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Hankook Tyre Australia

ABN 77082 389704

Modern Slavery Statement

June 2021

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Introduction

This statement, made pursuant to section 14 of the Modern Slavery Act 2018 (Cth) ('Act'), and sets out the steps that Hankook Tyre Australia Pty Ltd (HKAU) has taken and is continuing to take to ensure that modern slavery or human trafficking is not taking place within our business or supply chain. Modern slavery encompasses slavery, servitude, human trafficking and forced labour. HKAU will not tolerate forced labour, including human trafficking, or child labour in our operations. We are committed to acting ethically and with integrity and transparency in all business dealings and intend to put effective systems and controls in place to safeguard against any form of modern slavery taking place within our business and supply chains.

HKAU are committed to complying with our regulatory requirements as well as our moral and social values and obligations to ensure that there is no modern slavery or human trafficking in our supply chains or in any part of our business.

Our business



Hankook Tyre Australia is a wholly owned subsidiary of The Hankook Tire & Technology Group.

From its humble beginning in 1941 as Korea's first tyre company, Hankook Tire & Technology has grown into the seventh largest tyre company in the world, one that continues to create new possibilities and overcome new challenges. Hankook has a global presence across 180 countries and produce 102 million tyres annually.

Hankook is actively embracing the global stage through constant technological development and commitment to innovation. We are taking a leap to become a leading global tyre company that provides sustainable solutions to deliver ultimate driving satisfaction to all customers.

We are proud of our 80 years of history, and are paving the way for the future with a commitment to create new possibilities and overcome challenges that lie ahead. With our customers and society always in mind, our aim is to contribute to the development of the driving experience worldwide.

Our organisation, corporate structure & Supply Chain



Hankook Tire manufactures a full range of tyres and employs approximately 20,000 worldwide.

Hankook has eight manufacturing plants worldwide; Korea (2), China (3), USA, Hungary and Indonesia. It also has 5 regional headquarters in Korea, USA, Europe, China and Asia, Pacific, Africa & Middle East. Hankook has 34 sales subsidiaries & offices worldwide. Hankook purchase raw materials from across the world and sells them to a number of its' subsidiary companies established around the global.

For the future, our aim is to reinforce our global competitiveness by strategically investing in a skilled labour force to expand R&D. Fostering creative and competitive personnel is also a goal at Hankook Tire as we strive to continuously do our part as a member of global community and grow in tandem with the world.

Our organisation, corporate structure & Supply Chain



Hankook Tyre Australia



Hankook Tyre Australia is a wholly owned subsidiary of The Hankook Tire & Technology Group, incorporated in Australia and has its headquarters in Sydney. It has 5 regional offices in Sydney, Melbourne, Brisbane, Adelaide and Perth.

Hankook Tyre Australia sells tyres in Australia and New Zealand.

Corporate Governance



To sustain transparent and accountable corporate principles, Hankook has embraced a corporate governance system which recognizes and deals with a wide range of ethical issues to better manage our company and make decisions that benefit all stakeholders.

Transparent corporate governance is a prerequisite to make fair and responsible corporate decisions that properly reflect the interests of all stakeholders. In order to protect shareholders' entitlements and increase the transparency and proficiency of management, Hankook Tire has built an advanced corporate governance structure; one that places both company and shareholders' gains as its top priority and guarantees transparency in the decision-making process starting from the Board of Directors.

Hankook Tire is taking the lead in establishing an ethical management system and corporate culture, and is striving to internalize a principled system which enables the Board of Directors to examine issues pertaining to morality and ethicality stemming from the operation of the company and decision-making directives.

Corporate Governance



In compliance with the hierarchical governance model adopted by Hankook Tire & Technology Group, responsibility for implementing Hankook Tyre Australia's modern slavery and human trafficking obligations rests with our Managing Director.

In accordance with Hankook Tire's sustainability plan, one of Hankook's targets is to continue to develop and adapt advanced models of management of economic, social and environmental responsibility of the supply chain. Hankook Tyre Australian has its own sustainability plan which is aligned with Hankook Tire and Technology Group's objectives.

Our policies



Hankook supports and respects the protection of internationally proclaimed human rights and makes sure that we are not complicit in Human Rights abuses.

Hankook recognizes the significance of human rights as a universal value of humankind. Moreover, we acknowledge that value can be realized through business activities. With such acknowledgement, Hankook will respect and protect the rights of its own employees and stakeholders associated with its operations, products and services.

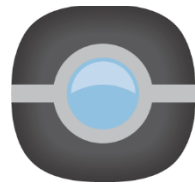
In order to fulfill the responsibility to respect human rights, Hankook shall support and endeavour to observe the principles of the Universal Declaration of Human Rights, the UN Global Compact and the International Labour Organization Declaration of Fundamental Principles and Rights at Work.

Our policies

Hankook shall also support the UN Guiding Principles on Business and Human Rights and implement human rights management system which includes assessments, taking appropriate action and tracking responses, internal and external communications and operation of grievance mechanisms and remediation procedures.



Performance



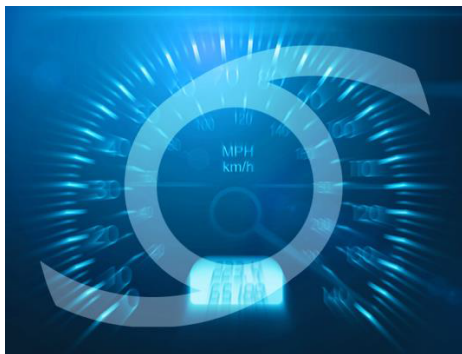
Safety



Comfort



Environment



Our policies

Hankook, as an enterprise that is dedicated to fulfilling its social responsibilities and pursuing the happiness of all employees and stakeholders, shall comply with the laws of each country where it operates under all circumstances and by protecting and respecting human rights, it will contribute to the healthy development of society.

Hankook's policy on global human rights applies to the company's operations worldwide and is part of its commitment to ethical and socially responsible behaviour. The policy serves as a guide to how the company conducts business around the world.

HKAU has a zero-tolerance approach to any form of modern slavery. HKAU is committed to acting ethically and with integrity and transparency in all business dealings. We have internal policies to ensure that we are conducting business in an ethical and transparent manner.

Relevant Company Policies

- Hankook Human Rights Statement
- Hankook Human Rights Management Regulations
- Hankook Tyre Modern Slavery Policy
- Hankook Tyre Code of Conduct

Hankook Tyre Human Rights Principles



1. Prohibition of Forced Labour

Hankook Tyre shall not use or get involved in any kind of forced labour through physical and mental suppression of freedom of any person, including bonded labour, slavery and human trafficking. By unjustly restraining mental or physical freedom, we do not force labor against free will.

2. Prohibition of Child Labour

Hankook Tyre shall comply with the minimum employment age regulations of each country where it operates and not designate takes with safety and health hazards to individuals under the age of 18.

3. Prohibition of Discrimination

Hankook Tyre shall not discriminate against its employees based on race, age, gender, nationality, religion, disability, pregnancy, unionization, or marital status in its employment procedures.

Hankook Tyre Human Rights Principles



4. Guarantee of Freedom of Association

Hankook Tyre shall offer opportunities for communication between the company and its employees, guarantee the freedom of association, and retaliate for unionization activities of its employees.

5. Fair Wage Payment and Stabilization of Livelihood

Hankook Tyre shall contribute to the stabilization of the livelihood of its employees by complying with the minimum wage, pay overtime, sign up for social insurance, and provide leave/vacation, thereby contributing to the stability of workers' lives and improving the quality of working conditions.

6. Health and Safety

Hankook Tyre shall establish a safe, clean work environment for its employees and protect its employees against various harmful substances

Hankook Tyre Human Rights Principles



HankookTire VolunteerGroup

HankookTire Welfare Foundation

- Tuieum Bus
- Tire Donation
- Social Housing Program
- Car Donation

HankookDonggeurami Partners

Assessing our Modern Slavery risks and Due Diligence

Hankook sources goods and services from an external global network of approximately 1,000 suppliers based in 30 countries across the globe. As Hankook has a considerable number of suppliers, our supply chain is highly complex. As a result, there are obvious challenges in efficiently and effectively assessing the modern slavery risks within our supply chain.

We are currently working on a supplier code of conduct and intend to put in place and maintain a preferred supplier list. We are developing a due diligence process that is designed to ensure that our suppliers have appropriate practices in place to avoid any form of modern slavery. This due diligence will include an online search to ensure that a particular organisation has not been convicted of offenses relating to modern slavery and if we would have concerns that a supplier is involved in any form of modern slavery, on site audits which include a review of working conditions would be carried out.

Assessing our Modern Slavery risks and Due Diligence

Hankook Tyre Australia is committed to eliminating modern slavery in all its forms. Hankook Tyre Australia is continuously improving strategies to identify and mitigate modern slavery risks.

We are committed to operating our business lawfully and ethically and in only working with suppliers that are aligned to our values. We expect our suppliers to operate in accordance with all applicable modern slavery laws including those prohibiting human slavery and slavery like practices, human trafficking and child labour.

We have a zero-tolerance approach to slavery, human trafficking and child labour and we expect all of our suppliers to share our ethics and values. In the event of a human rights violation, we retain the right to terminate any contractual relationship. In 2020 no contracts were terminated as a result of any human rights breaches.

Assessing our Modern Slavery risks and Due Diligence

As well as Hankook Tyre Australia, we have both agency and contract staff working at various locations. We ensure that the suppliers of agency or contract staff agree to have adequate policies in place to protect the individuals' human rights.

Based on our review, we consider the risk of slavery, human trafficking or child labour occurring within our own organisation to be low.

Risk Management and Ongoing assessment of risk

We base our activities on compliance with the universally established human rights, as fundamental and indispensable values of our culture and business strategy. We work to manage and reduce potential risks of violations in order to avoid causing, or contributing to adverse impacts to these rights in the international, multi-racial, socially and economically diverse in which we operate.

We work to increase collaboration with internal and external stakeholders to prevent and address any contribution that HKAU may have to the global issue of modern slavery. HKAU will achieve this by focusing on raising awareness of the forms of modern slavery among our employees and suppliers, continuing to evolve our due diligence processes to aid in the identification of risks, expanding the scope of our supply chain risk assessment, reviewing existing processes and exploring ways to improve identification and action on risks throughout our supply chain.

Risk Management and Ongoing assessment of risk



Hankook's approach to mitigating risk is embedded in each stage of the relationship with our suppliers, starting from the qualification phase to the contractual stage and monitored during the entire contractual relationship.

We value and observe all laws regarding corporate social responsibility, environmental and workplace safety protection and staff inclusion and diversity.

Hankook Tyre Australia have various policies in place that support our day-to-day operations to ensure all staff and suppliers meet the core values of our company.

Training



New employees are informed about Hankook's Code of Conduct when hired. We provide regular compliance training sessions to our employees to foster understanding of the risk of modern slavery, human trafficking and child labour in our supply chain and our business.

These training sessions help raise awareness and educate our employees on how to identify and report modern slavery in and around the workplace.

The topics of the training include:

- what is modern slavery?
- types of modern slavery
- causes of modern slavery
- modern slavery in Australia
- the Modern Slavery Act 2018 (Australia)
- who is most at risk?
- real-world scenarios
- how to respond to potential issues
- reporting your concerns

Looking forward

Following a review of the effectiveness of the steps we have been taking to ensure that there is no slavery, human trafficking or child labour in Hankook Tyre Australia or our supply chains, in association with the Hankook Tire & Technology we intend to take following further steps:

- Continue the mapping and traceability of the relevant supply chain, through partnerships with our suppliers and with the aid of advanced mapping systems ; and
- Work with the third-party audit annual activity on critical suppliers

Looking forward



Hankook Tyre is committed to working with all relevant bodies to do what we can to reduce the risk of modern slavery in our business and supply chain.

This statement was approved by the board of Hankook Tyre Australia Pty Ltd. ABN 77 082 389 704 on 14 June 2021.

A handwritten signature in black ink that reads "Choi".

Ted Choi

Managing Director

Hankook Tyre Australia Pty Ltd.

15 June 2021

