



STARCORP TRADING GROUP

MODERN SLAVERY STATEMENT

Reporting period: 1 July 2022 – 30 June 2023

Modern Slavery Statement

Starcorp Trading Group

“Tempe Tyres”

FOREWORD

This Modern Slavery Statement has been made in compliance with the Modern Slavery Act 2018 (Cth) and applies to the Financial Year ending 30 June 2023

1 - REPORTING ENTITY

The entity to which this statement relates is Starcorp Holdings (NSW) Pty Ltd. It is the founding member of the Starcorp Trading Group of companies. This statement refers to Starcorp Trading Group policies and practices to which Starcorp Holdings (NSW) Pty Ltd is a party.

2 - COMPANY STRUCTURE, OPERATIONS AND SUPPLY CHAINS

Structure

Starcorp Holdings (NSW) Pty Ltd (ACN 089 450 368) (“Company”) is privately owned and is one of the corporate entities that comprise the Starcorp Trading Group (“Group”), an aggregate of companies and trusts trading throughout Australia as Tempe Tyres.

Starcorp Holdings (NSW) Pty Ltd is the only company within the Starcorp Trading Group (“Group”) that is subject to the reporting requirements of the Modern Slavery Act 2018 (Cth).

The Company does not have any direct employees as they are employed by the Group’s employment entity, Starcorp Employees Pty Ltd. Total Group staff count at 30 June 2023 was 374.

Starcorp Holdings (NSW) Pty Ltd does not own or control any other entities.

Operations

The Company is located in Sydney and deals in the sale of tyres on a predominantly wholesale basis to tyre retailers who in turn sell the tyres to private and commercial consumers. There is a Retail shop for public consumers at the Tempe premises.

The delivery and distribution of tyres is made by the company’s own fleet of trucks in the Greater Sydney area and by freight carriers to the more outlying areas of NSW.

The Company purchases its tyres exclusively from Starcorp Inventory Pty Ltd which is the sole buying company of the Starcorp Trading Group. Its sales are wholly internal to the Group and it has no third-party customers.

The Starcorp Trading Group has companies in Victoria, Queensland, South Australia and Western Australia which run similar operations under the business name of Tempe Tyres.

Each of these companies has the same purchase exclusivity with Starcorp Inventory Pty Ltd

The office in each of the States operates a sales centre where customers phone for orders which are invoiced and products delivered or picked up. The group operates business accounts with its

customers and also enters in to more formal contractual arrangements regarding supply and terms with larger customers.

Supply Chain

Starcorp Inventory Pty Ltd purchases its tyres from domestic wholesalers and also imports product directly from major tyre manufacturers and international wholesalers.

Australia does not have a tyre-manufacturing industry so the original source of all tyres procured is from the main tyre-producing areas of the world: Asia / Europe / the Americas.

Transportation and shipping of tyres from overseas is arranged by the exporting supplier.

Apart from its employees, the supply chain of the Group has an extensive number of suppliers and contractors which, among others, deal in the following: distribution, vehicle maintenance, fuel supply, cleaning, property and equipment repairs, Information Technology, hire and leasing of equipment, security, insurance, legal and professional services.

3 - RISKS OF MODERN SLAVERY PRACTICES IN THE OPERATIONS AND SUPPLY CHAIN

Tyre Procurement

Modern slavery is a crime and a violation of human rights at the most fundamental level. It takes various forms, such as slavery, servitude, forced and coerced labour, and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit for personal or commercial gain.

The Group recognises that Modern Slavery might be present in its supply chain as a result of the geographical location of some suppliers and source materials used in the manufacture of tyres. South East Asia has been identified as a region that carries with it particular risks of modern slavery.

Employees

Starcorp Employees Pty Ltd is the workforce-employing entity within the Group. It conforms with all current Australian employment laws so there is confidence that the compliance measures in place are not causing modern slavery conditions.

Other Suppliers and Contractors

All other suppliers and contractors are based domestically and are subject to Australian work-place laws of employment and service. The risk is that not all of the employees are working under conditions that comply with award levels or health and safety practices.

4 - ACTIONS TO ASSESS AND ADDRESS RISKS, DUE DILIGENCE AND REMEDIATION

Tyre Procurement

The Group is committed to identifying and mitigating the risk of modern slavery practices in its supply chain and has encouraged a zero-tolerance approach with its suppliers. The Group expects suppliers to conduct their business with integrity, honesty and openness and expects every supplier to know and understand Modern Slavery compliance rules and to abide by them.

All the major brands of tyre producers such as Michelin, Bridgestone, Goodyear, Hankook, Pirelli, Continental, Kumho, Nitro, Toyo, Vredestein etc. have issued their own Modern Slavery statements and we are confident that these suppliers are properly assessing the conditions of employment in the factories which manufacture their tyres.

Where we have less confidence and visibility with smaller manufacturers, as part of our process to identify and mitigate the risk of modern slavery, the Group has sent sample questionnaire surveys to suppliers to request information about their business operations and how it relates to their understanding of Modern Slavery.

If any instance of modern slavery is identified, action will be taken to ensure the issue is immediately remediated. Ongoing confirmation will also be required from the relevant suppliers that no further modern slavery issues arise in their workforce and supply chain.

If remediation and ongoing confirmation does not occur, alternative suppliers will be sourced who will commit to provide goods and services free of any modern slavery practices and in accordance with our relevant policies. Our supplier contracts will also be amended where appropriate to include terms prohibiting modern slavery practices and requiring confirmation these practices are not engaged in and will not be engaged in.

The Group is not aware at the moment of the existence of any modern slavery issue, or allegation of a modern slavery issue, arising within its supply chain. However, it is aware that its assessment of suppliers in relation to Modern Slavery is an ongoing and continuous process

Employees

The Human Resources team oversees the terms and conditions of employment and ensures compliance with Australian workplace laws under the Fair Work Act 2009 (Cth) and relevant work health and safety legislation.

Each employee receives at least the minimum entitlements under the National Employment Standards but the majority of the workforce is paid more than the relevant award rate. All employees are encouraged to report any grievance to Human Resources.

Systems and software are in place to ensure proper hours worked are recorded and the proper pay rates, such as penalties and overtime, are correctly paid.

Other Suppliers and Contractors

Our assessment of the occasional domestic supplier is limited and visibility of their employees' working conditions is not readily available. Regular suppliers are made aware of our position on Modern Slavery and our zero tolerance. Larger suppliers engaged by the Group, such as Direct Freight Express, who distribute product for us, have published their own Modern Slavery statement.

5 - ASSESSMENT OF THE EFFECTIVENESS OF ACTIONS TAKEN

The Group's supply chain staff are the first line of defence in identifying any signs of modern slavery. Training is provided to foster understanding and awareness of the issues.

Regular training will be given to employees on how to identify risks of slavery in our supply chains and how to escalate them internally

The Group will continue to work with our suppliers as part of a zero-tolerance approach to modern slavery. We will continue to identify and assess potential risk areas in our supply chain and carry out due diligence checks, such as requesting evidence of suppliers' own policies and procedures.

The Group will continue to review responses provided by suppliers to our survey questionnaire regarding modern slavery issues and will assess what steps can be taken on an ongoing basis to minimise the risk of modern slavery issues arising in our supply chain.

To confirm our commitment to prohibiting modern slavery and human trafficking in our supply chain and in any part of our business, we will continue to measure the effectiveness of our policies to enhance the further development of the company's approach to Modern Slavery.

6 – PROCESS OF CONSULTATION

This statement has been produced and developed with the input of Operations, Logistics, Purchasing, Finance and Human Resources.

STATEMENT REVIEW AND APPROVAL

The Starcorp Trading Group of companies has common directors on the board of each company. This statement has been reviewed and approved at Board Level and signed below by the Financial Director/Company Secretary.



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Wessam Taleb
22 March 2024