

# 20

Corporate Social Responsibility Report

# 13



**NIREUS**

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An aerial photograph of a large body of water, likely a fjord, during sunset. The sky is a mix of orange, yellow, and blue, with the sun low on the horizon. In the foreground and middle ground, numerous circular salmon pens are visible, arranged in a winding pattern across the water. The pens are made of dark frames with netting. In the background, dark, rugged mountains rise from the water's edge. The overall scene is serene and captures a key aspect of aquaculture in a scenic coastal environment.

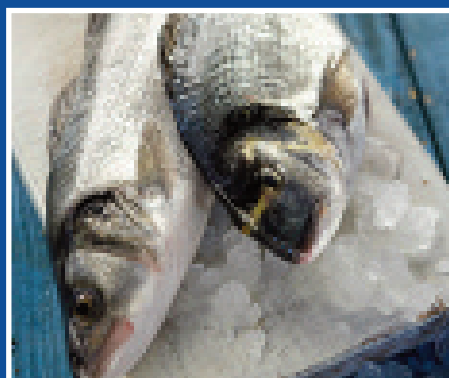
# ABOUT 2013 REPORT



Welcome to Nireas Group Corporate Social Responsibility Report, a review on the financial, corporate and social performance of the Group from January 1st to December 31st, 2013.

This is the 9th subsequent report of our Group, drafted in compliance with international guidelines, such as the Global Compact and the Global Reporting Initiative (GRI).

This year's report is devoted to deceased Nikos Margaritis, University Professor and Director of the Greek National Geographic magazine, who was a strong supporter of our activities. Our report is enhanced with typical extracts from his rich scientific work, for which we strongly believe that our industry will keep on honoring him and that his lead will be followed by numerous scientists, placing the Fish Farming Industry at the top of the sustainable activities list.



## CHAIRMAN'S MESSAGE



Dear Shareholders,

Thank you for your interest in becoming informed about the NIREUS Group Corporate Social Responsibility for one more year.

The great hardship we encountered throughout 2013, did not adversely affect our efforts to implement Corporate Social Responsibility (C.S.R.) principles; on the contrary, it motivated us to maximize results based on available resources and, most of all, based on the moral and ethical powers and reserves of our people.

Focusing on the excellent quality of our products, the harmonization of our activities with the natural environment and the society we live in, the ongoing concern for ameliorating our operating methods in favor of our shareholders and partners and the people-oriented management of our Group, we have been optimistically heading to recovery and to the achievement of new higher goals within a demanding rural and export sector, such as the Greek Fish Farming Industry.

Looking back at the course of our Group since 1988, we are really proud of our achievements in the field of Corporate Social Reasonability and we hereby declare our commitment to further strengthen our Group in terms of C.R.S., also by encouraging an even more interactive relation with our stakeholders.

We hope that we have compiled a Report to your satisfaction and we look forward to your comments and proposals which will be contribute to our efforts for continuous improvement.

Best regards,

Aristides Belles,  
Chairman and CEO

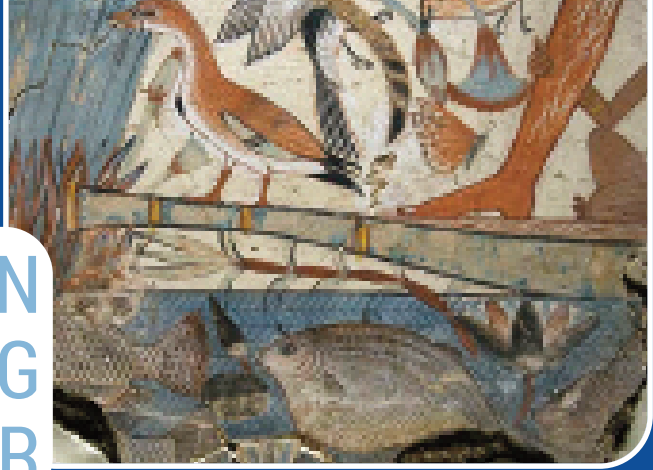
# OUR HISTORY

1988	Establishment of the Company/ operation as an on-growing farm until 1990
1991	Construction and operation of the first hatchery
1994	Merger with PROTEUS Aquaculture
1995	Listed on the Athens Stock Exchange (parallel market)
1995-1996	Acquisitions/Mergers aimed at increasing production capacity
1996	Establishment of PROTEUS EQUIPMENT
1996-1997	Purchase of a factory in Koropi and relocation of the offices; commencement of operation for processing, packaging-storage and shipping units for seafood
1998	<ul style="list-style-type: none"><li>• Establishment of FEEDUS and commencement of fish feed production</li><li>• Transfer of shares from the parallel market to the main market of the Athens Stock Exchange</li><li>• Expansion of company activities to the United Arab Emirates, through a holding in INTL FISH FARMING COMPANY</li></ul>
1999	Acquisitions/holdings in companies (SARANTIS - EUROCATERERS) aimed at further strengthening the company in food and aquaculture sectors (FOKIDA FISH FARMS)
2000-2001	Restructuring of the Group through mergers (AEGEAS S.A. - OINOUSSES AQUACULTURE), acquisitions (ICHTYOFARMA Ltd) and participations (INTERPESCA S.A.)
2003	Establishment and operation of the company "BLUE FIN TUNA" with the participation of NIREUS S.A., SELONTA A.E.G.E. and AUSTRALIAN FISHING ENTERPRISES
2005	NIREUS S.A. participated as a strategic investor, in the settlement between SEAFARM IONIAN S.A. and its creditors

<b>2005-2006</b>	Entry of the company into the Turkish market through its participation in the Turkish aquaculture company ILKNAK
<b>2006</b>	<ul style="list-style-type: none"> <li>• Further restructuring of the NIREUS Group through mergers (FEEDUS-FOKIDA FISH FARMS, MYLOKOPI FISH FARMS, etc.)</li> <li>• Establishment of NIREUS INTERNATIONAL LTD and acquisition of MIRAMAR (Turkey).</li> <li>• Agreement with AB Vassilopoulos supermarkets for the sale of branded farmed fish through its stores (AB CHOICE - NIREUS)</li> </ul>
<b>2007</b>	<ul style="list-style-type: none"> <li>• Acquisition of the listed company KEGO S.A.</li> <li>• Acquisition of the Spanish company PREDOMAR.</li> <li>• Acquisition of the Turkish company CARBON A.S.</li> <li>• Construction and operation of a modern pre-growing farm in Thesprotia</li> </ul>
<b>2008</b>	Merger with KEGO S.A., spin-off of KEGO's agri sector that formed the subsidiary KEGO AGRI S.A.
<b>2009</b>	Establishment of A NIREUS branch in Milan, Italy, at TRADIMAR's premises
<b>2010</b>	Award in the "Environmental Management" category by the GREEK ASSOCIATION OF ENVIRONMENTAL PROTECTION COMPANIES (PASEPPE)
<b>2013</b>	<p>Award of NIREUS by the Ministry of Rural Development and Food in Thessaloniki – Excellence Award on Innovation</p> <p>In addition, NIREUS was awarded with the 2nd Prize on the "Expansion to Foreign Markets through Subsidiaries or/and Franchise" within the context of the Greek Exports Awards 2013 (Ethos Media), and</p> <p>Special Award by the Athens University of Economics and Business (MSc in Marketing and Communication with New Technologies)</p>



# THE MEDITERRANEAN FISH FARMING SECTOR



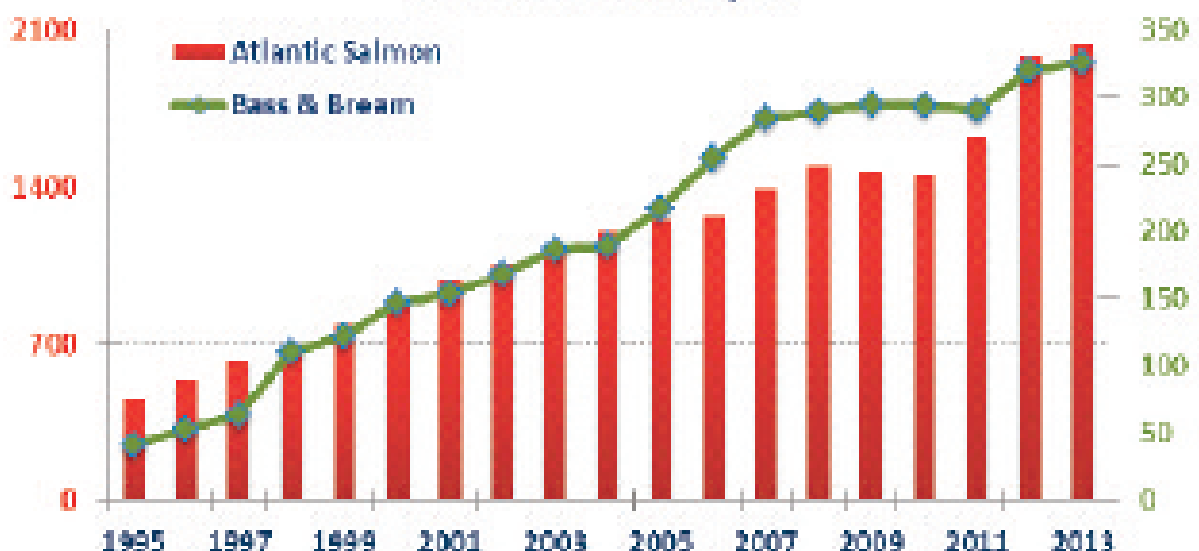
In the Mediterranean region the onset of aquaculture can be traced back to Ancient Egypt (2.500 BC) where tilapias were cultivated in ponds. Greeks, Etruscans and the Romans later cultivated fish and shellfish in marine farms.

Aquaculture disappeared with the end of the Roman Empire. It appeared again in the 15th century AD as extensive, large-scale farming in the lagoons of the Adriatic, and it was called vallicultura (aquaculture developed in coastal lagoons). The fish cultivation activities were promoted by the religious practice of prohibiting the consumption of meat on Fridays.

Modern Mediterranean fish farming started in the 1980s with seabass and seabream farming, following a breakthrough in the life-cycle of these species.

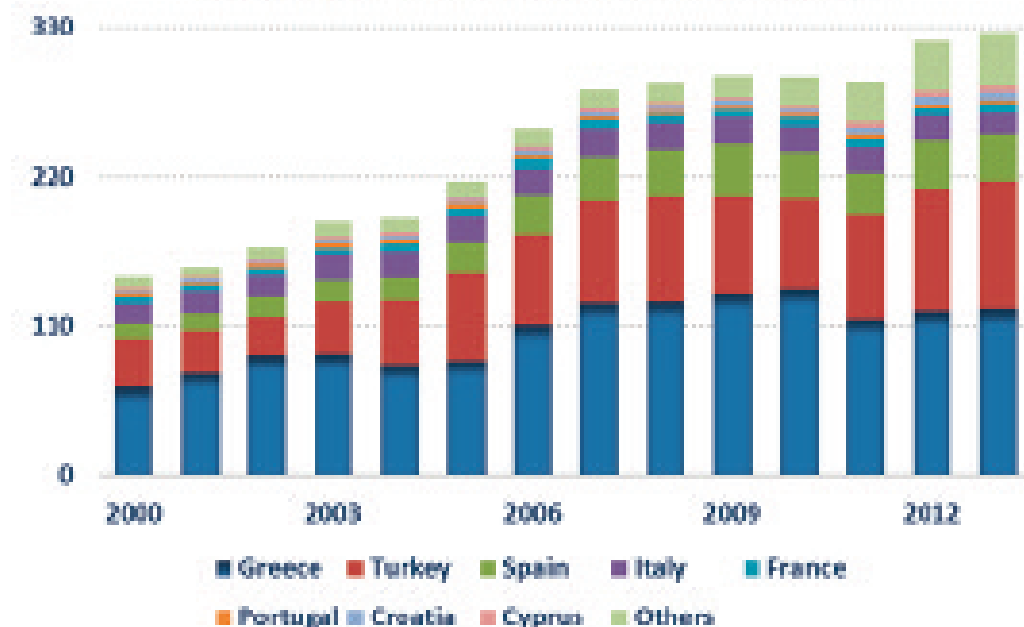
Today, the sector produces over 300.000 tons of fish (seabream, seabass, sharp-snout bream, meagre, common pandora, etc.) with seabream and seabass still being the main species produced. It is the second largest sector in marine fish farming globally after the sector of Atlantic salmon.

World production 1995-2013 (mil. tons)  
source: Kontali Analyse



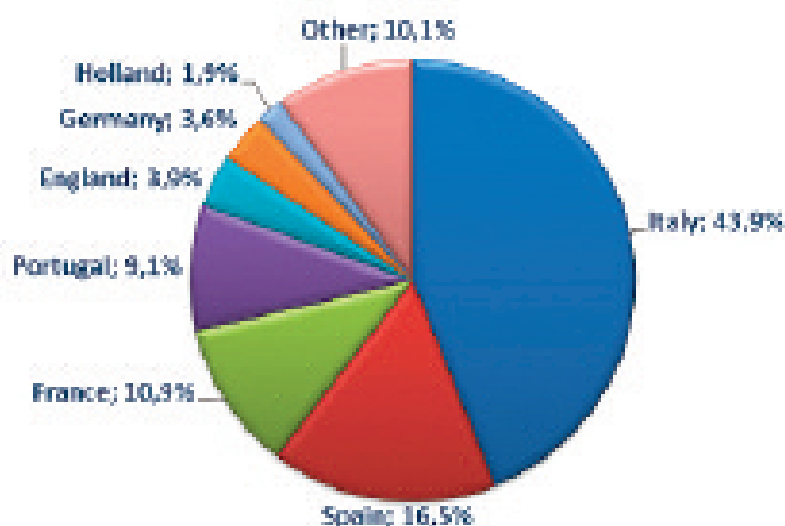
Greece is the main country producing Mediterranean fish with a share approaching 40% of world production. Approximately 30% of the world production takes place in Turkey, while the remaining 30%+ is produced in other Mediterranean countries: Spain, Italy, France, Portugal, Malta, Cyprus, Israel, Croatia, Tunisia, a.o.

Evolution of Global production of Mediterranean fish farming 2000-2013 (Tt) - source: Kontali Analyse



Greek fish farming is export-oriented and one of the major export sectors of the Greek economy. Exports amount to over 2/3 of overall production. The main destination of Greek farmed fish is Europe.

2013 Exports of Greek sea bass & seabream  
source: Kontali Analyse



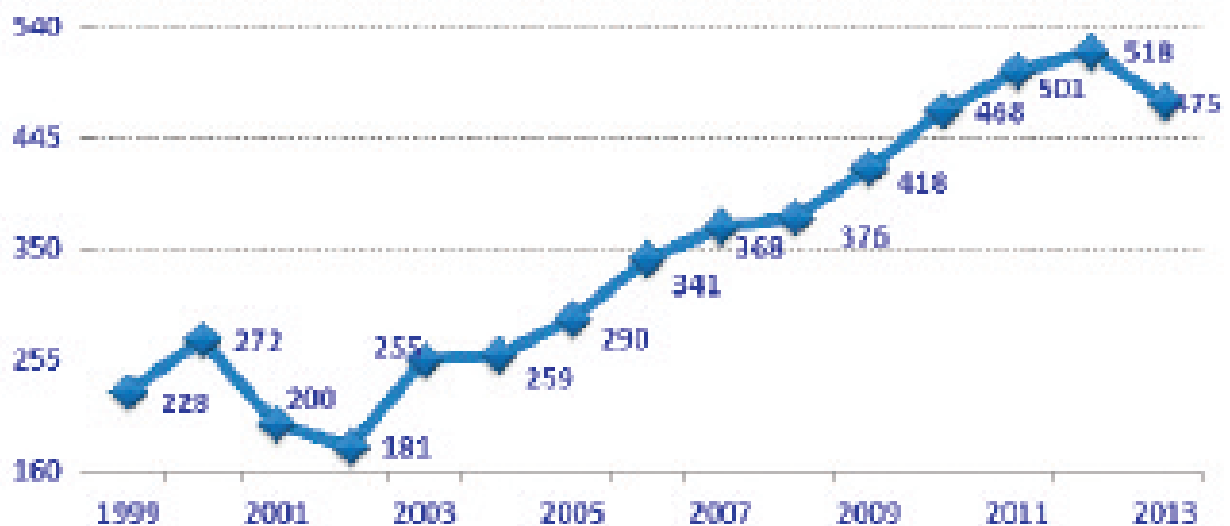
# THE MEDITERRANEAN FISH FARMING SECTOR

Approximately 80 companies are active in the Greek fish farming sector. Their annual sales surpass 800 million euro and they provide employment to 10 thousand people in remote areas, away from urban centers.

The largest 4 companies account for more than 2/3 of the sales, while the total sea area used for their facilities is 7.8 square km (in comparison, the Athens International Airport occupies an area of 16.5 square km).

The Greek fish farming industry accounts for just 0.2% of the of the Greek gross domestic product, but fish exports account for 3% the country's exports and 12% of primary exports (National Bank of Greece study, 2010).

Greek Fish Exports 1999-2013 (ml. €)  
source: HEPO





*“... but above all, the key is how to cook them. Just like in every food, the end-product depends on how it will be processed, even if the “raw material” is of exceptional quality. Farmed fish are here to stay... !”*

Nikos S. Margaris  
University Professor -  
Director of Greek National Geographic magazine  
Published in VIMA newspaper

According to data from the Hellenic Foreign Trade Organization, in 2013 fish exports captured the third place among exports of agricultural products, after the exports of fruits and oil.

INDUSTRY	2013 EXPORTS VALUE (€)
FRUITS - NUTS	777.635.691
FATS & OILS	543.215.669
FISH (FRESH & FROZEN)	474.579.329

Demand for sea bass and sea bream is strong and is expected to increase. One of the main advantages of Mediterranean fish is their contribution to a healthy diet.

The consumption of sea bass and sea bream is good for the heart.

Omega-3 are essential, highly unsaturated fatty acids that help maintain the health of your heart. Your body cannot make them. You have to get them through food.

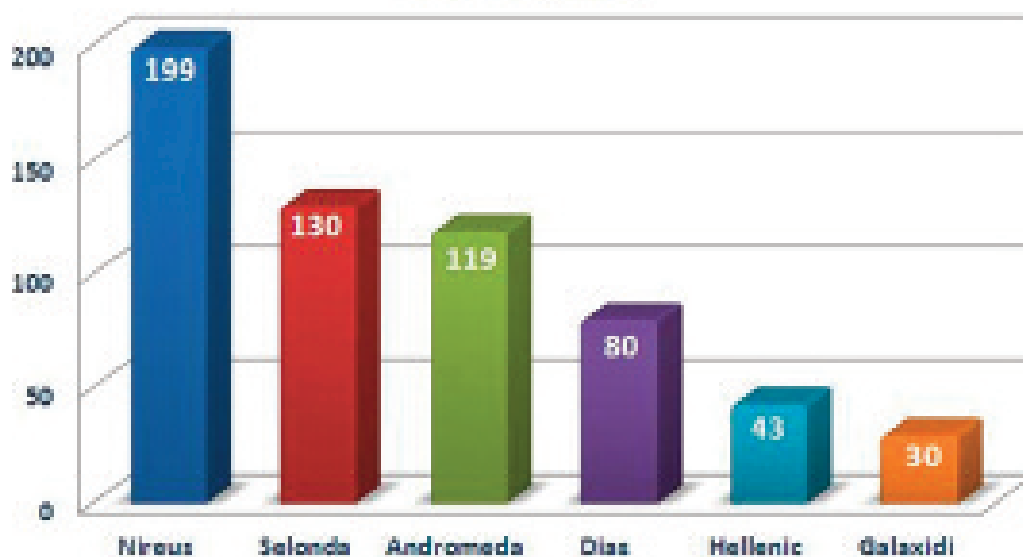
Seabass and seabream are an excellent source of Omega-3. According to EFSA (European Food Safety Authority), the consumption of cultured seabass and gilthead seabream twice a week, and as a part of a healthy lifestyle, helps maintain the health of the heart, even among people with known heart problems.



# COMPREHENSIVE BUSINESS DATA

NIREUS was established in 1988. In the over 25 years of its operation it has become the largest global player in both the production and the distribution of Mediterranean fish. Moreover, our group is among the 10 largest fish farming companies in the world.

The largest Greek companies in Mediterranean fish farming -  
2013 sales (mil. €)



Sales for Dias are estimates

NIREUS group owns production facilities in 3 countries (Greece, Turkey and Spain) and maintains a top ranking position in all of its business: market-size fish, juveniles, fish feed.

The Group is vertically integrated for the full value chain, producing fish feed, broodstock, juveniles, market-size fish, processed fish products and aquaculture equipment.

It owns two fish feed factories, 5 hatcheries, 42 on-growing farms, three pre-growing inland units for 10 gr. juveniles, 5 modern packaging units, a fish processing plant, an R&D center, and a company producing fish farming equipment, such as cages and nets.

Moreover, through its 100% owned subsidiary KEGOagri, the Group sells genetic material, equipment, nutrition and health products to aviculture and animal culture in Greece and abroad.

## FINANCIAL DATA

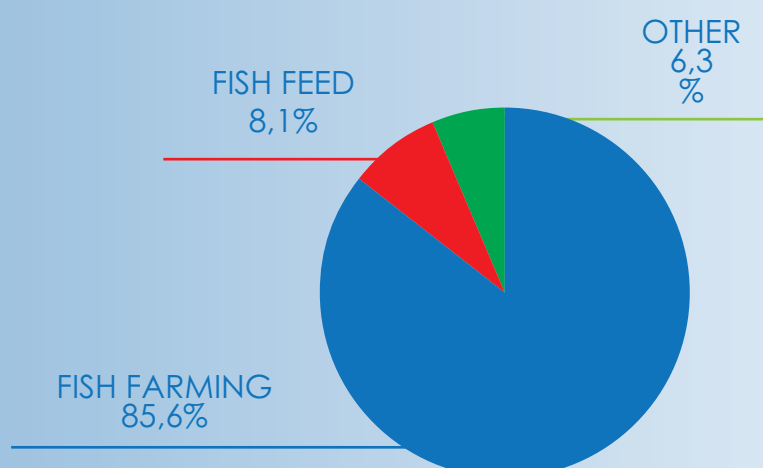
NIREUS group is active in 5 main sectors:

- Fish farming (broodstock, juveniles and market-size fish) operating approximately 2.500 cages geographically dispersed.
- Fish processing in a modern processing plant.
- Fish feed with 2 factories each having an annual production of over 40.000 tons.
- Aquaculture equipment with the production and supply of specialized equipment to be used by the Group or sold to other companies.
- Industrial animal production, supplying integrated solutions and products of genetic material, nutritional supplements, farm equipment and veterinary medicine to aviculture and animal culture.

fish farming	processing	fish feed	Fish farming equipment	aviculture animal culture
Broodstock		Bream	Cages	Genetic material
Juvenulies 2gr. & 10gr.	Filets	Bass	Nets	Nutritional supplements
Fresh fish Bream Bass Meagre Pagrus	Gutted	Trout	Other	Medicine
Common Pandora Sharpsnout Bream	Frozen	Other		Equipment

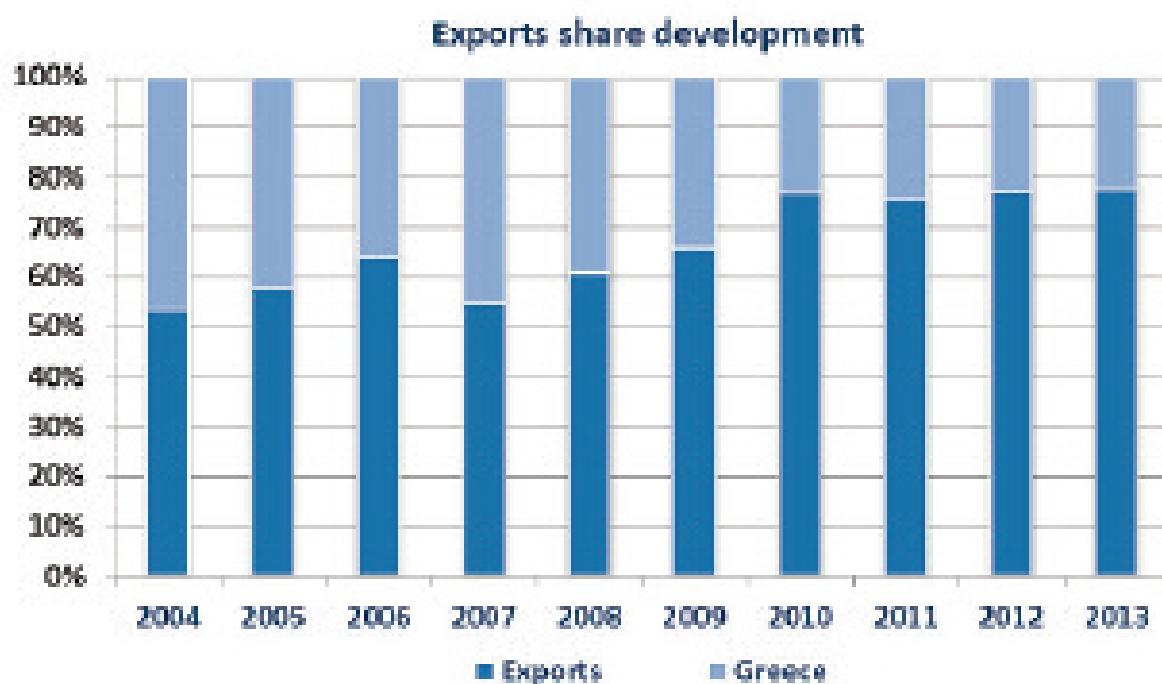
The most important sectors for the Group are fish farming and fish processing and they contribute most of the sales. Next comes the fish feed sector and the other products follow.

### Sales by sector



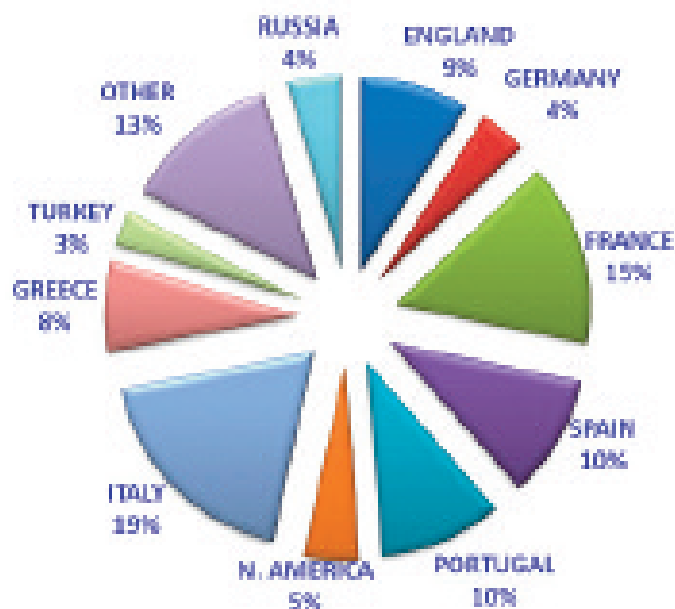
# FINANCIAL DATA

The Group is export-oriented and ranks 1st in total export within the Greek food industry, contributing to the Greek national product, the primary sector, as well as the country's production and social welfare. In 2013, exports amounted to € 154.2 mi. The following table shows the contribution of the exports' share in total sales (78% for 2013).



NIREUS is committed to its international expansion, focusing not only on exports, but also on international production. Apart from Greece, the company has production facilities in Spain and Turkey. It exports 92% of its fish to over 40 countries, mainly in Europe, but also in North America, Africa and Asia.

NIREUS group 2013 fish sales per country (% value)



NIREUS shares capital consists of 63.697.153 shares that are listed in the Main Market of the Athens Stock Exchange.

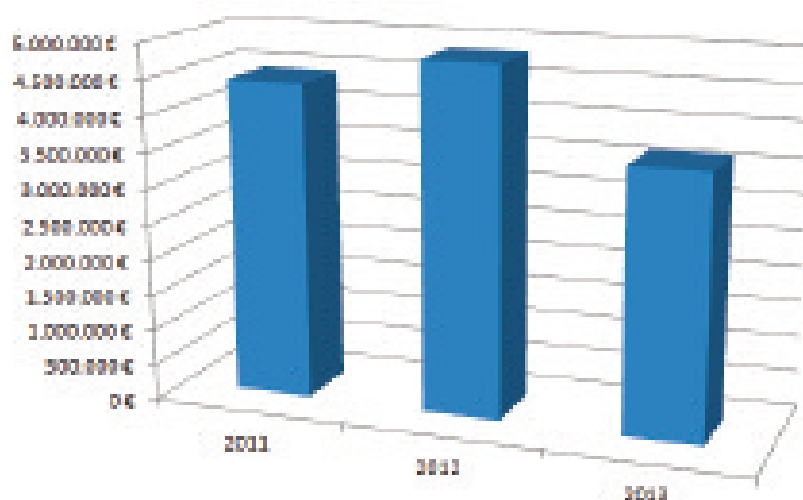
The company's shares participate in the composition of six indices, from which the main are the General Index, the FTSE/ Athex Food-Beverage and the FTSE/Athex Global Traders Index Plus, FTSEGTI.

A photograph of a large industrial facility, likely a refinery or chemical plant. The image shows a complex network of yellow structural steel beams, large silver metal pipes, and various industrial tanks and vessels. The lighting is bright, coming from overhead industrial fixtures. The perspective is looking upwards, emphasizing the scale and height of the equipment.

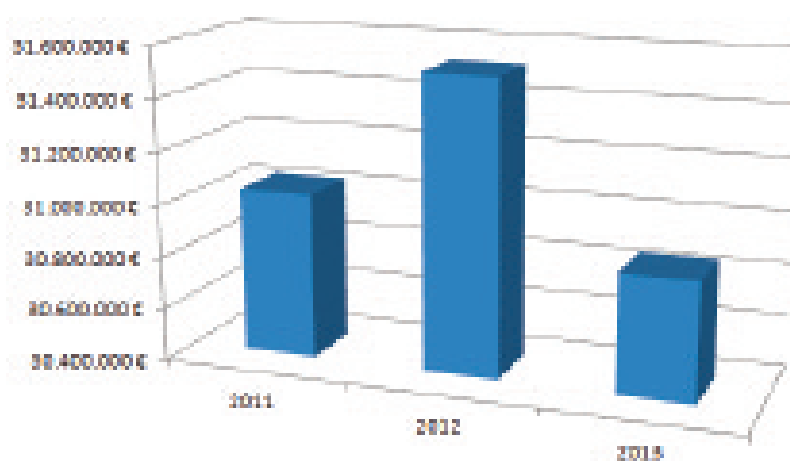
## FINANCIAL DATA

TAXES  
PAYABLE TO  
STATE

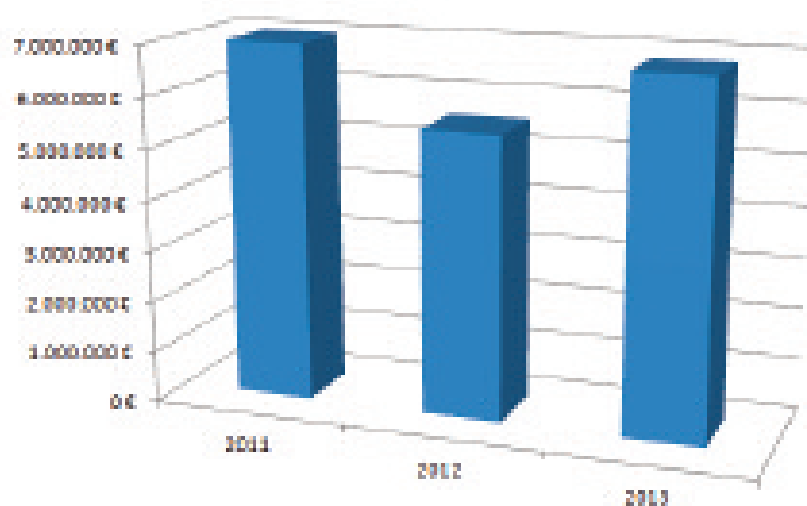
## TAXES TO THE STATE & TO LOCAL AUTHORITIES



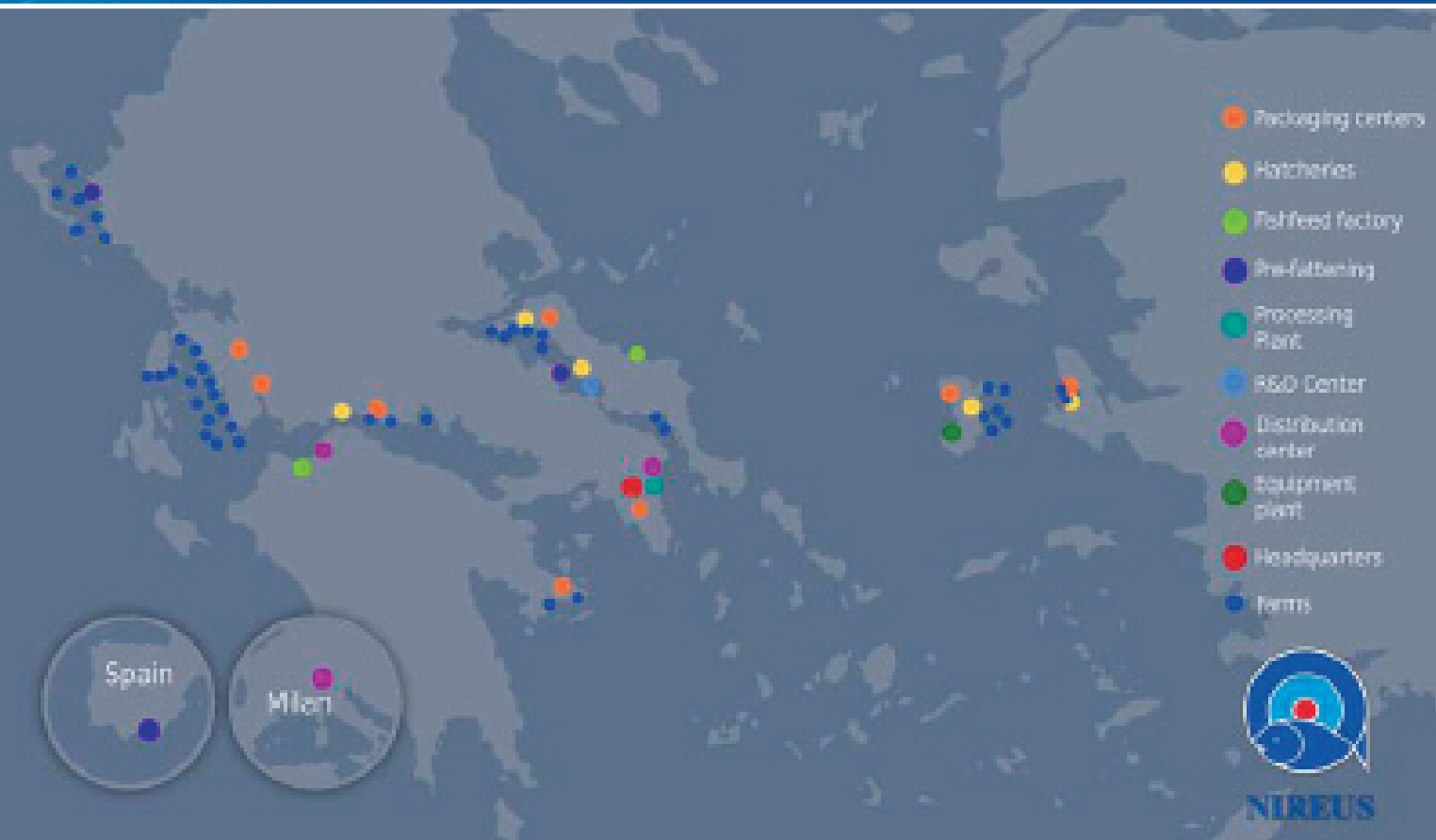
## SALARIES PENSIONS AND ADDITIONAL BENEFITS TO EMPLOYEES



## NEW CAPITAL EXPENDITURE IN PPE



# DEVELOPMENT STRATEGY



*"....Although our inland achievements are remarkable, having domesticated animals and plants, it is totally irrational not to have achieved something similar into the sea. Today, the sea offers only 2% of our food, whilst it is twice as big as land, which produces 98% of our food...!"*

**Nikos S. Margaritis**  
University Professor -  
Director of Greek National Geographic magazine  
Published on [mytikaspress.blogspot](http://mytikaspress.blogspot)



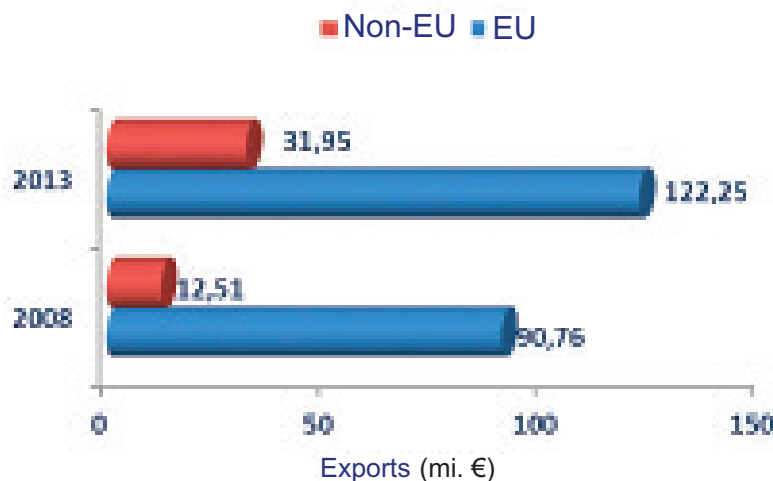
NIREUS growth strategy is based on its geographical expansion to new markets and on the development and distribution of new products.

NIREUS has been a pioneer in the opening of new markets since its establishment. Today it is the largest export company in the Greek food sector and has succeeded in growing exports by 50% during the last 5 years.

In 2013, sales outside Greece amounted to €154 mi. and 92% of the company's fish was distributed to over 40 countries around the world.

Exports growth rate was higher in new markets (non-EU countries), in which, sales reached € 32 mi. in 2013 versus € 12.5 mi. 5 years before, posting an annual growth rate of 21%.

At the same time, exports to EU countries increased by 35% during the last five years, and they amounted to over € 122 mi. as compared to € 91 mi. in 2008.



## NEW PRODUCTS

The successful export-oriented performance of our Group is based on its broad and continuously expanding product line, the excellent quality of its products and the ability to meet the needs of the largest supermarket chains and wholesalers all over the world.

NIREUS fish sales are based on sea bass and sea bream that are marketed whole, gutted, in fillets, fresh or frozen. The Group introduced meagre to the Greek and foreign markets in 2010, and pagrus in 2011.

In 2013, NIREUS launched 3 new product lines of branded products for niche markets aiming at establishing the NIREUS brand to the final consumer:

- **NIREUS tagged fish**
- **NIREUS BIO - organic sea bass and sea bream**
- **NIREUS SELECT - premium sea bass and sea bream**



## NIREUS TAGGED FISH

NIREUS branded fish was launched in the Ukrainian market and was met by enthusiastic acceptance. The fish is sold with a tag attached to its gills, that has a QR code connecting to a microsite, in which the end consumer is able to learn about NIREUS group, our facilities and certifications, as well as the benefits of sea bream and sea bass consumption.

Both the tag and the microsite are written in the local language, to transfer the information directly, quickly and efficiently.

In the photos, you may see the tag and the microsite designed for the Ukrainian market.



## NEW PRODUCTS

### NIREUS SELECT

NIREUS SELECT sea bream and sea bass targets the needs of the chefs looking for premium Greek fish. They were launched in markets with high seafood consumption in restaurants. The product supports the chefs and the professionals to grow their business with recipes, promotional material and a special table card that can be placed on restaurant tables.

NIREUS SELECT is sold in sleeved boxes with the logo, a photo of the fish in the Greek sea and a QR code connecting to a microsite.

The microsite shows the recipes and the promotional material to introduce the brand to the final consumer, the chef, the restaurateur, as well as the company's partners.

The promotional material makes use of the Greek myths and the rich Greek history and is designed on international usability standards.



## NIREUS BIO

NIREUS BIO organic sea bream and organic sea bass meet the needs of a growing market for healthy, natural, and organic fish.

The fish is raised in carefully chosen sites, in secluded Greek bays with strong currents, to ensure habitat close to natural. They swim in spacious net pens with low stocking levels that provide great freedom of movement for robust health and firm texture.

Their growth is closely monitored and they are fed with a balanced diet of top quality cereals and fish trimmings to ensure an extremely aromatic flesh. Their production and processing is certified by BIO HELLAS.

NIREUS BIO sea bass and sea bream were launched simultaneously in 5 languages: English, French, German, Russian, and Greek.

They are tagged with a BIO tag connecting to a microsite in 5 languages above.

They are sold in BIO sleeved boxes with the logo, the fish photo, its name in 5 languages, the organic certification and the connecting QR code.



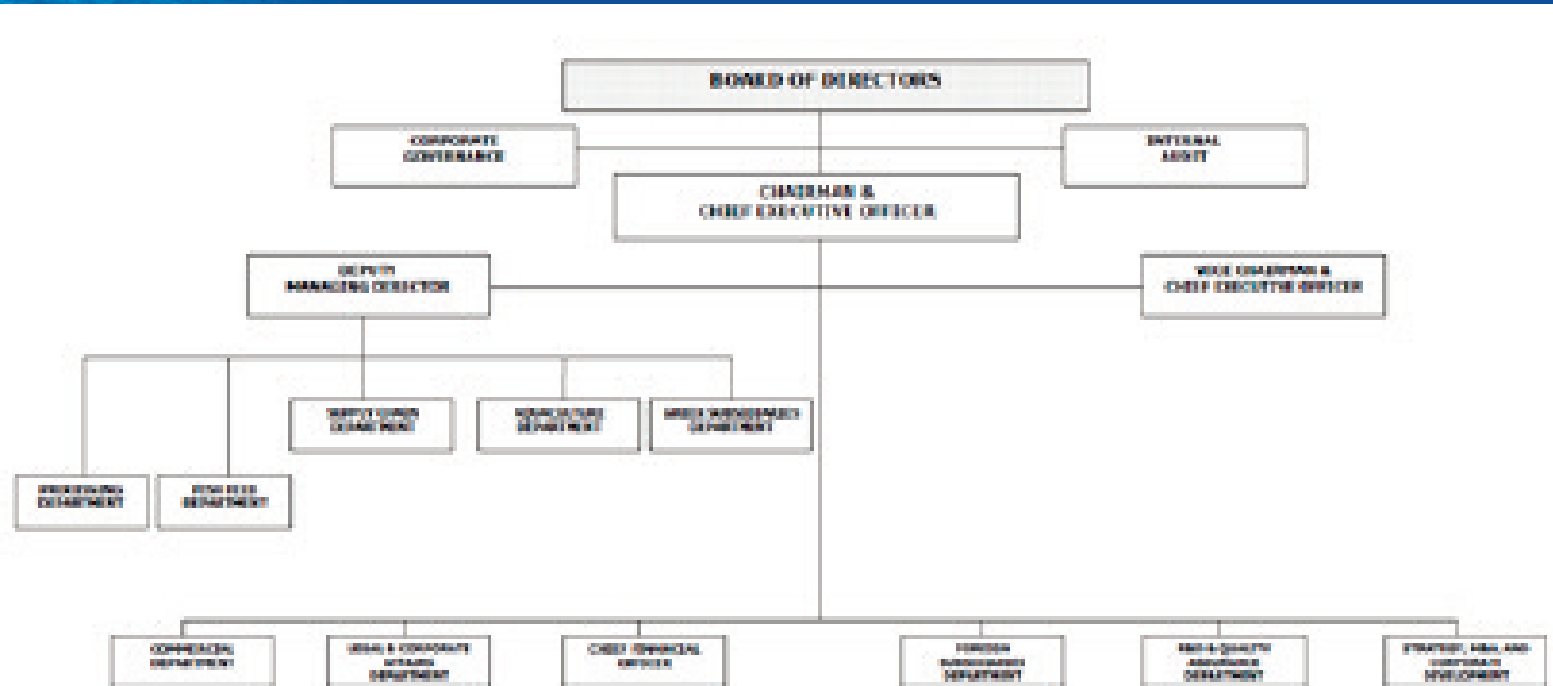
ΛΑΒΡΑΚΙ



SEA BASS



# OUR STRUCTURE



The foremost obligation and duty undertaken by all directors, as our company is listed with a regulated financial market, is the consistent effort to reinforce the long-term economic value of our Company and to protect its general corporate interests.

The directors and any third contracting party may not engage in activities that contradict our Company's interests.



The Board of Directors serves a five-year office and comprises three (3) executive and four (4) non-executive members.

- 1) **Aristides BELLES** Chairman and Chief Executive Officer, Executive Member.
- 2) **Nikolaos CHAVIARAS** Vice Chairman and Chief Executive Officer, Executive Member.
- 3) **Antonios CHACHLAKIS** Deputy Managing Director, Executive Director.
- 4) **Epaminondas LAMPADARIOS** Non-Executive Director
- 5) **Constantinos LAMBRINOPOULOS** Independent Non-Executive Director
- 6) **Lito IOANNIDOU** Independent Non-Executive Director
- 7) **Markos KOMONDOUROS** Independent Non-Executive Director

The Board of Directors meets once a month to from the Company's strategy and to examine current issues.



# OUR STRUCTURE

The following Committees have been established and operate within the Company:

## **AUDIT COMMITTEE**

Since 2002, the Company has established an Audit Committee and has fully complied with all the provisions of article 37, L. 3693/2008 on the establishment of an Audit Committee by the Board of Directors.

The Audit Committee is in charge of:

- A) Monitoring the Financial Reporting procedure
- B) Monitoring the effective operation of the Internal Audit system and the risk management system; monitoring the proper operation of the internal audit department
- C) Monitoring the audit procedures applied to individual and consolidated financial statements
- D) Reviewing and monitoring the existence and maintenance of objectivity and independence of its statutory auditors or audit firm, especially with regard to the rendering of other services by such statutory auditor or audit firm.

The mission of the Audit Committee and – therefore - its agenda is to ensure corporate effectiveness and efficiency, to ensure the credibility of the financial reporting provided to Company investors and shareholders, the Company's compliance with the applicable legislative and regulatory framework, the safeguarding of the Company's investments and assets, the identification of and dealing with major risks.

## **Strategic Planning and Investments Committee**

The main task of the Strategy and Investments Committee is to define the investment strategy of the company as well as the short-term and long term strategic goals.



## **Performance Management System**

The formerly established Committee of Wages and Benefits has been replaced by the Performance Management System compiled by Hay Group that has been adopted by the Company since 2009.

## **Principles applicable to wage formation**

The wage formation procedure is governed by objectivity, transparency, professionalism and is free of conflicts of interest.

The level and structure of salaries actually aim at satisfying Directors, managers and employees, who inject the Company with their skills, knowledge and experience, such that they be attracted to remain with the Company. All wages correspond to their skills and contribution to the Company. The BoD is fully aware of the manner by which the Company chooses to remunerate its officers, primarily the ones who are properly skilled for effective Company management.

The bodies/services operating and falling under the supervision of the BoD is the Internal Audit Department and the Corporate Governance Committee.

## **Corporate Governance Committee**

The Corporate Governance Committee's primary task is to monitor the corporate governance system which has been adopted by the Company, to supervise the implementation of the company's internal regulations, to monitor the international trends regarding corporate governance systems and best practices, as well the legal framework in force, and to propose to the Board of Directors amendments and improvements of best conduct.

Finally, **the Group Executive Committee** consists of executive Directors and General Managers and is involved in operational affairs. The Group Executive Committee meets at least once a month and when urgent administrative issues arise more frequently within the month. It examines and resolves on administrative issues and makes recommendations to the Board of Directors.



## OUR STRUCTURE



## Internal Audit and Risk Management

The Internal Audit Department is responsible for performing the internal audit of the Company, which is carried out in compliance with the audit program as foreseen by the Company's Bylaws.

During the audit procedure, the Internal Audit Department has access to all necessary books, documents, files, bank accounts and portfolios of the Company and requests the absolute ongoing cooperation of the Management, in order that it be provided with all requested information and data, thereby obtaining reasonable assurance for the preparation of a Report that will be free of substantial inconsistencies in terms of its information and conclusions. The audit does not assess the suitability of the accounting methods applied, nor the reasoning of the estimates made by the Management, as such issues fall under the audit which is performed by the statutory auditor of the Company.

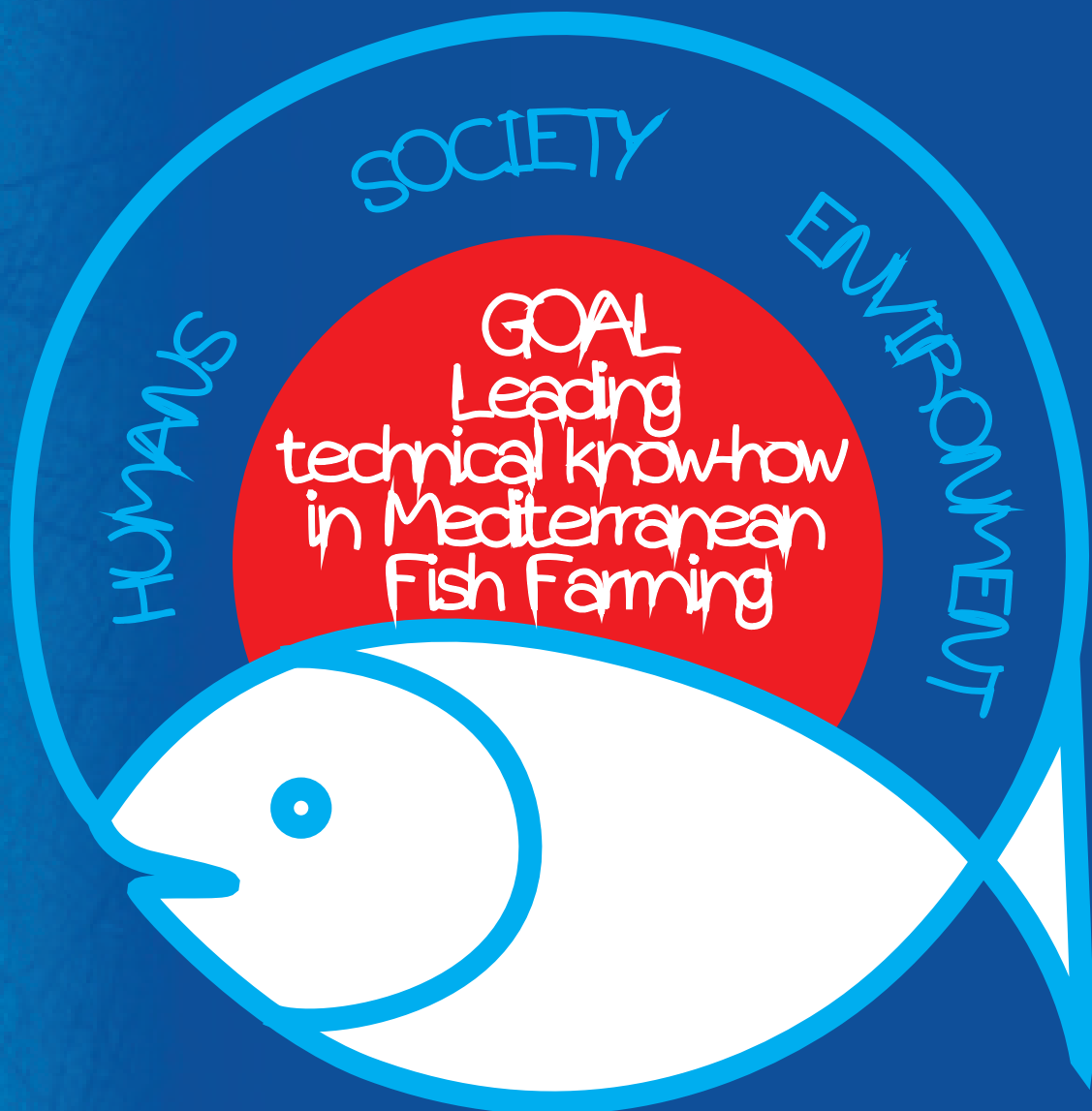
The audit scope entails the assessment of the general level and operating procedures of the Internal Audit system. At every period undergoing an audit, certain audit areas-fields are selected, whilst BoD operation and organization are audited on a continuous and permanent basis, such as the two basic Offices, operating pursuant to the provisions of L. 3016/2002, the Investors Service Office and the Company Announcements Office.

Finally, according to the Company's Code of Conduct, all of our employees are entitled to report their concerns or any other matter that has come to their attention with regards to the smooth operation of the Company, by sending an email to **[codeofconduct@nireus.com](mailto:codeofconduct@nireus.com)**, opened especially and exclusively to this end or by personally contacting the Legal & Corporate Affairs Director, who is responsible for all personnel affairs, always approaching them with sensitivity, devotion and full confidentiality.



## SETTING GOALS AND COMMITMENTS

The goals of a company may vary; the most important is that these goals are prioritized based on the society, the satisfaction of needs/wishes of participants and of course the natural environment, so as to ensure long-term success. NIREUS, as well, has set its goals and commitments for a better and sustainable future and development.



## Individual Goals of NIREUS

- To remain the global pioneers in the field of fish farming and to further reinforce our leadership
- To increase the production of our products and launch new ones
- To emphasize on the vertical integration of our production and to achieve added value
- To respect the environment
- To reinforce our productivity – efficiency to the benefit of our shareholders
- To establish a long-term horizon for our consumers, shareholders and human resources, by forming a business plan and long-term goals
- To successfully deal with any opportunities and market demands within Greece and abroad
- To establish a well-organized structure, operation and production of the Company

### **Our Mission**

**The production  
of top quality, hygienic  
and safe products  
for customers -  
consumers**

## OUR VALUES





The values of a company form its culture and priorities and pave the way that leads to right decision-making.

Since its foundation, our Company has been working with a vision to establish itself as a leader in Mediterranean fish farming among the top five producers of seafood in Europe, producing healthy products with high nutritional value and affordability for consumers, catering to humans, the society and the environment.

### **The values governing our Company are:**

#### **Investment on knowledge**

- ▶ Teamwork, speed, collaboration and commitment to results.
- ▶ Guiding by example.
- ▶ Systematic support of innovation.

#### **Commitments against third parties**

- ▶ Business ethics and consistency.
- ▶ Customer satisfaction and cooperation with customers and suppliers who share the same values and business standards as we do.
- ▶ Communication with shareholders and investors.
- ▶ Achievement of Business Goals in compliance with the code of conduct.
- ▶ Leadership and professional excellence.

#### **Never-ending Improvement**

- ▶ Encouragement of innovation, new ideas and initiatives.
- ▶ Professional satisfaction - progress of our employees maintaining a balance between working and personal life
- ▶ Environmental responsibility: acting in ways that mitigate the effect of our activities on the environment

#### **Corporate and Social Responsibility**

- ▶ Production, processing and distribution of our products in the most environmental friendly way.
- ▶ Safe working conditions by paying respect to all employee categories
- ▶ Commitment to the progress of sustainable development
- ▶ Devotion to quality

#### **Respect to Stakeholders**

- ▶ Predicting and satisfying their needs
- ▶ Provision of high quality products
- ▶ Acting with transparency and credibility
- ▶ Preserving the credibility and the integral profile of our Company
- ▶ Prompt and valid risk management
- ▶ Being sensitive to the needs of financially weak social groups

Furthermore, Chapter VII of the company's internal labor regulation, titled "Protection of interests and resources", refers, among others, to the principles of business ethics and company employee conduct towards customers, suppliers and other partners.



## BUSINESS ETHICS



Since its establishment, NIREUS Group has stood out for its business ethics and long-lasting values those which mark each aspect of its activities, regardless of where they are performed. These values have been incorporated in the Code of Conduct which defines the Company's orientation towards each shareholder, partner, customer and employee and reflect our commitment to an exemplary behavior and an ongoing effort for improvement in all areas.

## COMPLIANCE WITH LEGISLATION

Compliance with the applicable laws and the observance of all relevant obligations arising therefrom are the Group's key principles for all its business units, either in Greece or abroad. Compliance with legislation is a factor for preventing business risks and an important token of proper management.

## ACCOUNTABILITY AND TRANSPARENCY

NIREUS Group emphasizes the implementation of all Corporate Governance guidelines, as such have been internationally established, mainly focusing on providing our investors and competent authorities with thorough and timely information on any important matter relating to significant developments or financial data, as well as the protection of shareholder interests and rights. Communicating with and informing all stakeholders on the Company's activities is a primary concern for us, as – in addition to contributing to the compliance with mandatory provisions – it ensures the required level of transparency and establishes a trusting relation with the Company.

## LEGITIMATE BUSINESS PRACTICES

The Group holds a leading position in the Mediterranean fish farming industry, always applying fair competition practices.

Our key advantages in the international free market "arena" include our constant endeavor to satisfy our customers and our reliable transactions.

## INNOVATION - ENVIRONMENT

NIREUS looks for and rewards any scientific or technical innovation capable of bringing about cost reductions and growth in the industry in general, where its application is always based on its positive effect on the ecosystems affected by the Company activities.

The fact that aquaculture is highly compatible with the environment does not mean that the Group is being complacent. On the contrary, it is an incentive for further improvement.



# BUSINESS ETHICS

## HUMAN RESOURCES

The Group working environment is human-centered. It is characterized by meritocracy, respect to individuals, teamwork and stands out for its non-negotiable moral values.

NIREUS employees are being offered equal opportunities for training, skill development and salary increase within the Group, irrespective of gender, nationality, political or religious convictions, and they are entitled to work under excellent health and safety conditions.

At the same time, our people bear the obligation and the responsibility to always act in accordance with the law and the moral principles applicable, to perform their duties unbiased and to deny any reward from third parties, to abide by the professional obligation to maintain confidentiality and to abstain from any illegal commercial or other practice or any use of insider information.

By complying with the above obligations, as well as those detailed in writing in the Company's Bylaws and the Labor Regulation, all employees contribute to the prevention and/or proper handling of any incident of abuse, corruption or erroneous practice, and thus assist to the protection of the Company's reputation.

## COMMUNICATION

With regard to any matter previously discussed, all employees are entitled and obliged to confidentially contact the Legal & Corporate Affairs Department and report any concern for infringement of the Code of Conduct or non-compliance with the legislation applicable by sending an email to [codeofconduct@nireus.com](mailto:codeofconduct@nireus.com).

Finally, the Group employees are encouraged to participate in voluntary CSR actions generally being sensitive towards issues relating to the local communities where the Group is activated.



## PARTICIPATION IN THE UN GLOBAL COMPACT

Our Company has been participating in the United Nations Global Compact since 2008, supporting its 10 principles. For this reasons, in 2009, 2010, 2011, 2012 and 2013 it issued a letter of compliance with the UN Global Compact principles regarding Human Rights, Labor, the Environment, and Anti-Corruption.



## HUMAN RIGHTS

### PRINCIPLE 1:

Businesses should support and respect the protection of internationally proclaimed human rights

NIREUS is committed to supporting the UN Universal Declaration of Human Rights and complies with the relevant legislation (both in Greece and in the countries of its business activities). Furthermore, our Company endeavors to satisfy its human resources (development, considerable remuneration, organization of seminars for further training)

### PRINCIPLE 2:

Businesses should make sure that they are not complicit in any human rights abuses.

NIREUS investigates the non-involvement of its partners in infringements of human rights .

## EMPLOYEES' RIGHTS

### PRINCIPLE 3:

Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining.

NIREUS safeguards the right to trade unions and to this end, the company has two trade unions formed by our employees, with which the management has an open and frequent communication.

### PRINCIPLE 4:

Businesses should uphold the elimination of all forms of forced and compulsory labor.

We strictly comply with the legislation prohibiting any kind of forced or compulsory labor.

### PRINCIPLE 5:

Businesses should uphold the effective abolition of child labor.

Our company does not endorse or encourage child labor. Such provision is explicitly referred to numerous contracts entered into with our customers.

### PRINCIPLE 6:

Businesses should uphold the elimination of discrimination in respect of employment and occupation.

Our company acknowledges that its most valuable asset are its people and therefore ensures that it offers them opportunities for professional advancement through training and other activities, promoting a balanced working and personal life through a variety of corporate benefits. In addition, is mandatory full compliance with Greek Labor Law.

# PARTICIPATION IN THE UN GLOBAL COMPACT



## ENVIRONMENT

### PRINCIPLE 7:

Businesses should support a precautionary approach to environmental challenges.

NIREUS monitors the environmental performance of all its production units.

### PRINCIPLE 8:

Businesses should undertake initiatives to promote greater environmental responsibility.

NIREUS promotes recycling and complies with the applicable environmental legislation, prevents the pollution of marine and coastal facilities and maintains the quality of the marine environment surrounding its facilities.

### PRINCIPLE 9:

Businesses should encourage the development and diffusion of environmentally friendly technologies.

NIREUS provides its employees with adequate environmental training and cooperates with third parties for the promotion of joint environmental goals. In addition, we offer our facilities to universities for the in-service training of their students.

## ANTI-CORRUPTION

### PRINCIPLE 10:

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

Our Company opposes to any form of corruption (e.g. bribery, money-laundering, disobedience to laws, extortion, etc.)

We have established purchasing procedures that govern the operation of the Supplies Department and require at least 3 bids from different suppliers. Bids are evaluated and signed by all managers before a procurement contract is awarded. There is also a list of approved company suppliers.

Moreover, the financial statements are audited by an international auditing firm on an annual basis, whereas ordinary and extraordinary audits are performed on all departments by the Internal Audit Department.



# ENVIRONMENTAL MANAGEMENT SYSTEM



The Group has established a policy on the systematic achievement and maintenance of high quality standards, harmonized with the requirements of its clients and applicable laws and legislation.

The continuous improvement of the Company's environmental performance, the prevention of pollution and the compliance with the applicable legislation are commitments undertaken by the Management.

Taking into consideration all the requirements defined by the aforementioned goals and driven by its efforts for unfailing improvement and preservation of the trust with which consumers have embraced its products, the Group has set the following goals with regard to Quality and the Environment:

### **Goals of our Group for Food Quality and Safety**

- ▶ Compliance with legal regulatory requirements concerning the safety and hygiene of the seafood produced
- ▶ Provision of high quality products and services by the Group to its customers
- ▶ Use of state-of-the-art methods for the production and marketing of products, steadily aiming at quality and safety improvement of the seafood produced
- ▶ Timely delivery of products, pursuant to the mutually agreed contractual terms
- ▶ Minimization and even extinction of non-compliances
- ▶ Ensuring of conditions that safeguard employees' health and safety
- ▶ The ongoing effort for the improvement of work provided becoming a goal for all employees
- ▶ Suppliers' adaptation to the qualitative and technical specifications and fixed delivery times of food products, as set by the Company
- ▶ Ongoing minimization of any complaints made by customers, personnel and partners.
- ▶ Systematic monitoring of the external framework with regard to technological developments, customer expectations and market trends
- ▶ Production of non-genetically modified products and use of non-genetically modified organisms in feeds.



# ENVIRONMENTAL MANAGEMENT SYSTEM

## **Group Objectives with regard to the Environment and the Biodiversity:**

- ▶ Taking into consideration all environmental factors at decision-making and planning procedures
- ▶ Prevention of pollution caused as a result of fish farming activities and any supporting activities thereof
- ▶ Proper and ongoing training of employees with regard to the environmental aspects of fish farming
- ▶ Monitoring and measurement of the environmental performance of production and supporting facilities of the Group
- ▶ Continuous improvement of environmental performance
- ▶ Preservation of seawater, seabed and biodiversity quality within the marine area surrounding both the existing and any new plants
- ▶ Proper management through environmentally friendly means of the solid waste resulting from production procedures
- ▶ Promotion of recycling of materials
- ▶ Proper management of the seawater used for the production of broodstock and fish farming
- ▶ Proper use of natural resources
- ▶ Ongoing upgrading of the aesthetic appearance of our facilities
- ▶ Cooperation with third parties for achieving joint environmental goals

NIREUS Group implements a constantly developing Integrated Management System for all its activities related to the environment, health at work and safety of operations. Apart from the Global G.A.P., the Group is also certified according to international standards ISO 9001:2008, ISO 22000:2005 (HACCP), ISO 14001:2004 and BRC Global Standards (British Retail Consortium).

## **BIO certification**

In 2013, the Group enriched its variety of certified branded products with the production of organically cultivated fish.

## Development - Materiality of the Environmental Management System

The development of the Environmental Management System was performed by following a “Process Mapping” methodology. The first step is a description of each production procedure and next, for each one of such procedures, all inputs (for example, raw materials, infrastructures and environment) and all outputs (final product, liquid and solid wastes, etc.) are analytically recorded. Provided that an “environmental aspect” is defined as “an element of an organization, which may environmentally interact” (ISO, 2004), we consider all inputs and outputs to be environmental aspects or parameters of the fish farming industry.

Next, the environmental parameters are assessed regarding their impact to the environment, taking into consideration their onset frequency and their magnitude. The assessment is documented using in accordance with International literature, the legislation applicable and the experience gained during the previous years. The parameters regarded as significant become the objectives of environmental programs. The same procedure is repeated on an annual basis, in order to assess the effectiveness and the materiality of the environmental programs applied.

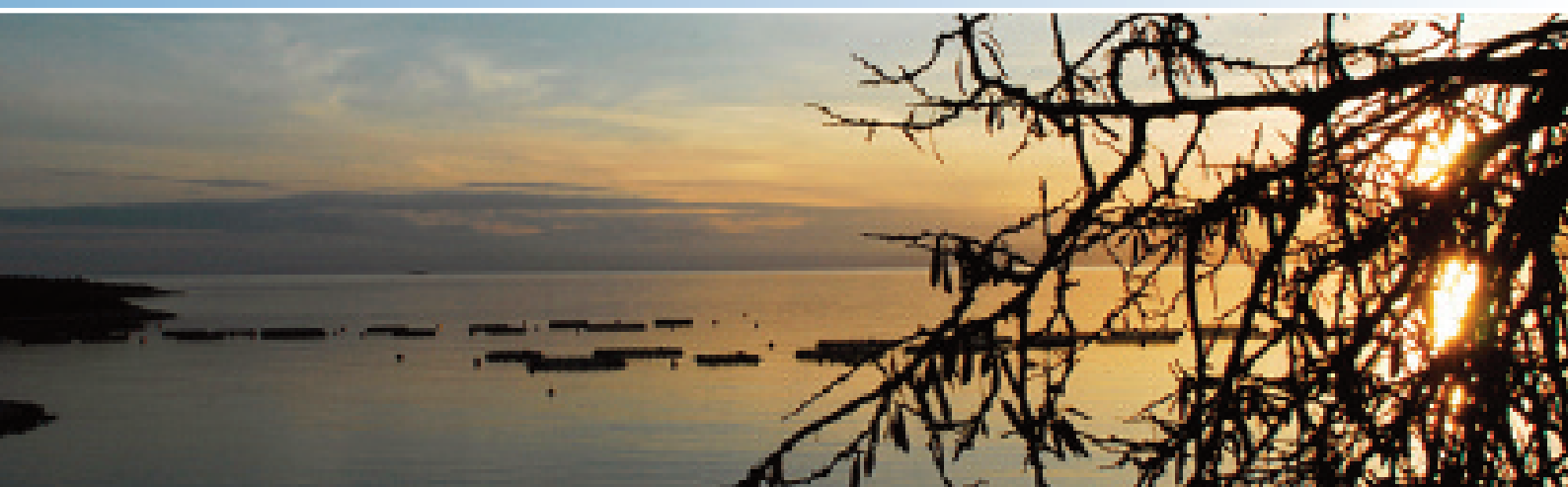
## Seawater Quality Monitoring

The protection of biodiversity and environment requires a deliberate selection of where a floating farming facility should be located. Analytical environmental impact studies are conducted, taking into account local streams, depths. Then the carrying capacity of a facility is calculated, so as to avoid any adverse impact against the environment and the biodiversity. The calculations are based on long-term researches and studies. Furthermore, an independent external party certifies that no *Posidonia oceanica* beds – a Mediterranean endemic species - are present on the seabed. *Posidonia oceanica* beds are one of the most important ecosystems of the Mediterranean Sea, acting as forests, protecting the seabed against erosion and contributing to ecological balance.

In 2013, 350 physicochemical and 680 microbiological analyses were performed on the farming waters.

Physicochemical analyses involve heavy metals, mercury, pesticide residues and nutrients; microbiological analyses include TVC (Total Viable Count), Total Coliforms, *E. coli*, *Staphylococcus aureus*, *Salmonella*, *Listeria*, *Fecal streptococci*, *Clostridium perfringens*, *Pseudomonas* and *Fecal coliforms*.

As farming is carried out in exposed systems within the marine environment, the aforementioned analyses serve two purposes, i.e. monitoring the quality of farm water for ensuring



# ENVIRONMENTAL MANAGEMENT SYSTEM

the welfare of farmed populations and their protection against external pollutions, and monitoring of the environmental impact of the farming activity itself.

Due to the lack of absolute environmental indexes for sea fish farming, the environmental monitoring is an ongoing procedure, structured on the international literature and in cooperation with research and academic institutions. The results of the monitoring program are annually revised and communicated to the competent inspecting authorities.

In parallel to the chemical and microbiological indexes, seabed biodiversity underneath the farms is also monitored; corresponding results are respectively assessed.

## **Waste water Monitoring**

There are two categories of waste water, depending on the production procedure followed: seawater in hatcheries and freshwater in packaging and processing plants.

The majority of hatcheries operate a “flow through” system, whereby seawater is tapped from the sea, processed for avoiding the transfer of any pathogenic organisms from open-sea, crosses several departments of the plant, passes through the waste water processing unit and returns into the sea.

Waste water from packaging and processing plants is processed in waste water treatment plants.

Waste water is monitored for biochemical oxygen demand (BOD), chemical oxygen demand (COD), total suspended solids (TSS), total nitrogen and total phosphorus through laboratory testing which is carried out in house and by external accredited laboratories. The purpose of the testing is to ensure that waste waters will not alter the physicochemical properties of the end recipient (sea, underground, sewage networks). In 2013, 800 waste water analysis were conducted.

## Consumption of natural resources

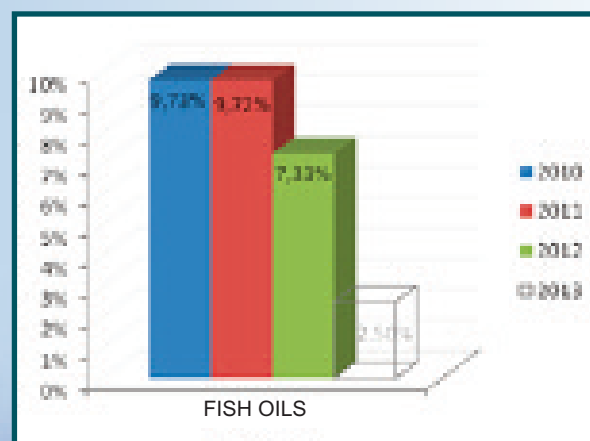
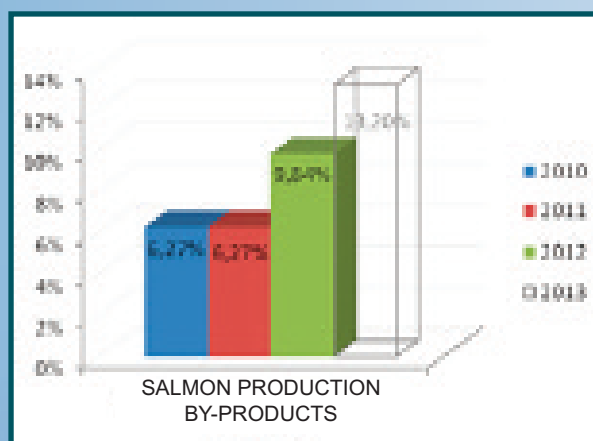
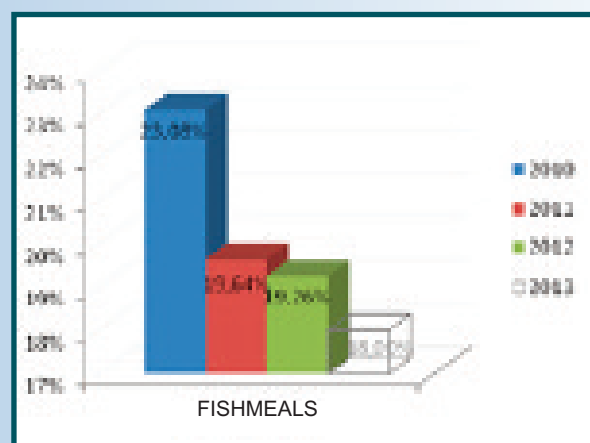
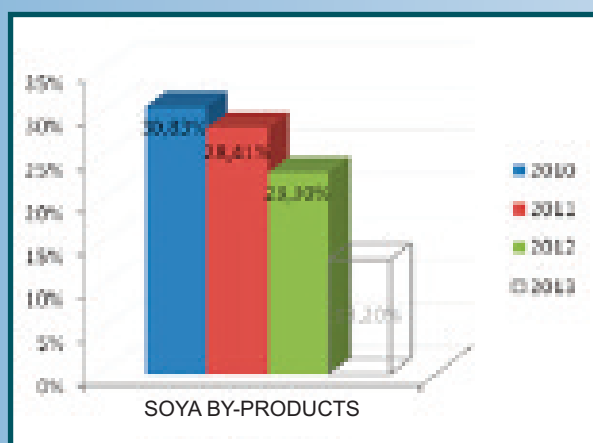
Fish farming is conducted in the natural environment where fish lives, i.e. the sea. The pressure exerted onto the natural resources by the fish farming activity cannot be assessed by conventional parameters, such as “energy and water consumption”, but by the quantities of wild fish used for the production of fish feed for farmed populations. During the last years, the Company has been applying a program for the decrease the percentage of fishmeal and fish oil from wild fish used for the production of fish feed.

The charts below depict the percentages of fishmeals, fish oils and soybean & salmon byproducts introduced into the composition of fish feed in the last four years.

The last 4 charts illustrate some supplementary information on fish feed raw materials, crucial for the sustainability of the fish farming activity, in conjunction with wild stocks.

By increasing the percentage of farming-derived raw materials in combination with increasing raw materials that are not intended for human consumption, the pressure exercised to oceans by the fish farming activity has dramatically decreased, whilst the food available for human consumption has increased.

Another target set by NIREUS is that the 70% of procured fishmeal and fish oil to be certified against IFFO RS (Certification Program for the Responsible Supply of Fishmeal and Fish Oil).





# ENVIRONMENTAL MANAGEMENT SYSTEM



## Solid Waste Management

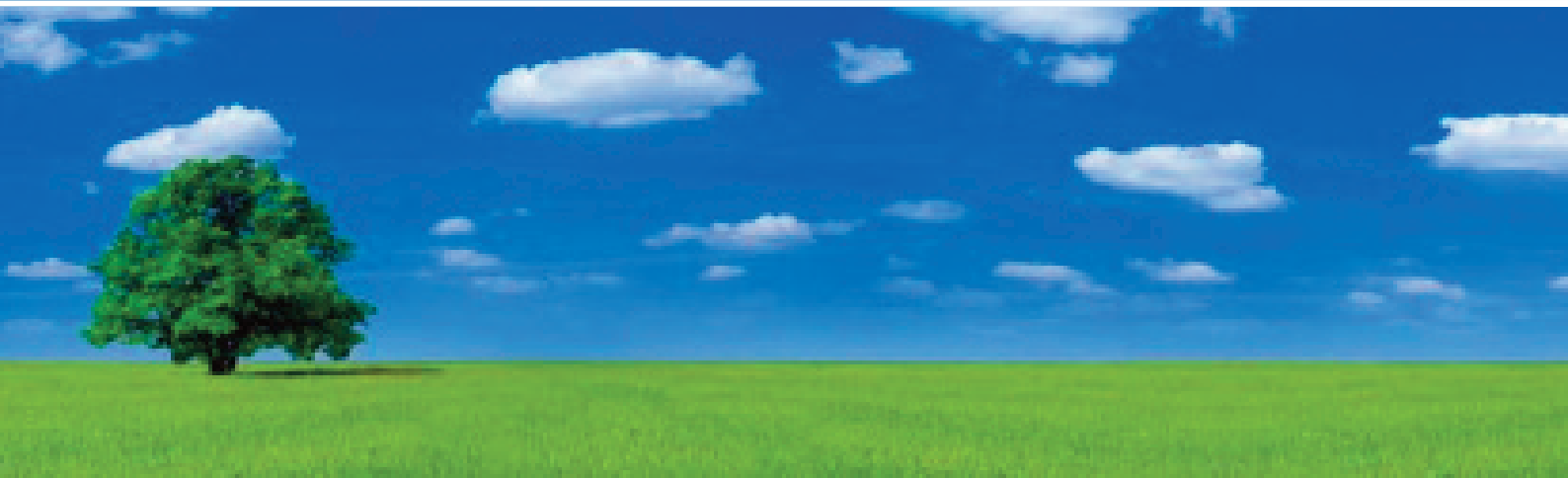
The greatest part of the waste generated during farming procedures consists of plastic bags from fish feed, which are pooled and sent for recycling. End-products are packaged into fish boxes made of expanded polystyrene. The high requirements of products in relation to temperature and humidity leave no room for the selection of different packaging materials, however, the Company, in cooperation with its suppliers, seeks and tests alternative packaging solutions.

The company actively participates in collective recycling programs that have been developed at national level, but also in small-scale programs developed by the Company itself. The programs are reassessed and the Company is always on the alert to look for materials and partners to the direction of improving its environmental performance.

- ▶ The fish boxes used for intra-company transport purposes, have almost halved during the last years. In 2013, 48 tons were recycled.
- ▶ In 2013, 4.5 tons of paper were pooled for recycling. They are disposed of by a contractor duly authorized to manage waste paper and also approved by the Hellenic Ministry of Environment, Physical Planning and Public Works.
- ▶ Ink cartridges and toners from all our facilities are collected at the headquarters and given for recycling and/or reuse to licensed subcontractors.
- ▶ Portable batteries delivered to the approved collective recycling systems AFIS and SYDESYS totaled 1,058 kg.
- ▶ Old electrical and electronic equipment as well as fluorescent lamps are collected and disposed to Appliances Recycling S.A. and Fotokiklosi S.A. respectively. In 2013, 1000 lamps and 44 pieces of electrical and electronic equipment were provided for recycling to the aforementioned firms.
- ▶ Used lubricant oils are placed into custom-made containers and collected by ELTEPE J.V. In 2013, the amounts collected by the Company's production units amounted to 5,000 liters.
- ▶ Used reagents from the physicochemical laboratory are delivered to a supplier who has developed a network for the collection and management of produced materials.
- ▶ Significant quantities of metal scrap from the upgrading of the production facilities are delivered to approved subcontractors for recycling. In 2013, 5.5 tons of plastic from floating cages and 45 tons of metal scrap were given for recycling and/or reutilization.

## **Management of By-Products**

All by-products deriving from processing are used in accordance with the European Regulations on the management of fish by-products. Guts and heads are sent to a breeder of fur bearing, who uses them as raw materials for the production of feed. Fish farms by-products are incinerated in the Company's veterinary incinerator or in cooperating authorized facilities.



# ENVIRONMENTAL MANAGEMENT SYSTEM

## Stakeholders Communication

The Company pays great attention to its communication with stakeholders, such as the Federation of Greek Maricultures (FGM), the Authorities, Local Communities and Universities.

The results of the programs carried out for monitoring the quality of farm waters are submitted to the Competent Authorities, in the form of a detailed report, at least once a year.

Group executives actively participate in conferences held by prominent Academics on the interaction of fish farming with the environment. At the same time, such executives participate in the FGM Advisory Scientific Committee.

Moreover, in 2013 the Company cooperated with Monterey Bay Aquarium, a US NGO, which has developed the "Seafood Watch" program. Such program is a scientifically documented assessment on the viability and sustainability of fish farming. They developed a scoring system that uses quantified sustainability indexes; actual data are used for calculations, and in absence thereof or in case of non-easily countable data, data from the international scientific literature are used. The cooperation aimed at substantiating the assessment for farmed seabream and seabass in the Mediterranean Sea.

Based on such assessments, Monterey Bay issues guides addressed to consumers with a view to making them more aware of and open to sustainable sources of sea products.

*"...At some point of my life I was really scared of airplanes. I managed to overcome that problem of mine when I asked the pilots to seat into the cockpits with them. Thus, I recommend to maniac fish-lovers who have doubts on farmed fish to go and check how they grow. They will be pleasantly impressed by the modern farming procedure applied, starting from the hatchery, where eggs and juveniles are produced. Therein, under special scientifically improved technologies, (live!) phytoplankton and zooplankton – the food used during their early life – grows..."*

**Nikos S. Margaris**

University Professor-

Director of Greek National Geographic magazine

Published in VIMA newspaper



## Partnerships with Academic Institutions and Research Bodies

A great research partnership was established with Harokopio University/Department of Nutrition and Dietetics. The project is actually the third phase of a significant research that the Company had started itself, aiming at the development of fish farming products, with special nutritional characteristics. Such research, with a total budget €80,000, started in 2012 and was completed at the end of 2013.

A €21,000 budget program for the check on residues and the conduction of self-inspections on Company products. Expansion of the program with regard to the possible effects on products by other activities performed within the marine environment (i.e. oil spills). The program is implemented in cooperation with the University of Athens/Laboratory of Analytical Chemistry.

In 2013, our Company continued its cooperation with the Norwegian research center AK-VAFORSK Genetics Centre A.S. for the genetic selection of seabass and seabream broodstock, with an annual budget of €100,000. The exceptionally positive outcomes of the genetic selection program have been already reflected on the Company's production results.



# ENVIRONMENTAL MANAGEMENT SYSTEM

## CERTIFICATIONS





EN ISO 9001:2008  
No: 01010082

**Quality  
Management  
System**



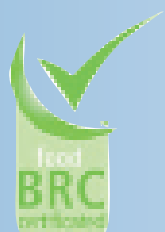
EN ISO 14001:2004  
No:04010010  
No:04010011  
No:04010012  
No:04010013

**Environmental  
Management System**



EN ISO 22000:2005  
No: 07010040

**Hygiene and  
Food Safety  
System**



**BRC**  
(British Retail Consortium)  
Global Standard  
for Food Safety



Εταιρικό πρόθεμα GS1: 5202957

**GS1**  
Codification of products,  
services and posts

## GLOBAL G.A.P.

### GLOBAL G.A.P

In 2012, NIREUS was certified under version 4.0 of the GLOBAL G.A.P. standard for Aquacultures, a great achievement resulted after four years of research and, for the first time, our Company expands the GLOBAL G.A.P. certification to the field of seabass and seabream farming.

This standard is especially designed for agricultural products and ensures that food products are duly cultivated under environmentally friendly conditions. It fully covers the whole range of production, from broodstock, feeding, fishery up to their processing and consists of more than 200 preconditions related to the quality and safety of food, the welfare of farmed fish, the safety of employees, the protection of the environment and the ecosystem. GLOBAL G.A.P. is internationally recognized and has been implemented in more than 20 countries.

## SUPPLY CHAIN



For a third year in a row, the goals set at the beginning of 2013 were achieved. Our intention was to align our Supply Chain system with the principles of corporate governance.

Our pillars have been:

1. Enhancement of the Green Supply Chain – Development of measuring indexes per each link of the supply chain (“Procurement Links” means the connection of requesting parties, purchasers, potential intermediate providers and the team executing each task).
2. Systematization and development of measuring indexes that record the grade and the level of safety for all individual operations within the supply chain system.
3. Integration of actions into the procurement links with a view to reinforce and select suppliers from local communities.

**Analytically, each action pillar included the following actions executed within 2013:**

### **1. Green Supply Chain**

Having adopted since mid-2011, the principles of near shoring and lean supply chain, in 2013 we exported 7,000 tn of fresh fisheries from our Group packaging facilities to several destinations in Europe and Russia. Such volume of products was transferred to the delivery points of our clients, directly, without passing through the Distribution Centers of our Group, contributing thereby to the ongoing decrease in no-cargo distances made by the Group-owned vehicles or their partners. As a result, the distances made within 2013 were reduced by 53,880 klm. In mid-2012, a Routing and tracking GP System was installed for our vehicle fleet and in 2013 such application was also used with selected transport agencies who transfer 33% of our exported products.

Such application helped us to clearly identify the benefits involved, which had started to become clear already since 2012:

- Decrease in the operating hours of engines while vehicles remain still, which led to the decrease in the average monthly fuel consumption and a corresponding decrease in diesel fuel by 45%.
- Improvement of/decrease in monthly kilometers per vehicle by 350klm. Taking into account, the routes, the customers, the loading points and the average fullness of vehicles, the total benefit arisen from the better routing of order collection and delivery, amounted to 17,000 klm per year.

# ΕΦΟΔΙΑΣΤΙΚΗ ΑΛΥΣΙΔΑ

## 2. Safety for all individual operations of the supply chain system

In 2013, annual indexes were applied for monitoring and checking the basic principles and safety rules governing our supply chain system. To this end, all the areas involved in the supply chain were informed on the rules and the procedures to apply to the following links:

- Delivery and loading of Goods/Products
- Management of products at Distribution Centers
- Maintenance and repairs of buildings and machinery equipment
- Selection criteria for suppliers. Such criteria have integrated all the rules ensuring suppliers' viability and the observation of safety, not only for NIREUS employees but also for the suppliers themselves.

As a result, no accident occurred during all such kilometers along European route networks, as well as no safety rule was violated.

## 3. Strengthening of Local Communities

Although such policy is applicable to the whole supply chain system, in 2013 and in the context of near shoring, only specific local suppliers were selected and used for the provision of transportation services, therefore enforcing our presence in the communities of Astakos, Chios Island, Arta, Preveza, Igoumenitsa and North and South Evia Island.

Such areas account for 85% of NIREUS production points and at these areas, the selected transportation agents, either for dry cargo or for food products from Artaki and Patra plants, or for fresh fish, are located at neighboring areas.



## 2014 Goals

Our Goals for 2014 are structured on the same pillars set for our supply chain during the last years:

- Enhancement of green operation all along the supply chain
- Safety – the cornerstone of the Supply Chain
- Increase of efficiency and cost saving of the system, without compromising the main principles for employees' working conditions and safety.

Therefore, in 2014, keep on with reducing the kilometers driven, the Distribution Center of As-takos will be strengthened (a project fully commissioned since September 2013) and in parallel, the other two distribution centers in Patra and Athens will be weakened. At the same time, the Distribution Center in Italy (Milan) will be more intensively used, in order to get closer to the delivery points of our clients (Italy and North Europe). This planning will result to an annual decrease of 70,000klm.

Our goals for 2014 also include zero stops of vehicles with their engines on, both for our Group vehicles and for the vehicles of our partners that are supported by our GPS fleet tracking system. In addition, we keep on aiming at zero accidents, and to this end, all partner transport agents have been provided with proper instructions and tips for the strict observance of our rules (zero driving violations and zero accidents).

Finally, all old-type tracks are planning to be replaced by new ones for fuel consumption saving.

*"...Thus, if someone sees how fish cages are located in the sea – and there plenty of them in Greece – he may realize that farmed fish grow within a fully clear environment..."*

**Nikos S. Margaris**

University Professor -

Director of Greek National Geographic magazine

Published in VIMA newspaper

# SUPPLIES POLICY





The Supplies Department is governed by procedures approved by the Company's Management, annually audited by chartered auditors and by inspectors as for their certified standards (ISO, BRC etc.).

NIREUS GROUP supplies policy calls for an assessment of all suppliers involved in and out Greece, in addition to the conventional aspects, like offer, cost, quality and consistency. Our policy has embraced the code of conduct and the principles of corporate governance.

The Group recognizes the important role of the supply chain for its progress, and wants its suppliers to act with consistency, integrity, honesty and transparency. We assess our suppliers subject to the following standards:

- Their general business activities should be governed by respect and compliance with the applicable laws and regulations.
- Fair competition and abstaining from illegitimate commercial practices. Suppliers have also to cater for safeguarding the integrity, the prestige and the dignity of the business field whereto they belong, always paying respect to consumer interests.
- Provision of products and services that align with the applicable specifications for quality and safety
- Performance of their activities by respecting the environment and by abiding by the applicable environmental laws and regulations.

Our Group strategy aims to strengthen local suppliers in the areas of their activation, according to the needs of the company and the modernization and economical development of local communities.

Our Group has established long-lasting relations of healthy and lucrative cooperation, which trust, honesty and ongoing communication between the parties involved. To this end, at least once a year, visits are paid to our main suppliers.

A tall, modern building with a light-colored, vertically-ribbed facade and green vertical accents. The building has several rows of windows. To the right, a large concrete dam with multiple spillways is visible. In the background, there are snow-capped mountains under a clear blue sky. The foreground is filled with the dark, dense foliage of trees.

## GROUP SUBSIDIARIES

KEGOagri

KEGOagri is a 100% subsidiary of our Group, activated in the Greek animal production industry, playing a leading role in the provision of integrated solutions and products, with a focus on Poultry, Pig and Ruminant Farming and the Animal Feed Industry.

The strategic vision of the company is to effectively contribute to the progress of production procedures in the Primary Sector, through ongoing research and development of innovative products and services.

The dynamics of KEGOagri lay on the development of exclusive partnerships with world leaders in the production of genetic materials, feed materials, pharmaceuticals, bio-security products and farm equipment.

KEGOagri covers the needs for all types of food-producing animals by offering a wide range of products and services and by providing them with the capacity to produce high quality food for consumers at the lowest possible cost.

With the potential to cover the increasing demands and to produce custom-made products, animal feed is produced in the modern and self-owned factory of NIREUS, certified according EN ISO 9001:2008 & EN ISO 22000:2005 (HACCP) international standards. It is undisputable that KEGOagri has adopted a fully customer-centered culture.

KEGOagri is staffed with dynamic, well experienced and highly-skilled personnel. In combination with the wide range of products and services, KEGOagri provides consumers with high quality food at the lowest possible cost.

The economic crisis comes with development opportunities, such as the penetration in new markets, such as Turkey and the Balkans or N. African countries like Tunisia. The strict specifications set by the E.U., increase the demand for high-quality products and reinforce the role of know-how and consulting services to producers.



# KEGOagri



The Greek economic crisis and the financial pressure are offset by the prevailing trend for the return of young people to agriculture and the agricultural production in general, as well as by the demand for specialized markets in animal production, something that will become a great challenge for development in the future.

The main products and services by offered by KEGOagri are:

## RENDERING OF SELECTED REPRODUCTION MATERIAL OF HIGH GENETIC VALUE

in Pig, Poultry, and Cow Farming through breeding programs

KEGOagri produces breeding pigs and Hermitage semen at its self-owned farm in Viotia.

It has Ross chicks by AVIAGEN, the world leader in Poultry Farming.

It has bovine semen by Alta Genetics, a worldwide known company.

## PROVISION OF KNOW-HOW AND TECHNICAL SOLUTIONS

on nutrition issues by expert dieticians, reproduction scientists, experts in management, veterinary medicine and hygiene to producers, through specialized products and consulting services.

## FEED PRODUCTS FOR FOOD-PRODUCING ANIMALS

It produces feed products for all types of animals at its state-of-the-art owned plant of NIREUS, certified under EN ISO 9001:2008 & EN ISO 22000:2005 (HACCP) international standards, for planning, supplies, production, sales and quality control processes.

It imports nutrition products from Lactalis, Lallemand, Suomen Rehu, Aveve and APC.

## TECHNOLOGICAL EQUIPMENT

KEGOagri takes over to design, rebuild and equip the facilities of animal feed plants in cooperation with Amandus Kahl.

It has integrated housing and feeding systems for poultry and pig farming units, in cooperation other European companies, such as Roxell, Fancom, Munters, Nedap.

## BIO-SECURITY PRODUCTS

It exclusively distributes in the Greek market the bio-security products of DUPONT, with VIRKON-S, an innovative multipurpose virucidal disinfectant, being its top selling product.

## MEDICINES AND VACCINATION

Cooperate with farmers and provides them with veterinary medicines and vaccines produced by all pharmaceutical companies.

## EXPORTS-ORIENTED

Following the footsteps of NIREUS abroad and based on its successful exporting activity to Cyprus as its exportation basis, KEGOagri focuses on penetrating other markets as well, like Turkey, the Balkans, N. African countries like Tunisia.

## EXCLUSIVE PARTNERSHIPS WITH FOREIGN FIRMS

With a view to expand its product portfolio and aiming at competitive prices for its customers, in combination with excellent products, KEGOagri became the exclusive agent of ENHALOR (China) products in Greece, Cyprus, the Balkans and N. African countries.

## SEMINARS TO FARMERS APRIL 2013

An information event was held for cow farmers in cooperation with ALTA GENETICS. Cow farmers were trained by special ALTA GENETICS scientists in the breeding of cows, aiming at the optimization of their reproduction.



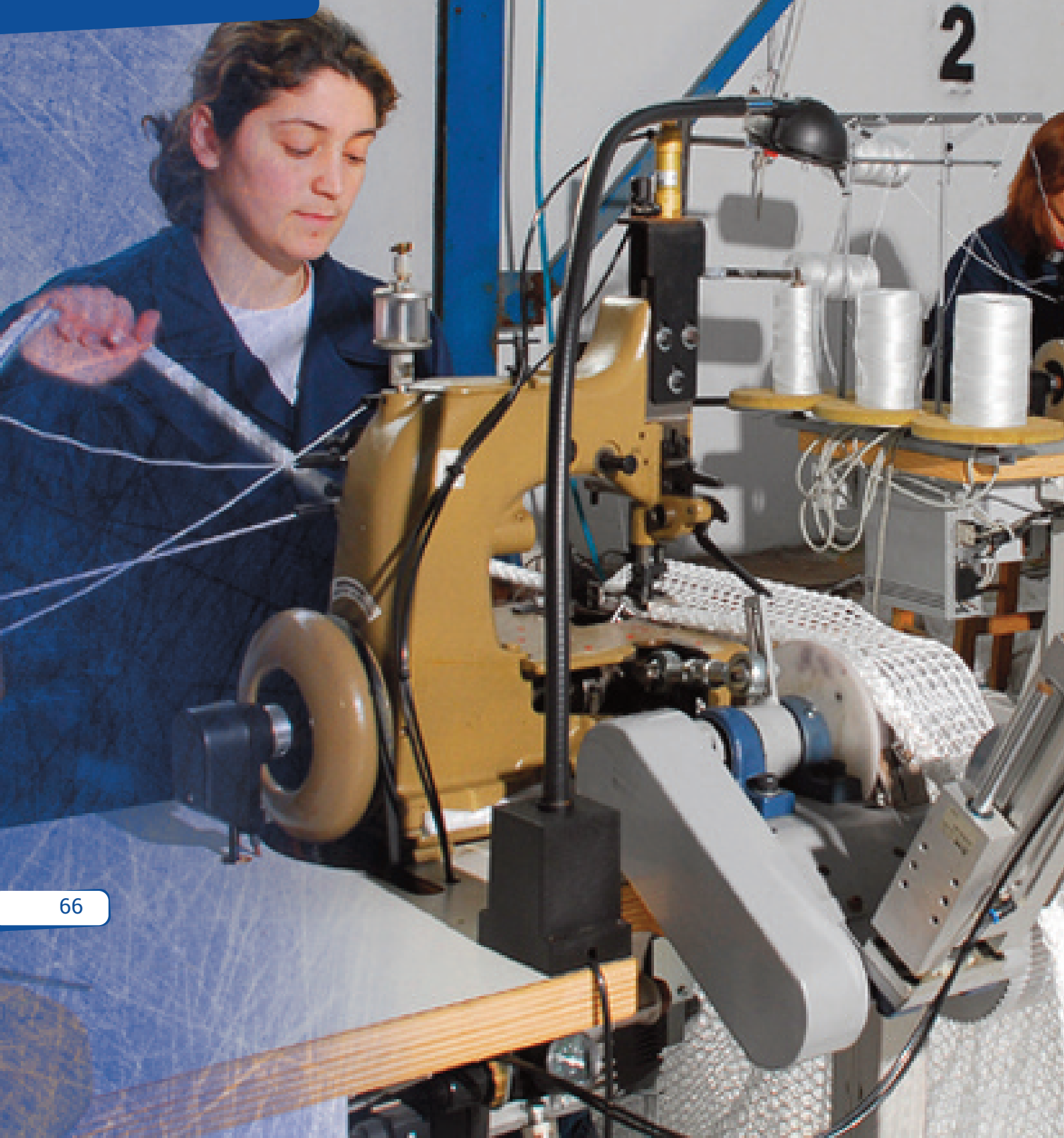
**Hermitage**  
Γενετική και Κτηνιατρική

- Μέγιστη Παράδοση Ανάμνησης
- Εξειδικευμένη Αρίστη Τροφή
- Εξειδικευμένη Ανάδοση Μικροβιοκτονίας Τροφής
- Μέγιστη Μέση Ημερήσια Ανάμνηση (ADG)
- Μέγιστη Ανάδοση Σπυρίου
- Μέγιστη Υπόβληση Σβέτος και Αντίσταση στις Ασθένειες
- Εξειδικευμένη Βιοαξέλιξη Κορπίου
- Εξειδικευμένη Παιάνια Κρίστατος
- Υγιεινή Ενίμαξη Υγιεινή



## GROUP SUBSIDIARIES

### PROTEUS



PROTEUS is a subsidiary of NIREUS Group, specialized in the production of technological equipment and top quality integrated technical solutions that cover all needs of the Group and the Mediterranean fish farmers worldwide. It is recognized as one of the most powerful firms in the industry of fish farming equipment in the Mediterranean Sea, having been trusted by markets located in and out Greece.

**PROTEUS offers integrated technical solutions for Mediterranean fish farming** and is able to complete and deliver turn-key projects: from engineering and feasibility studies to the construction and equipment of fish farming plants, processing and packaging plants and fish feeding plants.

The company runs a modern facility on Chios Island, which stands out for its strictly selected quality procedures and carefully selected materials for the construction and maintenance of fish farming nets and cages. In parallel, it constructs resistant cages of all types and sizes for fish farming in the open-sea.

PROTEUS visions to maintain a strong position in the field of fish farming equipment and to become a leader all over the Mediterranean, providing integrated and innovating systems that substantially contribute to cost-saving for farming enterprises, and therefore become a top choice for producers, convinced them that PROTEUS can offer the best solutions to their needs.

PROTEUS depends on its thorough experience gained from the launching of fish farming in Greece up to this day. Its personnel, with specialized knowledge in all aspects of production, as well as its innovative production procedures in combination with top quality materials and techniques, add value to the Company's products and services, and differentiate them from competition.

# PROTEUS

The biggest opportunity for development is linked with the change in market habits, through new and innovative technologies. New needs have to be created for a large-scale productivity and safety in fish production and all leasing opportunities have to be used for investing in new ground-breaking solutions, without the necessary existence of funds. In the years to come, the innovation in services and the transfer of know-how & knowledge in new emerging markets will earmark new challenges in fish farming.

A threat that our Company has to encounter derives from the financial environment and more specifically the extended economic downturn.

## PRODUCTS - SERVICES

- ▶ Conventional nets, reinforced nets and nets made of Dyneema
- ▶ Nets for tuna farming
- ▶ Cages of all types and sizes for Mediterranean fish and tuna
- ▶ Mooring systems and accessories
- ▶ Boats and barges
- ▶ Equipment, underwater cameras, control systems, feeding cannons for fish farms
- ▶ Water treatment equipment and systems for hatcheries
- ▶ Integrated solutions for the design and construction of aquaculture facilities
- ▶ Innovative net cleaning systems (RONC)
- ▶ Grading equipment (Flexipanel)
- ▶ Vaccinators for juveniles
- ▶ Vaccination needles for juveniles and vaccinator spare parts
- ▶ Repairs of net cages
- ▶ Repairs and alterations of fish farming cages

## Export Activity

The company aims to further expand its export activity both in markets where it holds a large market share and in other markets with strong growth prospects, such as those of North African and Arab countries.



## Research and Development

PROTEUS breaks new ground and finally solves the problem of environmental pollution, aggravated by the extended use of anti-fouling:

A) Its cooperation with MICANTI Company from Holland focuses on the research for replacing anti-fouling with THORN-D special processing, with the view to provide modern producers with lower costs for maintenance and cleaning. The first tests were successfully completed and the project has been now transferred to a plant of higher requirements, so that the results at the end of 2014 to include adverse and demanding production procedures.

B) The radical design of MPI robotic device, the ROBOT CLEANER, is the solution to the anti-fouling replacement issue. The ROBOT CLEANER accelerates net cleaning procedures inside water, by eliminating at the same time, any damage on nets and the labor costs involved.

Aiming at the good practice of fisheries management, PROTEUS has started to implement, in cooperation with ACE AQUATEC, the stunner equipment testing (animal welfare). Its use eliminates fish stress while harvesting and at the same time it safeguards the excellent quality of the products that are to be delivered to consumers.



GROUP  
SUBSIDIARIES

ILKNAK  
MIRAMAR

Ilknak was established in 1996 and has been a subsidiary of NIREUS Group since 2005. MIRAMAR was established in 2007 and has been a subsidiary of NIREUS Group since 2007.

Ilknak & Miramar produce and market a large variety of top-quality Mediterranean farmed fish, distributed all over the world, as well as of high quality and nutritional seabream and seabass juveniles.

The companies have adopted a vertically integrated production system, which is a key differentiation factor in comparison with other companies. The hatchery, the on-growing units and the packaging plant offer full traceability, control and efficiency for the whole production procedure. As a result, top-quality fish at competitive prices is guaranteed at all times.

The juveniles are guaranteed to optimize the performance of farms because they are developed through Nireus genetic selection program.

The fish of our companies cover the needs of even the most demanding clients, as they are farmed under the strictest quality specifications, offering utmost freshness. Our hatchery, the on-growing units and the packaging plants are certified under BRC, IFS, Global G.A.P., ISO 9001, ISO 14001, ISO 22000 and OHSAS 18001 standards.

Both Ilknak and Miramar have been several times awarded for their export activities, the exchange inflow from commercial activities, their profitability and the payment of the corporate tax.

## Environmental Footprint

We understand that our activities affect the environment and we have undertaken to constantly improve the efficiency of our production in order to make products that contribute to the sustainability of our planet.

To this end, we continuously invest on upgrading our facilities and equipment and we take initiatives for increasing the safety of our activities and for monitoring their impact on the environment.

*"...farmed fish are fresher than "fresh" as in most cases you enjoy it cooked within 24 hours. A differentiating factor between the two fisheries is their way of killing..."*

**Nikos S. Margaritis**

University Professor -

Director of Greek National Geographic magazine

Published on [mytikaspress.blogspot](http://mytikaspress.blogspot)

# ILKNAK MIRAMAR

In 2011, we completed a six-year renovation program, by which we thoroughly modernized and upgraded our hatchery. In addition, we have adopted the strictest health and safety standards for all our activities, from production planning to the final distribution of our products.

For Ilknak and Miramar, corporate social responsibility means that they are companies friendly to the environment, valuable to societies and financially sustainable.

When performing their activities, they aim to cover not only current needs but also the needs of future generations.

Whereas our responsibility for the environment, the society and our stakeholders is of crucial importance to us, corporate social governance has been integrated into our Core Values.

## **Our Mission**

We produce delicious, healthy fish products of high nutritional value and fair prices, which ameliorate people's lives, and innovative top quality products that add value to the enterprises of our customers

## **Our Core Values**

- We establish healthy and long-lasting cooperative relations with our customers
- We preserve a safe and reciprocating environment for our employees
- We are socially responsible against the environment and local communities

## **Care for Society**

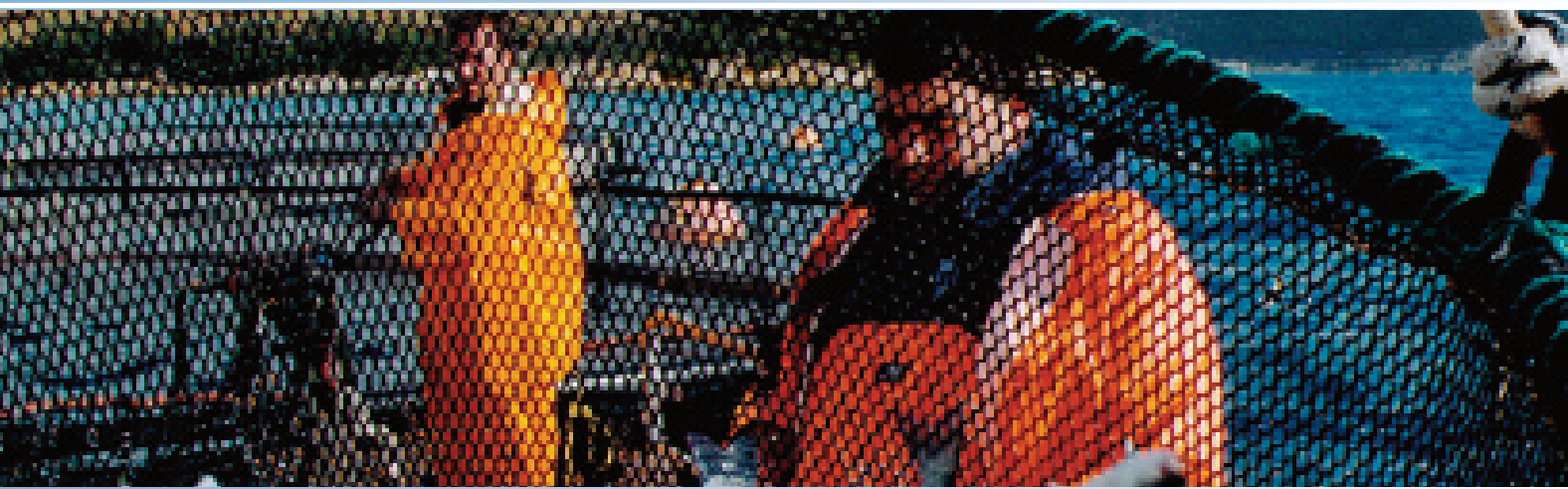
Ilknak & Miramar form an inextricable part of the local communities wherein we operate and we strongly support their social and economic growth.

Ilknak is the biggest and most preferable employer in Denizkoy, Dikili, where our facilities are located. We employ 76 permanent staff members and 15 people as seasonal staff and we treat our employees with care and trust, as an inseparable part of the value of our Company. We invest on their ongoing training and skill development, emphasizing on health and safety issues. We support local economy by preferring local stores and services and we financially support local sports clubs, authorities and schools.

We support the economy of our country by paying for our taxes, license fees, leases for marine areas and our exports, with the latter contributing to the inflow of foreign exchange and the improvement of our country's trade balance.

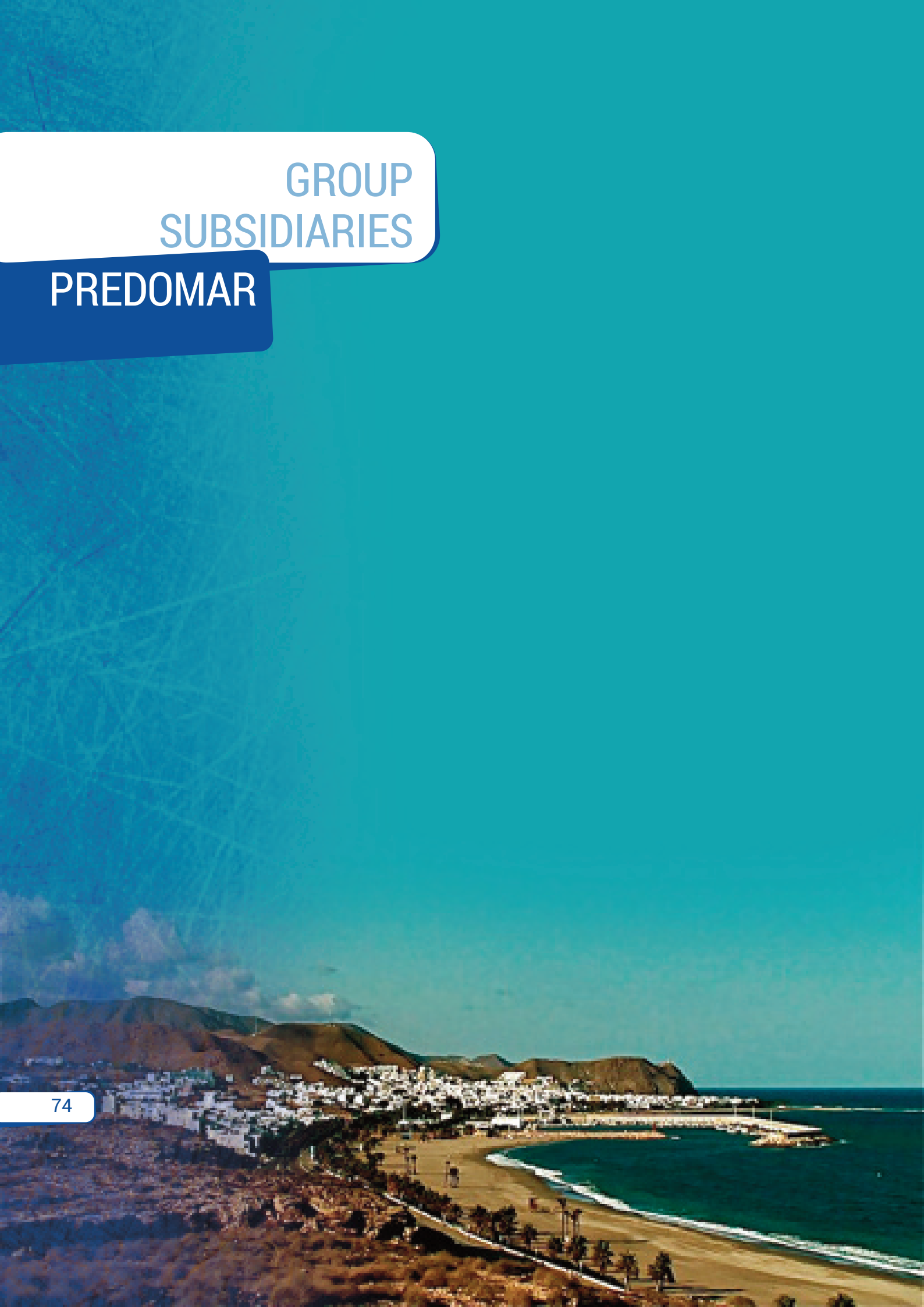
We are close to our customers by offering them high quality and added value products. Most of all, we – by our products – contribute to social progress and welfare. Farmed fish ensure the sustainability of natural sources and they are healthy food choices at affordable prices, an important factor for economic growth.

With more than 15 years of experience in the field of fish farming and top know-how, NIREUS customers depend on us for top-quality juveniles and fresh fish, in a wide range of sizes and packaging.



## GROUP SUBSIDIARIES

PREDOMAR





Predomar is a Spanish subsidiary of NIREUS Group, the biggest producer of Mediterranean farmed fish worldwide.

In 2007, it was acquired by NIREUS Group, a group with top know-how in fish reproduction and farming.

Predomar has and operates a pre-growing plant in Carboneras area, close to Almeria. The plant receives the NIREUS juveniles and breeds them in sizes of 10gr. for covering the local market needs.

Our juveniles which are grown in accordance with the NIREUS breeding program begin their growth in crystal clear water, as our plant is next to Cabo de Gata, Andalusia's largest coastal protected area.

In 2008, we expanded the Company's activities to the production and marketing of fresh seabass and seabream in market-sizes. Fish is produced in San Pedro Del Pinatar (100 klm north from the pre-growing plant) and they are marketed fresh in the Iberian Peninsula.

Both products are available in perfect condition year-round and can meet the demands of the most discerning customers given that they are reared closer to nature, under the strictest quality standards and backed by Nireus industry leading knowledge.

## **Our Mission**

We produce delicious, healthy fish products of high nutritional value sold at fair prices, which ameliorate people's lives, and innovative top quality products that add value to the enterprises of our customers.

## **Our Core Values**

- We establish healthy and long-lasting cooperative relations with our customers
- We preserve a safe and reciprocating environment for our employees
- We are socially responsible for the environment and local communities

## **Our Facilities**

Our facilities stand out for the strictest health and safety specifications and they are certified under ISO9001 and ISO 14001 standards on Quality and Environmental Management



# PREDOMAR

- **Pre-growing unit**

We possess and operate a modern pre-growing unit in Carboneras, close to Almeria. Our plant abides by all standards set by the local government of Andalusia for sustainable fishing practices.

As our plant is close to Cabo de Gata Natural Park, our juveniles grow into natural clear waters. The park is the biggest protected coastal area in Andalusia and the only area in Europe with a climate as hot as such experienced in desserts. Breeding of juveniles close to nature assists its primary growth and is an extra asset enjoyed by our customers.

- **On-growing unit**

We produce fresh seabass and seabream in market-sizes in an open-sea farm in San Pedro Del Pinatar, 100 klm northern from Almeria. Our farm has an annual production capacity of 1,000 tons and we are currently in the process of its expansion.

The unit is located in an area of strong flows, enabling fish to swim within plenty of sea water. Their growth under conditions close to nature ensures their exceptional quality.

## Quality

Our goal is to always provide our customers with exceptional products that add value to their enterprises.

Being a NIREUS subsidiary means that we monitor the entire production procedure from reproduction to sale; therefore, we are able to offer full traceability, control and credible provision of top quality fish at competitive prices throughout the year, a key differentiation point in comparison to other companies.

We comply with the strictest industrial specifications and we have been ISO certified by independent international organizations for our Quality and Environmental Management Systems.

## Certificates

Predomar is certified both for food quality and safety and for its environmental management.



### FOOD QUALITY AND SAFETY

ISO 9001:2008 is an international standard for the implementation of quality management systems. The quality management standards have been established by the International Organization for Standardization (ISO).



### ENVIRONMENT

ISO 14001:2004 Standard defines the requirements for environmental management systems and helps companies optimize their activities in order to minimize any adverse environmental impact. These standards have been established by the International Organization for Standardization (ISO).



A full-page background image of a diver underwater. The diver is wearing a black wetsuit, a diving mask, and a regulator. They are holding a blue object in their right hand. The water is a deep blue-green color with some light rays visible. The text 'HUMAN RESOURCES' is overlaid in a white box in the upper left corner.

## HUMAN RESOURCES

In December 2013, NIREUS Group employed 1,065 persons in Greece. Apart from its personnel consisting the core of its manpower, NIREUS Group employs professionals under multiple disciplines, as requested by the scope of fish farming:

- FISH TECHNOLOGISTS – FISH EXPERTS 93
- BIOLOGISTS 4
- AGRICULTURAL SCIENTISTS/ENGINEERS 7
- VETERINARIANS 4
- CHEMICAL ENGINEERS 4
- MECHANICAL ENGINEERS 4
- FISH PATHOLOGISTS 1
- FOOD TECHNOLOGISTS 4
- LAWYERS 3
- ECONOMISTS 2
- ACCOUNTANTS 41
- ELECTRICIANS 16
- DIVERS 86
- CAPTAINS - CREW 5
- SECURITY GUARDS 54
- DRIVERS – CLARK OPERATORS 41
- WAREHOUSE WORKERS 9
- FISH WORKERS – UNSKILLED WORKERS 441

As our branches are dispersed all over the country, our Group is at most areas the biggest and the most preferable employer. Personnel is selected based on meritocratic criteria, excluding any gender or age discrimination, according to typical and substantial skills, working experience and, when required, upon a personal interview. In rural areas, employees from local societies are preferred. There is a recruitment procedure approved by the Management, which is strictly observed by all Company branches.



# HUMAN RESOURCES

## **Health and Safety at Work**

As our scope of activities entails working within marine environment, our Company is particularly sensitive when it comes to health and safety issues. All our facilities are frequently visited by occupational physical consultants and there are medical records and certificates of conformity kept for all employees. In addition, safety engineers frequently visit our facilities and inspect the observation of safety rules and train our employees on how to use the means provided for their personal protection. All employees occupied at fish cages compulsorily wear special lifejackets suitable for work in fish farming.

In 2013, eight (8) light occupational accidents (out of 1,065 employees) occurred; such percentage is particularly low taking into account the nature of our activities and the great dispersion of our facilities all over the country. Accidents at work are an index for the performance assessment system used for the Heads of our branches.

In the context of our efforts for ongoing improvement of the occupational environment for employees' health and safety, a related procedure was launched in May, entailing forms of monthly reports on health, safety and other administrative issues, with regard to all the facilities of our Group, be it sea unit, a hatchery, a packaging unit or a plant.

Such monthly forms are filled in by the person who is in charge of each facility under the supervision of a senior officer and are e-mailed to the Legal & Corporate Affairs Department, which is responsible to correspondingly inform other Departments if required.

## 2013 TRAINING

In 2013, our Group kept on emphasizing on long-term training programs for its employees, with a view to expand their knowledge and increase their specialization.

We cooperated with the following education-providing entities:

- Athens University of Economics and Business, for its postgraduate program of studies on “Accounting and Finance”
- Hellenic Management Association (EEDE) for “MBA in Business Administration” and “Chartered Postgraduate Diploma in Marketing» courses

### TRAINING PROGRAMS FOR EMPLOYEES

SUBJECT	TRAINEES	HOURS	PERIOD
MSc in Accounting and Finance (3rd period)	1	36	4/3-11/4
Implementing Microsoft SQL Server	1	24	11/3-14/3
Postgraduate diploma in Marketing	1	36	8/3-20/4
All changes in labor relations	4	7	09/03/14
Implementing Intergration services	1	24	1/4-4/4
Business Administration	1	26	5/4-20/4
Implementing and Maintening Reporting services	1	24	15/4-19/4
Amendments in the Hellenic Code of Accounting Books and Records under new L. 4093/2012	13	12	8-16/5
Training on Environmental Management ISO 40001	24	8	13/05/13
Penetration testing & Ethical haching	1	12	25-26/6
Leaves under Labor Legislation	3	6	16/07/13
Hygiene and Food Safety HACCP (Koropi)	21	14	16/7-23/7
Data Mining with R	2	30	29/7-3/8
Hygiene and Food Safety HACCP (Igoumenitsa)	2	14	29/07/13
e-Customs	2	8	27/11/2014
Changes in Income Taxation	9	15	3/12-16/12
Preparation and Analysis of Cash Flows based on IFRS	3	12	16/12-17/12

# HUMAN RESOURCES

## **Training and Development regarding Tax Issues**

In March, after all the changes of the laws ratified under the new MoU III in Greece and the amendments caused to labor and insurance legislation, our Pay-roll employees attended 8-hour seminars on such amendments.

In addition, our employees attended taxation seminars on the “Changes in Natural and Legal entities’ income taxation pursuant to L. 4172/2013” and on the Code of Tax Reporting of Transactions with the participation of 15 persons in total by the Financial Department.

After the recent changes in accounting principles, our Financial Department employees attended a 10-hour training program in December on the “Preparation and Analysis of Cash Flows based on IFRS”. The seminar involved the presentation of the provisions on consolidated cash flows through practical examples and the impact of standards on cash flow status.

In November, some of our employees attended an 8-hour seminar on “Electronic submission of customs documents and declarations”, analyzing the customs legislation and the customs obligations of parties that enter into trade transactions with third countries.



## Training in Hygiene and Food Safety

Paying respect to the environment and recognizing our corporate responsibility for preserving natural balances is a main goal of our Company.

In May, at our branch on Chios Island, an 8-hour intra-company training program was performed on Environmental Management under ISO 140001, discussing the benefits that shall arise from the implementation of the internationally recognized standard both for the Company and the environment.

Such system is an on-going cycle of organization, implementation, revision and improvement of the environmental performance of the Company.

The seminar was attended by 25 persons totally, who were specialized in various fields and the following items were discussed:

- analysis and recording of the environmental aspects connected to our Company's activities
- drawing of a suitable environmental policy including our commitment against pollution
- identification of the legal requirements and the environmental aspects connected to our activities, products and services
- commitment by Company management and employees on the environmental protection under clear competencies and responsibilities
- encouragement for environmental planning in all aspects of our Company, from the supply of raw materials to product distribution



# HUMAN RESOURCES

In June, an officer of our Company attended the event “Corporate Waste & Recycling Conference”, where all innovative achievements for the promotion of effectiveness in waste management, recycling and climate protection and the subsequent environmental, social and economic benefits were presented.

## **The agenda was structured on the following reference pillars:**

- Waste prevention framework – moving from waste management to resource management
- “on the way to 2020” climate protection initiatives
- water resource management and waste processing

In the context of training our employees, information seminars on “Hygiene and Food Safety” HACCP were held in our central offices, at the Processing and Distribution Department, as well as in our new packaging-plant in Igoumenitsa.

The seminars took place in Koropi and were attended by 25 employees from various disciplines, such processing workers, food technologists, fish experts and drivers. The 14-hour seminar was provided by a certified trainer on hygiene and food safety.

A similar training program was also held in July at our new packaging plant in Nea Selefkeia, Igoumenitsa, and was attended by 14 employees.

The training programs discussed the factors affecting the development of bacteria, food contamination risks, employees’ personal health and hygiene, hygiene at delivery and storage procedures followed for raw materials and finally, cleaning and decontamination of the areas, surfaces, machinery and equipment used.

## IT Training and Development

In April, specialized IT 58-hour seminars were provided by Microsoft, with the participation of IT Department employees, offered by trainers [Microsoft Certified Trainers (MCT) and Microsoft Certified Technology Specialists (MCTS) etc.] with profound experience in professional and technical training.

In addition, in June our employees participated in a training program named “Penetration testing- Vulnerability scanning & ethical hacking” for the information and prevention of networks & systems security. In parallel, a training program took place in Patra on “Data Mining with R”, regarding the application of sales analysis-prediction model and the fishing numbers per cage.

**Furthermore, our employees were encouraged to participate in conferences on numerous subjects, such as:**

- “CEO FORUM 2013” held in March by “Boussias Communications”, discussing the Strategic Adaptations of Supermarkets and Suppliers to the requirements of a new environment
- “LARVI 2013 “ held in September in Belgium, discussing the production of hatcheries, the related problems and the recommended solutions for optimizing production procedure
- “Corporate waste & Recycling conference” held in June by “Boussias Conferences” presenting the innovative achievements that promote the effectiveness of waste management, recycling and climate protection, with subsequent environmental, social and economic benefits
- “4th Pan-Hellenic Sales Forum” held in July and powered by the Sales Institute in Greece, discussing the new trends and international perspectives in sales
- “The human aspect in supply chains”, held in October by the “Supply Chain Institute” and the 17th Pan-Hellenic Conference on Logistics, discussing the innovations and the strategies of Logistics departments.

Overall, in 2013 our Company held 25 training programs in our central offices and branches, with the participation of 121 employees, which lasted 552 hours and cost €31,669.

It should be noted that in May, the ISO inspection was successfully completed on issues related to the Group employees’ training.

The training performed fully complied with the requirements of three standards: ISO 9001, BRC and ISO 140001



# HUMAN RESOURCES

## LABOR RELATIONS INDEXES

### Allocation by gender

	2011	2012	2013
Men	76,22%	76%	75,5%
Women	23,78%	24%	24,5%

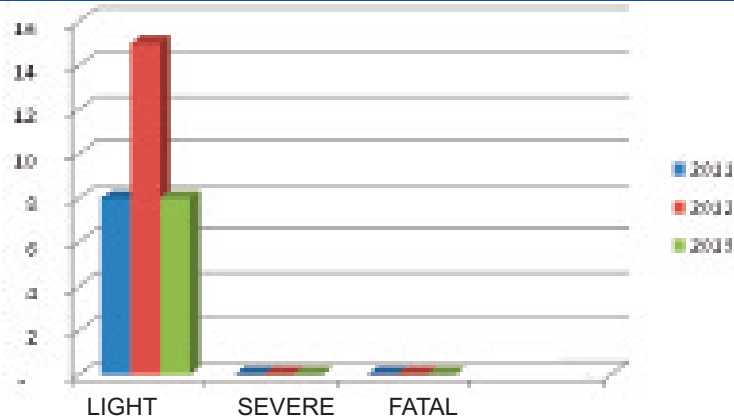
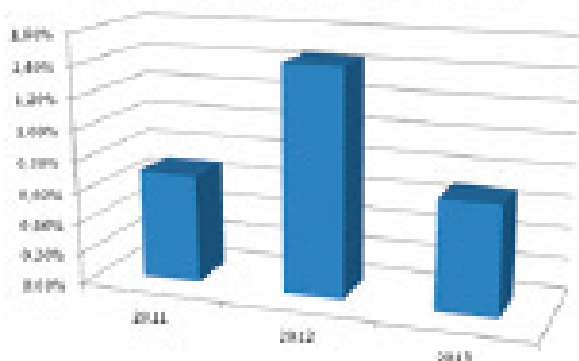
### Allocation by age group

	2011	2012	2013
20 to 30	14,38%	14%	11,4%
31 to 40	37,58%	38%	32,8%
41 to 50	31,93%	32%	37,5%
> 50	16,11%	16%	18,2%

### Accidents at work

	2011	2012	2013
Percentage of accidents at work	0,7%	1,45%	0,7%
Accidents at work	8	15	8
Light	8	15	8
Severe	0	0	0
Fatal	0	0	0

PERCENTAGE OF ACCIDENTS AT WORK



## Wage & Benefit Evaluation System

All jobs in our Company have been specifically described and apart from the overall organization chart, each department has its own analytical organization chart.

According to the ISO system, each department has its operating procedures written down.

Since 2009, NIREUS has been applying a Performance Evaluation System, based on quantitative and qualitative goals, as annually set in accordance with the strategic goals of the Company and communicated to our Employees.

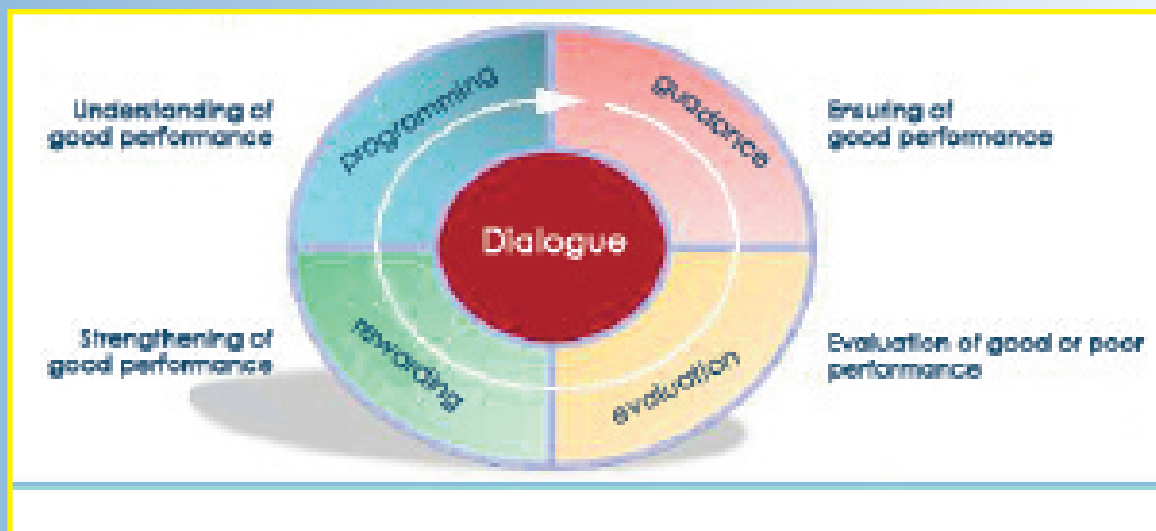
This is a corporate procedure that contributes to the identification of points for improvement for each employee and the corresponding rewards for his/her performance, based on meritocratic criteria. At the same time, it promotes interactive and continuous dialogue, guidance, common planning and proper diagnosis of our employees' needs.

The benefits arising from the application of an Evaluation System are:

- Understanding of our employees' needs and problems, ability to prevent and promptly confront them
- Objectivity in realizing the contribution of each employee to Company growth
- Establishment of an objective and fair framework for evaluating our employees' performance and rewards
- Creation of a better/positive working climate that subsequently leads to an improved performance both at group and at individual level
- Profound understanding working culture, based on specific values, with a view to achieve the desirable results

This is an ongoing procedure applied all over the year.  
(Performance Management Cycle, image 1)

image 1



# HUMAN RESOURCES

The Performance Management system involves the following parameters:  
(Image 2)

- Goals
- Performance and Behavior Standards

Setting goals actually draws a path along which each employee walks during the year and sets a target to be achieved through his/her work.

The standards of performance and behavior are such behaviors that bring on employees' excellence in their roles, they are the means for achieving the goals set and they have been defined in compliance with the strategy, the priorities and the existing values of our Group.

εικόνα 2



The performance evaluation system is connected to the wage & benefit evaluation system of the Company by planning the career of each employee and by organizing a plan for his/her annual training and development (for up to two or three years).



## Other Voluntary Company Benefits to Employees

Except for the aforementioned provisions, our Company provides its employees with:

- Interest-free loans in case of major financial problems (mostly when health problems are involved). More specifically, 47 loans were approved for our personnel during 2013.
- Marriage and child birth bonus (€300 for each case)
- Painting contest for employees' children (6 to 12 years old) with a prize of €500 for the winner and €100 for the others

One of the creations becomes the Christmas card of our Company and all children participating in the contest take painting materials as a gift

- Cafeteria – Restaurant with special prizes for our employees at our central offices in Athens.
- Discount to the products of our Company
- Three additional days of sick leave, without being necessary to submit any supporting documents
- Procedure for nominating the Employee of the Month and the Employee of the Year  
Every month, the nominated “Employee of the month” is being ethically and materially rewarded (a gift-cheque to be cashed in a supermarket of his/her area), as a return for his/her excellent behavior and performance. Respectively, the Employee of the Year is nominated upon a draw of the 12 employees selected throughout the year, and his/her reward is either in kind or the amount of €1,500.





# HUMAN RESOURCES

## **Interactive Communication**

In NIREUS Group, we believe that the basis for solid and healthy labor relations is interactive communication, something that perfectly matches with our human-centered culture.

The management communicates with our employees in person, either by visiting our local branches either through internal announcements which are sent through our intra-mail or displayed on all noticeboards.

All employees have access to senior management officers of the Company, either in person or in writing. With regard to the code of conduct, all employees are encouraged to report any case of violation they may become aware of, so as the Company to promptly deal with such violation in favor of all parties and guarantee that justice is administered. To this end, a special email account was opened [codeof-conduct@nireus.com](mailto:codeof-conduct@nireus.com), exclusively for addressing the Legal & Corporate Affairs Department under full confidentiality.

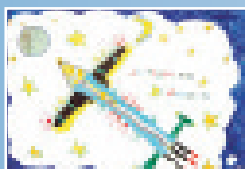
Whereas communication is the key for an effective management of corporate affairs, a reference should be made on the new procedure launched in May regarding health, safety and other administrative issues of each facility. To this end, monthly reporting forms were prepared with regard to the services provided by occupational physical consultants, safety technicians, the proper filling-in of attendance sheets and leave records, the observation of safety measures and the legal permits in force, as well as any emergency incidents, to be filled in at the end of each month (save for emergency incidents) by the person in charge at each facility, supervised by a senior officer. These forms are forwarded to the Legal & Corporate Affairs Department, which is responsible for respectively informing other Departments.

## Painting contest for children - 2013

Following our tradition, this year our Group ran a painting contest for children with its subject being "Painting my dream...". However, this year we decided to enable more children participating in our contest, by expanding the level range, from 6 to 12 years old.

Overall, 40 children took part in the contest with 7 participants coming from our subsidiaries, Ilknak and Predomar.

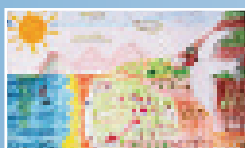
Prizes were awarded as follows:



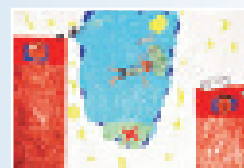
1st prize  
Dimitris Fotiadis,  
from Paliomadria, N. Artaki branch



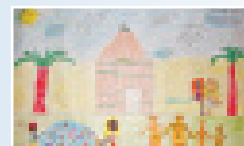
3rd prize  
Evgi Guven,  
from Ilknak branch



5th prize  
Antonia Katsara,  
from Ormos Xydia



2nd prize  
Konstantinos Loulakakis,  
from Koropi



4th prize  
Katerina Tza,  
from Koropi



6th prize  
Stamatina Kouseri  
from Kastella branch

Painting materials were given as gifts to all participant children; the winner was awarded with €500 and each one of the other five with €100.

## Blood Donation

Blood donation has become a tradition for NIREUS during the last years. Blood donation by volunteers gives life to dozens of people who do not have to undergo blood transfusion. Our Company maintains a blood bank at Amalia Fleming Hospital in Athens, where 9 bottles of blood were offered to relatives of our employees. A blood bank is also kept at the General Hospital of Chios and the University General Hospital of Patra (Rio), where our employees have plenty of times voluntarily donated blood.

Blood donation is an act of love and a proof of humanity and social solidarity.



## SOCIAL FOOTPRINT



Corporate responsibility is always taken into account while drawing the CSR strategy of NIREUS and its employees.

The main feature of our 25-year course is our responsible growth, hallmarked by transparency and care towards the society and stands out for its consistency and credibility. All of us, strictly commit to a responsible and consistent policy for people and communities.

However, the economic crisis plaguing our country during the past years, has led to significant changes within the broader professional environment, which has to adapt to new conditions. In addition, the amounts to be spent on CSR actions are limited and as a result, actions that involve the provision of products and the employees' participation are preferred.

In 2013, we adopted such practices, and apart from the active support provided by our Group to the cultural, intellectual and social life of Greece, we reinforced actions of voluntarism and, through specific actions, we implemented programs aiming at solidarity and selfless offering. The Group systematically responded to requests for donations or sponsorships by cultural and social groups. Our intention has been to keep on developing initiatives and programs that respect people, focus on quality and protect the environment.

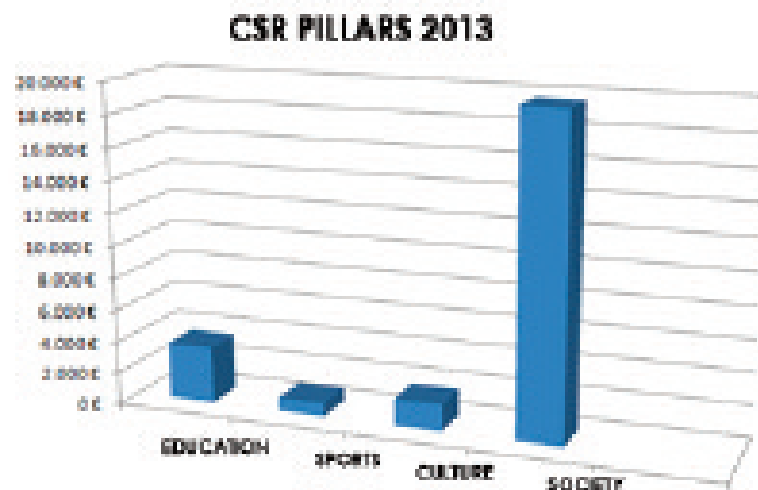
Under the social services provided for 2013 and based on our four basic pillars, NIREUS has reinforced the following agents/stakeholders. Responding to current demands, we mostly donated our products.

More specifically:

## SOCIETY

### SOCIAL GROCERY STORES IN MUNICIPALITIES

- SOCIAL GROCERY STORE, MUNICIPALITY OF AMFISSA
- SOCIAL GROCERY STORE, MUNICIPALITY OF MARATHONAS
- SOCIAL GROCERY STORE, MUNICIPALITY OF ILION
- SOCIAL GROCERY STORE, MUNICIPALITY OF ZOGRAFOU
- SOCIAL GROCERY STORE, MUNICIPALITY OF CHALANDRI
- SOCIAL GROCERY STORE, MUNICIPALITY OF MESOLOGGI



# SOCIAL FOOTPRINT

- ▶ SOCIAL GROCERY STORE, MUNICIPALITY OF TAMINES
- ▶ SOCIAL GROCERY STORE, MUNICIPALITY OF GLYFADA
- ▶ SOCIAL GROCERY STORE, MUNICIPALITY OF ACHARNAI

## CHURCHES

- ▶ CHURCH OF SAINT DIMITRIOS, KOUVARAS
- ▶ CHURCH OF HOLY TRINITY, NIKAIA
- ▶ METROPOLIS OF NIKAIA
- ▶ CHURCH OF SAINT NIKOLAOS - METROPOLIS, LAVREOTIKI
- ▶ CHURCH OF SAINT NIKOLAOS, KOUKAKI FILOPAPPOU
- ▶ CHURCH OF THE HOLY VIRGIN, GALAXAS - financial support

## OTHER ENTITIES

- ▶ PAMMAKARISTOS INSTITUTION
- ▶ EPTALOFOS KOUVARAS
- ▶ "MERIMNA" TREATMENT AND EDUCATIONAL CENTER
- ▶ NATIONAL SOLIDARITY (GREECE) ORGANIZATION
- ▶ HOUSE FOR THE ELDERLY IN PIRAEUS
- ▶ "ANADYSI" CENTER, AIGINA ISLAND
- ▶ "GALINI" ASSOCIATION – CARE FOR THE DISABLED
- ▶ "IRIS" - SOCIETY FOR THE PROMOTION OF PSYCHOSOCIAL HEALTH
- ▶ GREEK FOOD BANK - Foundation for Fighting Hunger
- ▶ "THEOFILOS" ASSOCIATION
- ▶ "ANASA ZOIS" ASSOCIATION - KORYDALLOS
- ▶ NETWORK FOR CHILDRENS' RIGHTS
- ▶ "ELPIDA" – ASSOCIATION FOR THE SUPPORT OF ORPHANS
- ▶ ONISIMOS - ASSOCIATION FOR AID TO PRISONERS
- ▶ SCOUTS OF GREECE
- ▶ GREEK GUIDING ASSOCIATION IN PAPAGOU
- ▶ FIREFIGHTING SERVICE OF PATRA INDUSTRIAL ZONE
- ▶ UNESCO CLUB OF THE DEPARTMENT OF PIRAEUS AND ISLANDS
- ▶ THE SMILE OF THE CHILD, KYLLINI
- ▶ "BRIDGE TO LIFE" – provision of seats and a personal computer -
- ▶ BREAD & ACTION - PAN-HELLENIC PHILANTHROPIC ASSOCIATION
- ▶ E.G.N.Y.A. - PARENTS ASSOCIATION OF MENTALLY DISABLED
- ▶ HATZIKYRIAKIO CHILDCARE INSTITUTION
- ▶ "OI FILOI TOU CHIOTIKOU CHORIOU" – "THE FRIENDS OF CHIOS VILLAGES" ASSOCIATION
- ▶ UNISEF TELEMARATHON (CHATZIKONSTA ORPHANAGE)



- ▶ MUNICIPALITY OF KYMI – ALIVERION  
Financial support for the restoration of KARAVOS beach-square (Aliverion)
- ▶ FIRST FISHING – HUMANITARIAN MEETING – AIDIPSOS BATHS

## **EDUCATION**

- ▶ SUPPORT TO THE 1st GLOBAL NEGOTIATION CONTEST FOR STUDENTS  
“THE NEGOTIATION CHALLENGE”, ALBA UNIVERSITY – financial support
- ▶ 1st SPECIAL SCHOOL OF KERATSINI
- ▶ PRIMARY SCHOOL OF LOUSIKA - supply of fuel
- ▶ PRIMARY AND NURSERY SCHOOL OF KATARRAKTIS, CHIOS ISLAND -  
nets for football pitches
- ▶ HIGH SCHOOL OF KARDAMYLA - financial support
- ▶ 56th - JUNIOR HIGH SCHOOL OF ATHENS - through CSR network - financial support
- ▶ SPECIAL JUNIOR HIGH SCHOOL - HIGH SCHOOL - TECHNICAL VOCATIONAL SCHOOL  
OF ATHENS - financial support for the purchase of a coach
- ▶ EDUCATIONAL VISIT BY TWO PRIMARY SCHOOLS IN THE PACKAGING PLANT IN  
PLATIGYALI - MUNICIPALITY OF XIROMEROS - Provision of products to all 50 students
- ▶ BEST ATHENS-National Technical University of Athens (NTUA) - catering sponsor
- ▶ AEGEE SUMMER UNIVERSITY - catering sponsor
- ▶ 7TH INTERNATIONAL OLYMPIAD ON ASTRONOMY AND ASTROPHYSICS -  
catering sponsor
- ▶ BETTER LIFE DAY - EDUCATIONAL GALA - catering sponsor
- ▶ 15TH CONGRESS OF FISH EXPERTS ON AQUATIC SYSTEMS - financial support

## **CULTURE**

- ▶ FEDERATION OF AESTHETIC AND CULTURAL CLUBS OF KERATEA,  
MUNICIPALITY OF LAVREOTIKI
- ▶ CULTURAL CLUB OF VATHIKOILLO – EVIA ISLAND - financial support
- ▶ CULTURAL PUPPET THEATER “PRASSEIN ALOGA” – lease of a coach for the transfer  
of students to watch the show
- ▶ ART CLUB OF CHIOS ISLAND - financial support
- ▶ THESMOFOREIA INSTITUTION, REGION OF WESTERN GREECE
- ▶ PONTIC GREEKS ASSOCIATION OF VARVARA, AIDIPSOS - financial support
- ▶ EVENT HELD IN AGRINIO “RETURN TO GREEK ROOTS BY FISH AND WINE 2013”
- ▶ MUNICIPALITY OF MESOLOGGI – grant for an exhibition for local products -

## **SPORTS**

- ▶ CHRISTOFOROS MEROUSIS - OLYMPIC WINNER FROM CHIOS ISLAND -  
financial support for his participation in the Marathon of Rotterdam
- ▶ SPORTS CLUB OF ACHAGIA - financial support
- ▶ RACE AGAINST BREAST CANCER BY “ALMA ZOIS” ASSOCIATION -  
financial support equal to 40 subscriptions
- ▶ 2nd SEMI-MARATHON OF CHIOS ISLAND - Executive Sponsor and participation  
of employees in the race
- ▶ THE CORPORATE RELAY RUN – runners’ subscription reinforced 10 welfare  
institutions through “Together for Children” Association
- ▶ “SPORTS FOR ALL” PROGRAM OF THE MUNICIPALITY OF ACHAIA - financial support

# SOCIAL FOOTPRINT

## **VOLUNTARY ACTIONS SUPPORTED BY THE ACTIVE PARTICIPATION OF OUR EMPLOYEES**

- ▶ SEABED CLEANING IN THE PORT OF AIDIPSOS BATHS
- ▶ MEAL – COMMON MEAL PREPARATION IN THE CHURCH OF SAINT NIKOLAOS, KOUKAKI
- ▶ COLLECTION AND DISTRIBUTION AND CLOTHING

**52 boxes with clothing and shoes were sent to the following institutions:**

- Hatzikyriakio Childcare Institution
- Caritas Athens Refugee Center
- City of Athens Homeless Shelter (K.Y.A.D.A.)
- “Agios Stefanos” Wardrobe of Chios Island
- ▶ COLLECTION OF STATIONERY

**11 boxes full of stationery were sent to:**

- Hatzikyriakio Childcare Institution
- Participation in the initiative for the collection of items run by SKAI TV and the National Bank of Greece
- Labor Union of Chios Island
- “Agios Alexandros” – House for Girls
- “ALKYONI” – Association for Persons with Disabilities
- ▶ PARTICIPATION BY 40 EMPLOYEES IN THE RACE FOR THE CURE, ORGANIZED FOR THE 5TH YEAR BY “ALMA ZOIS” ASSOCIATION OF WOMEN WITH BREAST CANCER
- ▶ PARTICIPATION OF NIREUS TRACK TEAM IN THE 2ND SEMI-MARATHON OF CHIOS ISLAND
- ▶ PARTICIPATION OF NIREUS TRACK TEAM IN THE CORPORATE RELAY RUN – relay race promoting charity and solidarity
- ▶ EASTER BAZAAR – collection of an amount for supporting:
  - ▶ “FLOGA” - Association of parents with children suffering from neoplastic disease
  - ▶ “THE ARK OF THE WORLD” – Association for the protection of children that have been experiencing abandonment, racism and social exclusion

**Overall, in 2013 we offered more than 3 tons of frozen fillets or fresh fish, mostly seabream and seabass.**

**We actively and unfailingly participate in public consultations on specific draft laws, as well as on draft decisions and regulations that are directly related to our business activities.**

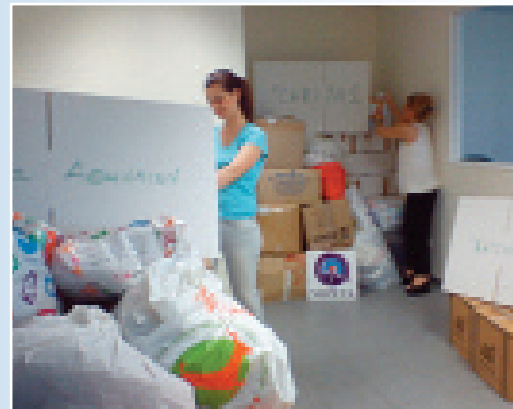




FISHING – HUMANITARIAN MEETING of Aidipos



COMMON MEAL IN THE CHURCH OF SAINT NIKOLAOS  
IN KOUKAKI



COLLECTION OF CLOTHING



DELIVERY OF STATIONERY TO SKAI TV



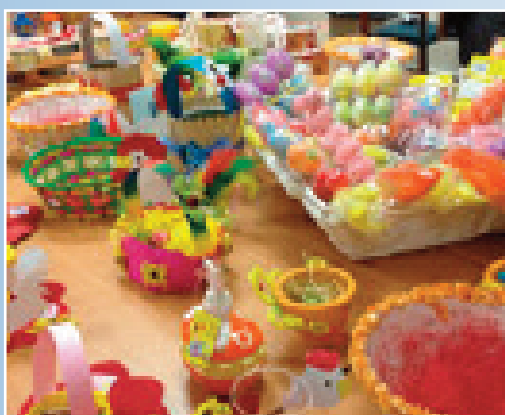
RACE FOR THE CURE



M. SIMIRIOTIS – THE PIONEER OF SEMI-MARATHON –  
HANDS IN TO MR. N. CHAVIARAS, NIREUS' VICE CHAIRMAN,  
THE HONORARY PLAQUES OF SPONSORSHIP:



THE CORPORATE RELAY RUN



EASTER BAZAAR 2013



2nd SEMI-MARATHON OF CHIOS ISLAND



PRIMARY SCHOOL OF RIGANI



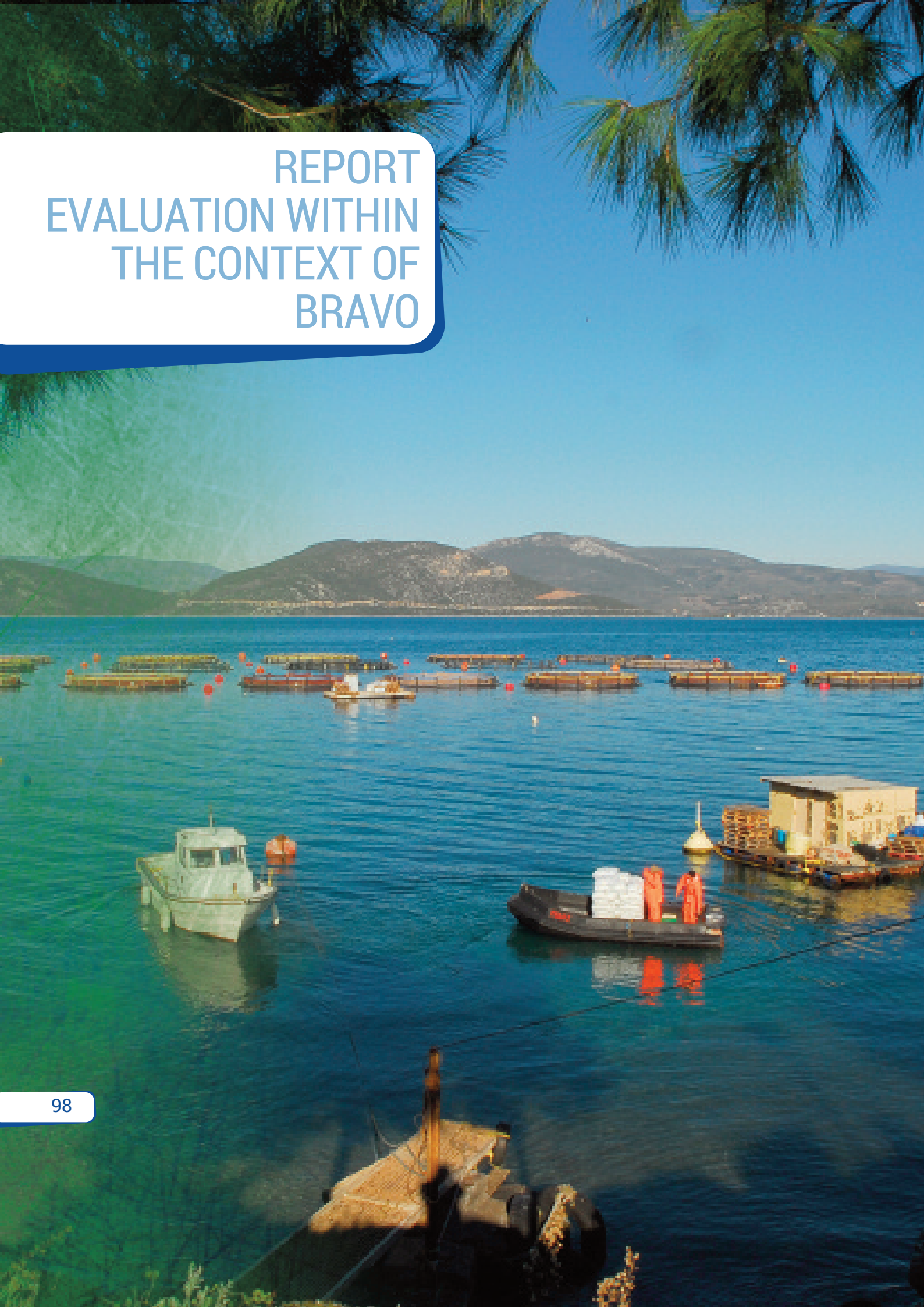
PRIMARY SCHOOL OF PALAIOMANINA

(FROM THEIR VISIT TO ASTAKOS UNIT)



ALBA

# REPORT EVALUATION WITHIN THE CONTEXT OF BRAVO



BRAVO institution ([www.sustainabilitydialogue.gr](http://www.sustainabilitydialogue.gr)), powered by QualityNet Foundation ([www.qualitynet.gr](http://www.qualitynet.gr)) for the fifth consecutive year, was established with the vision of becoming a link for the development of dialogue and consultation among enterprises and stakeholders, driven by the published Viability Reports, as such Reports are one of the most important instruments for an overall recording and capture of the initiatives taken by an organization or an enterprise in terms of sustainable development.

**The institution is implemented based on two basic pillars:**

The Perception Index is a dialogue tool for **Responsible Entrepreneurship and Sustainable Development**, as it presents the views of stakeholders on the primary and secondary issues presented in sustainability reports, as such published by organizations. Respected and prominent representatives from different sectors serve as members of stakeholder groups and use the sustainability reports as a key tool for voluntarily participate in the dialogue presenting their opinions based on documented observation and evaluation, thus contributing towards increasing awareness, information and developing trends in the field of sustainability reporting in Greece.

On the other hand, the **Sustainability Index aims at systematically assessing the sustainability policies applied by Organizations/Undertakings**. It is a technical assessment of Responsible Entrepreneurship and Sustainability information and reporting, based on internationally accepted standards and best practice.

The ultimate objective is to compare the Perception Index and a Technical Index in order to validate the assessment and to ensure that its results may become an actual tool for self-improvement used by undertakings applying Sustainable Development and Responsible Entrepreneurship policies.



## INFORMATION COMMUNICATION

ΝΗΡΕΥΣ Α.Ε.  
ΙΧΘΥΟΚΑΛΛΙΕΡΓΕΙΕΣ



Ghios - Greece Tel: (0272) 25 061-4 Fax: (0272) 21 413

This Social Report refers to all the facilities of NIREUS Group, in and out of Greece (NIREUS AQUACULTURE S.A., SEAFARM IONIAN S.A., KEGOAGRI S.A., PROTEUS EQUIPMENT S.A., ILK-NAK, MIRAMAR and PREDOMAR).

It is the result of a joint effort made by our employees and the Management of NIREUS Group. It has been drafted by a group of employees and next checked by the Corporate and Social Responsibility Officer of the Legal & Corporate Affairs Department. Ms Mara Fafaliou is responsible for drafting the CSR reports and for Voluntary Actions, [m.fafaliou@nireus.com](mailto:m.fafaliou@nireus.com).

The contribution by all of NIREUS Group members is vital and we are truly thankful for their help and cooperation throughout such long-term course of self-recognition and self-improvement.

For Social Reporting please contact:

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Legal & Corporate Affairs Director

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PR Manager

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**Ms Mara Fafaliou**

CSR Reporting and Voluntary Actions Responsible

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Contact no: +30 210 6624280

Respecting our ecological footprint, this 2013 Social Report has been published only in electronic format.





## Stakeholders Assessment Form

In our effort to improve our CSR and sustainable development strategy, we would really appreciate if you answered and sent the questionnaire below:

Your replies will be exclusively used for assessment purposes by the Legal & Corporate Affairs Department, responsible for CSR issues.

### A. Which group of NIREUS stakeholders do you belong to?

- Employee ☐
- Insured party ☐
- Shareholder ☐
- Supplier ☐
- NGO ☐
- Mass Media ☐
- Entity ☐

### B. What is your overall impression for our Reporting methodology?

Very good ☐ Good ☐ Fair ☐ Bad ☐

### C. What is your impression for the Reporting Modules used?

Very good ☐ Good ☐ Fair ☐ Bad ☐

### D. Which points or modules should be further detailed?

- Corporate Governance ☐
- Our Market-related actions ☐
- Our Human-related actions ☐
- Our Environment-related actions ☐
- Our Society-related actions ☐
- Our future goals ☐

### E. General remarks for improvement .....

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You may optionally fill in the fields below:

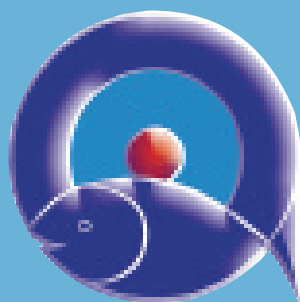
Full name: .....

Job/ Company: .....

Address: .....

Tel.....Fax no .....Email:.....





**NHPEYΣ**

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