



# Kumho Tyre (Australia) Pty Ltd

ACN 46 003 300 678

## Modern Slavery Statement

Reporting Period

1 January 2023 - 31 December 2023

### Introduction

Kumho Tires are one of the largest companies in South Korea and run three manufacturing facilities there: the Pyeongtaek Plant, the Gokseong Plant and the Gwangju Plant which includes the Kumho Research and Development centre mentioned below. There are a further three plants in China: the Tianjin Plant, the Gaoxin Plant (in Nanjing) and the Changchun Plant. There is also one plant in Vietnam in the Binh Duong Province.

Kumho has three centres for research and development, with the largest in Gwangju, South Korea. The other two centres are in Akron, Ohio and Birmingham, West Midlands. These service the US and European tire markets respectively. Other research centres are located in Buchholz (Germany) and Tianjin (China). We have a global presence across 180 countries and produce more than 68 million tyres every year.

Internationally, Kumho has partnerships with the NBA, AC Milan, Tottenham Hotspur and Bayer Leverkusen.

Kumho has developed their 'Core Values' to articulate their approach and commitment to excellence and sustainability.



Customer First



Full Execution



Creative Innovation



Passion and Devotion



Empathy and Cooperation

## Australia

Kumho operates a separate entity in Australia under the name Kumho Tyre (Australia) Pty Ltd. Kumho has been selling tyres in Australia for over 40 years. We have expanded locally over time through carefully managed growth and development.

Kumho Australia has developed several Policies and Procedures to assist its compliance to legislation and allow it to operate as a responsible corporate citizen. To this end, Kumho Australia has implemented a Safety (WHS) system, Human Resource Management, Consumer Law and Anti-Bribery Policies and an Operational Environmental Management Plan. These business fundamentals are now supported by a commitment to reduce and eliminate any risk of modern slavery in our operations.

## Structure, Operations & Supply Chain

Kumho Tyre (Australia) Pty Ltd and their operations are represented by a Head Office in Marsden Park (Sydney NSW) as well as five state offices in Sydney, Melbourne, Adelaide, Perth and Brisbane.

Our Marsden Park (NSW) Head Office markets and sells tyres to customers in all Australian states and territories as well as New Zealand. The Marsden Park office operates a national sales centre for Australian customers where orders are phoned through to them and arrangements made to invoice and distribute the products. Kumho typically operates business accounts with its customers and also enters into more formal contractual arrangements in relation to supply and terms with larger customers.

Kumho employ approximately 80 people nationally in Australia. Kumho has implemented recruitment and induction policies and procedures to ensure all new employees meet minimum employment requirements and are eligible to work under Australian Law. Kumho has established a safety system to manage the safety welfare of employees and to reduce risk. These controls are audited regularly and reported to senior management to address any deficiencies and work toward our strategic goal of 'zero-harm'.



## Risks

Kumho Tires (parent company) has established a Human Rights Policy in compliance with international standards and guidelines relating to human rights and labour, such as the Universal Declaration of Human Rights, UN Guiding Principles on Business and Human Rights (UNGPs), ILO Declaration and the OECD Due Diligence Guidance for Responsible Business Conduct. The policy applies to all employees and executives at its global business sites and other key stakeholders including suppliers, customers, and local communities.

Fortunately, all products sourced by Kumho Australia come from Kumho factories, (with a small proportion originating from Doublestar Tire.) There are no examples of Kumho Australia sourcing tyres from suppliers other than their parent or associated companies.

The only other major supplier is the supply of the freight services to transport the tyres from Asia to Australia. These arrangements are also made by the parent company and is also covered by their sourcing policies.

As a general rule, Kumho has been engaging the major shipping transport company, Maersk, who provide transportation of tyres from the factories to Australian ports. Maersk has announced policies in recent Modern Slavery Statements they have published which demonstrate their commitment to eliminating modern slavery:

*"We are committed to respecting human rights, which includes ensuring our activities do not cause or contribute to the use of modern slavery and human trafficking and avoiding being directly linked to such harm. We will continue to improve and increase transparency on our progress, mitigating risks through our policies, procedures and engagement with stakeholders."*

[https://www.maersk.com/~/\\_media\\_sc9/maersk/about/files/sustainability/sustainability-reports/apmm-modern-slavery-statement-2022.pdf](https://www.maersk.com/~/_media_sc9/maersk/about/files/sustainability/sustainability-reports/apmm-modern-slavery-statement-2022.pdf)

Apart from the supply of tyres from overseas, Kumho sources apparel from Peak Marketing to facilitate their local uniforms for employees. Peak Marketing has provided Kumho with their Modern Slavery, Labour & Human Rights Policy which includes the following statement:

*"All suppliers to Peak Marketing must go through our due diligence process at the on-boarding stage and are then subject to regular audits and reviews. These audits are based on perceived risk (i.e. country of supplier, strategic importance of supplier, and handling of confidential data) with a tiered approach taken to ensure each supplier's corporate social responsibilities are aligned with that of Peak Marketing and, most importantly, United Nations Global Compact, the UN Universal Declaration of Human Rights as well as the 1998 International Labour Organization Declaration on Fundamental Principles and Rights at Work in addition to full compliance with the UK legislation, including the Modern Slavery Act."*

## New suppliers 2023

Kumho has undertaken to check their supplier base regularly to ensure that any new suppliers are reviewed for their risk exposure to Modern Slavery. At a meeting convened on March 25<sup>th</sup> 2024 it was identified that there were no new major suppliers engaged during 2023.

We have also confirmed with our Head Office in Korea that there has been no major updates or changes to the Kumho global policies that may impact Modern Slavery.

## Risk Mitigation

As previously mentioned, the parent company (Kumho Tire) supplies all of our products. Kumho Tire is a founding member of the Global Platform for Sustainable Natural Rubber, (GPSNR). Essentially, the GPSNR aim to improve the supply chain in respect of human rights, prevent land grabbing, protect biodiversity and water resources, improve yields and increase supply chain transparency and traceability.

GPSNR members adhere to the GPSNR Policy Framework and must commit to policy components under the Top 8 themes and must also report their progress in implementing the policy.

The policy framework includes the following components that relate to the commitment to eliminate Modern Slavery:

- Upholding applicable labour rights and labour laws in the jurisdictions where operating,
- Upholding the UN Guiding Principles on Business and Human Rights, and
- Upholding the intent of the International Labor Organization's eight core conventions. This includes:
  - No forced labour (ILO Convention No. 29 and its 2014 Protocol)
  - No child labour (ILO Convention No. 138 and No. 18)

Kumho Tire has also revised and published its Sustainable Natural Rubber Policy to prevent human rights abuses and environmental destruction within the natural rubber supply chain. The full policy is posted on the global official website of Kumho Tires.

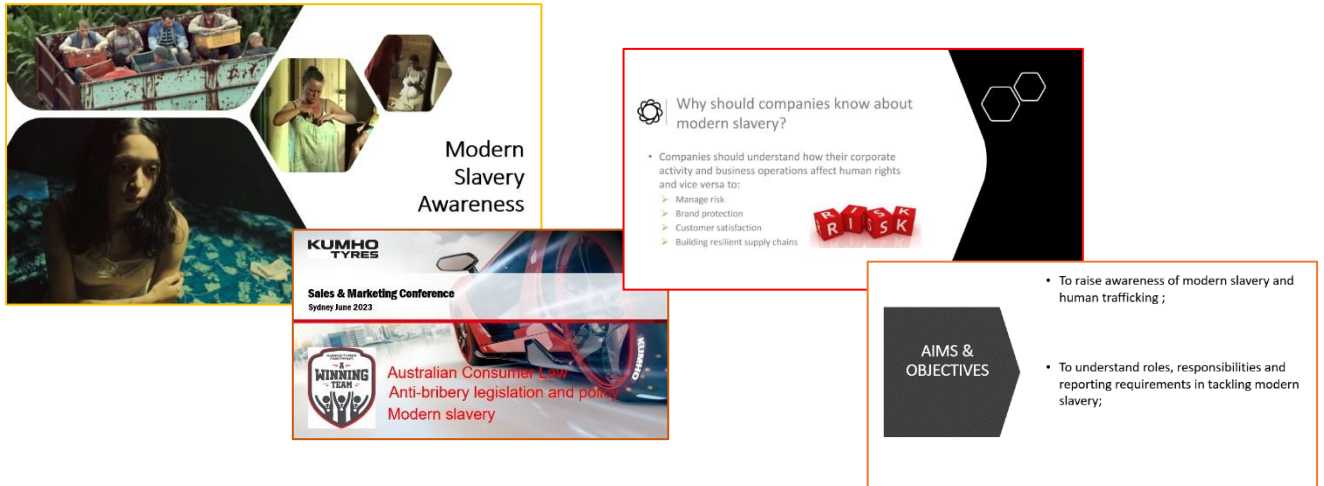
## Policies, Procedures and governance approach

To assist in reducing moral risk, Kumho Australia has also implemented a number of policies and procedures to promote understanding of social issues and how to report concerns. These policies, which also incorporate a 'Whistle Blowing Policy' to protect employees who raise concerns and detail a process for investigation and resolution, are communicated to employees through regular training programs. The company has also implemented the position of 'Compliance and Protected Disclosure Officer' currently held by the General Manager, Operations to assist the monitoring, reporting and management of compliance concerns.

### Training

Kumho Tyre (Australia) Pty Ltd provides training to foster understanding of the risk of modern slavery and human trafficking in our supply chain and our business amongst relevant members of staff. All directors have been briefed and made aware of the subject. The training is delivered (and remedial training provided regularly) as part of our compliance training suite which also includes Competition and Consumer Law and Anti-Bribery Law training.

The most recent group training occurred during the June 2023 National Sales Conference at Darling Harbour, Sydney on 14/6/23. All interstate and Head Office Managers were briefed in their compliance obligations including their awareness and responsibilities in relation to Modern Slavery.



## Future planning

To assist the further development of the company's approach and compliance to Modern Slavery issues the following objectives are planned for the coming year:

- Articulating the requirement and expectation for employees to observe and support Modern Slavery elimination Policies in all employment contracts
- Continued rollout of Modern Slavery training to all managers
- Continued interaction with parent company (HO Korea) to understand their risk reduction policies and planning
- Expanding the coverage of Human Rights Due Diligence throughout overseas business sites and its supply chain (HQ Korea)

## Kumho Policies that support Modern Slavery management

- Kumho Modern Slavery Policy (Australia)
- Kumho Anti-Bribery Policy (Australia)
- Kumho Whistle-Blower Policy (Australia)
- Kumho Code of Conduct (Australia)
- Human Rights Policy (HQ Korea)

## Consultation with other entities

Kumho Tyre (Australia) Pty Ltd does not own or control and other entities, therefore this criteria is not applicable.

## Approval

This statement was approved by the Board of Directors which is the principle governing body of Kumho Tyre (Australia) Pty Ltd ACN 46 003 300 678 on 25<sup>th</sup> March 2024, and signed below by a responsible member of the principle governing body, the entity's Managing Director.



John Jeon  
Managing Director,  
Kumho Tyre (Australia) Pty Ltd  
25 March 2024

**KUMHO TYRES**