

# DUE DILIGENCE REPORT 2024

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Due diligence statement in  
accordance with the Norwegian  
Transparency Act

**Thrace Polybulk AS**



**30.06.2025**

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## Contents

<b>1 About this report .....</b>	<b>3</b>
<b>2 Letter from the managing director.....</b>	<b>4</b>
<b>3 About Thrace Polybulk AS.....</b>	<b>5</b>
<b>4 Our approach to responsible business conduct.....</b>	<b>5</b>
<b>5 Due diligence process .....</b>	<b>8</b>
<b>5.1 Methodology and process.....</b>	<b>8</b>
<b>5.2 Key Risks, Potential Impacts and Mitigating Measures .....</b>	<b>9</b>
<b>6 Date and signature .....</b>	<b>12</b>

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## 1 About this report

This statement has been prepared in accordance with the Norwegian Transparency Act (Lov om virksomheters åpenhet og arbeid med grunnleggende menneskerettigheter og anstendige arbeidsforhold), which entered into force on 1 July 2022. The Act requires larger companies that are resident in or offer goods and services in Norway to carry out due diligence assessments concerning actual and potential impacts on fundamental human rights and decent working conditions, in line with the OECD Guidelines for Multinational Enterprises.

The Act also requires companies to publish an annual statement describing their due diligence activities and to provide information to the public upon request about how the company addresses potential and actual adverse impacts. This report constitutes the Thrace Polybulk AS annual due diligence statement and describes how the company works to identify, prevent, and mitigate risks in its operations and value chain.

Thrace Polybulk AS supports the objectives of the Transparency Act and is committed to responsible business conduct that respects fundamental human rights and decent working conditions. This commitment is reflected in our ethical guidelines and management systems. The statement outlines how we carry out due diligence assessments, with a particular focus on working conditions in our supply chain, and how we identify and handle actual and potential adverse impacts.

This report is based on information about our own operations, our supply chain, and other business relationships. It covers the reporting period from 1 January 2024 to 31 December 2024. Any questions regarding the content of this statement may be directed to Technical, Quality & Development Manager Kjetil Myhra at [kjetil.myhra@polybulk.com](mailto:kjetil.myhra@polybulk.com).



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## 2 Letter from the managing director

Dear stakeholders,

At Thrace Polybulk AS, we believe that doing business responsibly is essential to delivering long-term value, not only to our customers and shareholders, but also to the people we work with and the communities we operate in. Respect for human rights and decent working conditions is a natural extension of our values: integrity, leadership, collaboration, and responsiveness. These principles guide how we operate, how we grow, and how we build trust across our value chain.

The increasing global focus on responsible business conduct reflects a broader recognition that companies have an important role to play in promoting fairness, dignity, and safety for all. The Norwegian Transparency Act reinforces this expectation by providing a clear framework for how businesses should assess and address risks to people. We support this direction, and we see it as aligned with our own commitment to act responsibly, adapt to change, and respect the societies in which we live and work.

Over the past year, we have continued to build on the foundation laid in previous reporting cycles. As part of the Thrace Group, we have contributed to ongoing due diligence work and carried out risk assessments in line with our responsibilities. We have worked to ensure that our approach reflects both local knowledge and international expectations, and that our efforts remain rooted in the Group's mission to combine innovation with social responsibility.

This statement outlines the actions we have taken during the reporting period. It reflects our continued dedication to developing practices that safeguard human rights, promote decent working conditions, and contribute to sustainable value creation, in line with the values and vision that define who we are.

Sincerely,  
Ståle Horntvedt  
Managing Director  
Thrace Polybulk AS

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### 3 About Thrace Polybulk AS

Thrace Polybulk AS is a Norwegian limited liability company, wholly owned by the Thrace Group, an international industrial group headquartered in Athens, Greece, and listed on the Athens Stock Exchange. We are based in Brevik, Norway, and serve customers across the Nordic region, as well as in Europe, North and South America and Asia.

Since becoming part of the Thrace Group in 2001 (previously Hydro Polybulk under Norsk Hydro), Thrace Polybulk has developed into a specialist supplier of industrial bulk packaging, and offer a wide range of flexible intermediate bulk containers (FIBCs), container liners, and bulk handling solutions for dry goods. These products are mainly used in sectors such as agriculture, chemicals, minerals, feed, seed, and food production. In addition, we supply equipment for handling and protecting packed goods.

Thrace Polybulk plays a central role in the logistics and transport value chain by acting as a distributor and solutions provider. We do not operate our own production facilities but sources products from both within and outside the EU, mainly through long-term partners, including companies within the Thrace Group. We strive to maintain high standards for quality, flexibility, and responsible sourcing, with a strong focus on long-term cooperation.

### 4 Our approach to responsible business conduct

Thrace Polybulk AS is committed to acting as a responsible company. Our work is guided by internationally recognized standards for responsible business conduct, including the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights.

#### ***Principles and Policies***

Thrace Polybulk's approach to responsible business conduct is defined in our Code of Conduct, which outlines its core ethical principles and expectations for behavior. Applicable to all employees and managers, the Code promotes integrity, professionalism, and respect in daily operations and in interactions with colleagues, customers, suppliers, and other stakeholders. It reflects the company's core values Professionalism, Respect, and inclusive Interaction, and supports internationally recognized standards, including the UN Guiding Principles on Business and Human Rights and the OECD Guidelines for Multinational Enterprises.

The Code prohibits discrimination, harassment, and any form of forced or child labor, and commits the company to upholding safe, healthy, and fair working conditions.

In addition to the Code of Conduct, Thrace Polybulk AS aligns with the Group's policies available on the [website](#):

- *Human Rights Policy*, which outlines our zero-tolerance approach to discrimination, child labour, and forced labour, both within our own operations and throughout the supply chain.
- *Sustainable Development, Environmental and Social Responsibility Policy*, which integrates corporate responsibility into strategic planning and daily decisions.
- *Policy for the Prevention and Combat of Workplace Violence and Harassment*, which protects the dignity and well-being of all employees.
- *Anti-Fraud and Anti-Corruption Policy*, which supports transparency and trust in procurement and financial operations.

- *Risk Management Policy*, which promotes a unified and structured approach to risk management across the Group.
- *Whistleblowing and Anonymous Reporting Policy*, establishing clear procedures for reporting concerns related to unethical, illegal, or inappropriate conduct within the company.
- *Health, Safety, Environment Policy*, which is aligned with international ISO standards and focuses on risk prevention and accident minimization, aiming to prevent harm to people, property, and the environment.

### ***Management Systems and Certifications***

Thrace Polybulk AS is certified under the Eco-Lighthouse (*Miljøfyrtårn*) scheme, Norway's most widely used certification for enterprises seeking to document their environmental and social responsibility. The certification provides a structured framework for continuous improvement across several core areas, including environmental impact, health and safety, and internal governance.

As part of the certification process, the company is subject to regular third-party reviews and must meet sector-specific criteria that cover working conditions, employee participation, and occupational health and safety. This supports our efforts to promote a safe and inclusive workplace while also ensuring compliance with Norwegian labor standards and sustainability regulations.

While the Eco-Lighthouse scheme primarily focuses on environmental performance, it also reinforces social responsibility by requiring companies to implement robust HSE procedures, strengthen internal control systems, and engage employees in improvement processes. These elements contribute to safeguarding decent working conditions and support the company's broader commitments to responsible business conduct.

### ***Governance, Roles and Responsibilities***

Overall responsibility for responsible business conduct at Thrace Polybulk AS lies with the Managing Director. Day-to-day implementation is delegated to relevant personnel, such as:

- Procurement Team, who maintain supplier relationships and oversee supplier compliance.
- Chief Safety Representative (Hovedverneombud), who ensures that workers are represented in workplace safety matters and early risk identification.
- Technical, Quality & Development Manager, who ensures product quality, regulatory compliance, and continuous improvement across operations.

To support our efforts, we can draw on expertise from the Thrace Group's Sustainability Department, which coordinates activities across subsidiaries. The Group also has a Sustainability Committee and an Audit Committee that oversee compliance and the integration of ESG factors in decision-making.

### ***Grievance Mechanisms***

Thrace Polybulk AS follows the Thrace Group's whistleblowing policy, which provides a secure and accessible channel for employees to report concerns about misconduct, unethical behavior, or adverse impacts on people or the environment. All employees are encouraged to reveal behavior that may not comply with the principles stated in the Code of Conduct. Reports can be submitted directly to the Managing Director of Thrace Polybulk or to the HR Manager of Thrace Group, Christina Diamanti ([cdiamanti@thraceplastics.gr](mailto:cdiamanti@thraceplastics.gr)). Designated staff, independent from company management, oversee the handling of reports in line with

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principles of confidentiality, diligence, and non-retaliation. Employees receive information on the use of the system during onboarding and at regular intervals. While suppliers are encouraged to maintain their own grievance mechanisms, they may also use the Group's channels where appropriate.

### ***Capacity Building and Training for employees***

Thrace Polybulk AS is committed to building internal capacity to support responsible business conduct. Our ethical guidelines have been clearly communicated and signed by all employees, forming the foundation for expected behavior and compliance throughout the company. These initiatives are supported by the broader learning opportunities offered throughout the company, which promotes continuous learning and skills development across the Group. By investing in training and awareness, we aim to ensure informed decision-making at all levels of the organization.

### ***How we work with suppliers***

Thrace Polybulk seeks to promote responsible business conduct throughout its value chain by maintaining long-term, trust-based relationships with suppliers. The company emphasizes transparency, traceability, and continuous improvement in its supply chain practices.

All suppliers are expected to comply with Thrace Polybulk's Supplier Code of Conduct, which outlines minimum standards for ethics, human rights, environmental responsibility, and anti-corruption. These standards are based on international frameworks such as the UN Guiding Principles on Business and Human Rights, the ILO Conventions, and the UN Universal Declaration of Human Rights. Suppliers are also encouraged to promote similar expectations within their own supply chains.

Ethical expectations are communicated during the onboarding of new suppliers and revisited periodically. Suppliers are required to confirm their commitment to the Code in writing. The Code of Conduct is also shared with key business partners, including the company's recycling partner, cleaning service provider, and main logistics operator. Where suppliers have their own policies, these are reviewed to ensure alignment with Thrace Polybulk's standards.

New suppliers are assessed based on defined criteria, including the nature of goods or services, country of operation, and supplier capacity. Social and environmental risks are taken into account, and suppliers are categorized by risk level. The results of these assessments inform decisions about supplier approval and follow-up needs.

To monitor compliance, Thrace Polybulk uses a range of tools tailored to supplier risk level. These include self-assessment questionnaires, dialogue-based follow-ups, audits, and corrective action plans. The company reserves the right to conduct on-site inspections, either directly or through qualified third parties, if needed. Information from follow-up activities is systematically recorded.

In line with a commitment to improvement rather than exclusion, the company engages with suppliers to address and resolve cases of non-compliance. However, if improvements are not achieved, relationships may be reconsidered or terminated.

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Open and ongoing dialogue remains a cornerstone of the company's supplier management approach. Through regular interactions, Thrace Polybulk works to foster responsible conduct, reduce risks, and support a resilient and sustainable supply chain.

## 5 Due diligence process

Thrace Polybulk's due diligence work is based on the Thrace Group's double materiality assessment, supported by regular enterprise risk assessments and internal HSE assessments. These processes help identify, understand, and manage potential adverse impacts on people and working conditions across our operations and value chain.

### *Basis for Due Diligence*

The company's approach draws on international standards such as the OECD Guidelines for Multinational Enterprises and the UN Guiding Principles on Business and Human Rights. While Thrace Polybulk does not currently operate a stand-alone due diligence process for human rights, relevant risks and topics are addressed through the following established systems:

- Group-level Double Materiality Assessment (DMA)
- Enterprise Risk Assessment, conducted with support from a third party
- Annual HSE Risk Assessment

These assessments are anchored in management and reviewed at board level, ensuring that key risks are evaluated at the appropriate level of governance.

### 5.1 Methodology and process

#### *Group Double Materiality Assessment*

The Thrace Group's double materiality methodology is aligned with the CSRD and European Sustainability Reporting Standards (ESRS). These analyses and processes cover all Group-wide impacts, including those relevant to Thrace Polybulk AS. A full overview of findings from the assessment is available in the [Thrace Group's annual report](#). It considers both impact materiality, which assesses how the company may affect people, the environment, and society, and financial materiality, which examines how sustainability-related risks may influence the company's financial position and performance.

The DMA follows a structured process:

1. Mapping of activities and value chain, including own operations and upstream/downstream business relationships
2. Identification of potential sustainability issues based on international frameworks such as the UNGPs, ILO Core Conventions, OECD Guidelines, and ESRS
3. Prioritization of topics based on severity and likelihood
4. Stakeholder engagement and validation, where relevant
5. Integration into business planning, including the company's ESG work and risk management

As part of the Group's materiality process, the following human rights and labor-related topics are assessed:

- Freedom of association and the right to collective bargaining
- Prevention of child labor and forced labor
- Equal treatment and non-discrimination

- Living wages and working hours
- Occupational health and safety
- Privacy and data protection
- Impacts on local communities and vulnerable groups
- Access to grievance mechanisms
- Decent working conditions in the supply chain

These issues are examined in the context of the Group's activities and value chain relationships, supporting the identification of key areas of concern and the need for mitigation.

### ***Additional Risk Assessments***

To complement the DMA, Thrace Polybulk AS conducts regular enterprise risk assessments in collaboration with a third party. These cover financial, operational, compliance, and ESG risks, and serve as an additional basis for identifying and prioritizing potential risks and adverse impacts. These assessments also support legal compliance and contribute to strategic planning and resource allocation.

In addition, annual HSE risk assessments are conducted internally to monitor occupational risks in our own operations, including physical and psychosocial health risks. These assessments feed into local safety practices and employee well-being measures.

## **5.2 Key Risks, Potential Impacts and Mitigating Measures**

The following pages present key findings related to social matters and corporate governance for Thrace Polybulk AS.

### **Decent Working Conditions in the Supply Chain**

Risk identified	Location in the value chain	Actual/potential
Poor working conditions for supply chain workers	Upstream (value chain)	Potential

#### **The potential impact we may have**

Thrace Group's double materiality assessment has identified a risk that workers in the supply chain, particularly in regions where monitoring and enforcement are limited, may be subject to labour conditions that do not meet basic standards of safety, fairness, or dignity. These may include low or unpredictable wages, excessive working hours, limited health and safety protections, and lack of social security or formal employment contracts. Such conditions are inconsistent with internationally recognised human rights, including the right to fair remuneration, safe and healthy working conditions, and access to social protection. As a buyer and contractual partner, Thrace Polybulk AS has the opportunity and responsibility to influence these conditions through its procurement decisions, supplier engagement, and expectations for ethical conduct.

#### **How we address it**

To promote decent working conditions in the supply chain, Thrace Polybulk requires key suppliers to sign the Supplier Code of Conduct, which sets out minimum standards on labour rights, occupational health and safety, and anti-corruption. Selected suppliers are asked to complete self-assessment questionnaires to provide information on their working conditions, human rights due diligence, and relevant internal procedures. These tools form the basis for evaluating risk and establishing constructive dialogue.

We also carry out on-site inspections or audits, to assess compliance and identify improvement areas. If deficiencies are found, suppliers are expected to implement corrective actions within a set timeframe. Customers are also invited to join us when we carry out audits at supplier locations.

#### **How we follow up on measures**

Thrace Polybulk monitors the share of key suppliers that have signed the Supplier Code of Conduct and submitted self-assessments. The company also tracks whether contracts include explicit clauses related to human rights and decent working conditions.

In cases where elevated risk is identified, further follow-up is initiated through targeted dialogue or audits. Internal capacity will be strengthened through training of relevant personnel. Through these measures, Thrace Polybulk seeks to prevent adverse impacts and contribute to better labour conditions in its supply chain.

### **Physical Well-being and Ergonomic Working Conditions**

Risk identified	Location in the value chain	Actual/Potential
Workplace health - ergonomics	Own operations	Actual

#### **The potential impact we may have**

Thrace Polybulk AS's internal HSE risk assessment has identified that repetitive motions, static postures, and poorly designed workstations may contribute to musculoskeletal disorders (MSDs) among employees. These conditions can result in long-term pain, reduced mobility, and physical limitations that affect an individual's quality of life both at work and outside of it. Without sufficient preventive measures, this can lead to increased sick leave, reduced participation in the workforce, and a negative impact on overall well-being.

#### **How we address it**

The company takes a preventive approach to workplace ergonomics by providing training to employees on correct working techniques and ergonomic principles. Employees are encouraged to vary their working positions where possible, for example, by alternating between sitting and standing, to reduce repetitive strain and physical fatigue. Workstations and workflows are regularly reviewed and adjusted based on observations, employee feedback, and the findings of the annual HSE risk assessment. In addition, the company has a dedicated occupational health service (Bedriftshelsetjeneste) and an extended insurance scheme that ensures employees have access to medical treatment within a short timeframe.

#### **How we follow up on measures**

Sick leave is monitored regularly to help identify potential patterns related to physical strain or injury. In addition to formal indicators, the company gathers feedback from employees through informal channels to better understand their physical working conditions and continuously adapt its preventive measures. These efforts contribute to a healthier, safer working environment for all employees.

### **Mental Well-being and Work-related Stress Management**

Risk identified	Location in the value chain	Actual/Potential
Work-related stress	Own operations	Actual

#### **The potential impact we may have**

The internal HSE risk assessment has identified mental well-being and psychological safety as key areas where our operations may affect employees. During periods of high workload or limited staffing capacity, employees may experience work-related stress that impacts their mental health and overall quality of life. If

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left unaddressed, such stress can contribute to fatigue, burnout, and other health challenges, potentially reducing individuals' ability to participate fully in work, family, and community life.

#### **How we address it**

Thrace Polybulk AS works to create a supportive work environment by distributing workloads as evenly as possible across teams and time periods. Particular attention is given to peak production times to avoid excessive pressure on individuals. Managers are encouraged to maintain regular dialogue with their teams to identify stress factors early and to adjust priorities or redistribute tasks where necessary. Flexibility and understanding of individual circumstances are viewed as important tools in promoting employee well-being.

#### **How we follow up on measures**

Sick leave is monitored as a key indicator of potential stress-related issues. In addition to this, the company gathers input from employees through informal channels and ongoing conversations between staff and managers. This helps to evaluate the effectiveness of preventive efforts and guide further improvements aimed at protecting mental health and maintaining a healthy work-life balance.

### **Business Integrity and Ethical Practices**

Risk identified	Location in the value chain	Actual/Potential
Corruption risk in procurement	Upstream (procurement and suppliers)	Potential

#### **The potential impact we may have**

Procurement practices can influence working conditions and governance standards throughout the supply chain. Where transparency and oversight are lacking, there is a risk that procurement processes, particularly those involving new suppliers or suppliers in high-risk regions, may be exposed to unethical practices such as bribery or corruption. This can contribute to unfair competition, poor governance, and a lack of accountability in communities where our suppliers operate. Such impacts may undermine broader efforts to promote responsible business conduct and strengthen institutional trust.

#### **How we address it**

Thrace Polybulk AS follows the Thrace Group's Code of Conduct and Anti-Corruption Policy, which set out clear expectations for integrity and ethical conduct. Procurement processes are governed by internal controls that include separation of duties and defined approval procedures. New and existing suppliers are expected to uphold ethical standards, and contracts are assessed for compliance with human rights, labour, and anti-corruption clauses. Relevant staff are informed of integrity expectations, and procurement decisions are made in accordance with Group-level procedures aimed at promoting transparency and fairness.

#### **How we follow up on measures**

We monitor procurement integrity through internal controls and an incident reporting mechanism. The Group's whistleblowing channel is available to all internal stakeholders, providing a secure and confidential way to raise concerns. In 2024, the Group also conducted a review of its whistleblowing mechanism to further ensure that employees can safely report concerns related to working conditions. In addition, key personnel responsible for supplier management receive regular information on ethical procurement and anti-corruption, supporting informed decision-making and reinforcing ethical practices throughout the value chain.

To promote transparency and enable ongoing monitoring, Thrace Polybulk has defined a set of key performance indicators (KPIs) to track progress:

Topic	KPI	Unit/Metric	2024	2023	2022
F	Turnover	MNOK	162 775	140 329	168 621
S	Number of employees	Number	11	11	11
S	Share of prioritized suppliers that completed self-assessment forms*	%	80	40	-
S	Number of supplier audits conducted	Number	1	2	-
S	Coverage of Supplier Code of Conduct	% of key suppliers signed	100	50	-
S	Sick leave rate	%	4,36	3,65	-
G	Number of grievances received and addressed**	Number	0	-	-

\* To ensure that efforts are directed toward the most relevant suppliers, a threshold value has been defined for the distribution of the self-assessment questionnaire. These are sent to suppliers where the total annual purchase value exceeds NOK 500 000.

\*\*No historical data available, as the mechanism was established in 2024.

## 6 Date and signature

Date: 30.06.25

Signatures of board members and the managing director:



Ståle Horntvedt

Managing Director



Dimitrios Malamos

Chairman of the board