for legislative purposes.