



**Kumho Tyre (Australia) Pty Ltd**  
**ACN 46 003 300 678**  
**Modern Slavery Statement**  
**Reporting Period**  
**Jan 2022 - Dec 2022**

## Introduction

Kumho Tire (Kumho Tyres) in Australia was established in 1960.

Kumho Tires runs three manufacturing facilities in South Korea: the Pyeongtaek Plant, the Gokseong Plant and the Gwangju Plant. 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 and another plant in Georgia, USA.

Kumho Tires exports tires worldwide and has a global network of sales organisations.

It has four centres for research and development, with the largest in Yongin, South Korea. The other three centres are in the USA, Germany and China.

We have a global presence across 180 countries and produce more than 68 million tyres every year and have been in Australia for over 40 years.

Kumho defines itself through innovation and quality.

## 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. Over 1.3 million tyres are distributed annually from our five warehouses in Australia.

Kumho Australia have developed several Policies and Procedures to assist its compliance management to legislation and allow it to operate as a responsible corporate citizen. To this end, Kumho Australia have 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. Kumho have developed their 'Core Values' to articulate their approach and commitment to excellence and sustainability.



## 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) 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

As with any Australian company sourcing products from overseas, there is a potential risk that these products may have been produced with slave or child labour.

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.

Other risks may present as third party suppliers of raw materials prior to the manufacturing process which falls under the responsibility of Kumho Tire and is covered by their sourcing policies. 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 Tire have been engaging the major shipping transport company, Maersk, who provide transportation of tyres from the factories to Australian ports. Maersk have announced policies in recent Modern Slavery Statements they have published which demonstrate their commitment to eliminating modern slavery:

*"We have zero tolerance to slavery and human trafficking. To ensure all those in our supply chain and contractors comply with our values we ensure that all those involved in our supply chain are made aware of our requirements for compliance with slavery and human trafficking legislation."*

<https://maersklogisticspro.com/modern-slavery/index.html>

Apart from the supply of tyres from overseas, Kumho sources apparel from Peak Marketing to facilitate their local uniforms for employees. Peak Marketing have provided Kumho with their Modern Slavery, Labour & Human Rights Policy which includes the of 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 14 2022 the senior leadership group advised that there were no new major suppliers engaged during 2021.

We have also confirmed with our Head Office in Korea that there has been no 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 Statutes and Code of Conduct and must commit to a set of 12 principles set out in the founding members' statement.

Relevantly, the statement includes the following principles that relate to the commitment to eliminate Modern Slavery:

- To comply with applicable labor laws for employees and contractors and fulfill the intent of the International Labor Organization's eight core conventions.
- To recognize and promote human rights within the natural rubber value chain, including alleviating poverty by promoting programs that improve smallholders' livelihoods.

Kumho Tire has also released a global Natural Rubber Policy which states that all stakeholders in our supply chain must comply with its stipulations with regard to the protection of human rights, and corruption. The full policy appears in the 2020-2021 Kumho Modern Slavery Statement.

## Policies, Procedures and governance approach

To assist in reducing moral risk, Kumho Australia have 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.

australian consumer law  
anti-bribery legislation and policy  
modern slavery

**TYPES OF EXPLOITATION**  
There are several broad categories linked to Modern Slavery  
ALL prioritise profit over people.

- Sexual Exploitation
- Forced Labour
- Forced Criminality
- Domestic Servitude
- Organ Harvesting
- Child Exploitation

Modern Slavery Awareness

## 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:

- Development and production of a communication document to be released to all team members in Australia to inform and update teams on the issues surrounding Modern Slavery
- Continued rollout of Modern Slavery training to all managers
- Continued interaction with parent company (HO Korea) to understand their risk reduction policies and planning

## Kumho Australia Policies that support Modern Slavery management

- Kumho Modern Slavery Policy
- Kumho Anti-Bribery Policy
- Kumho Whistle-Blower Policy
- Kumho Code of Conduct

## 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 20<sup>th</sup> March 2023, 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  
23 March 2023