

HANKOOK TYRE AUSTRALIA

Modern Slavery Statement

For the reporting period 1 January 2021 to 31 December 2021

Modern Slavery Statement

REPORTING PERIOD

This statement is made and published in accordance with Section 14 of the *Modern Slavery Act 2018(Cth)*. It is the second modern slavery statement released by Hankook Tyre Australia Pty Ltd (“HKAU”) ABN: 77 082 389 704.

This statement applies to the company’s financial year commencing 1 January 2021 and ending 31 December 2021.

INTRODUCTION

HKAU is committed to the prevention of modern slavery in all forms. Modern slavery is a violation of human rights.

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.

COMPANY STRUCTURE, OPERATIONS AND SUPPLY CHAINS

HKAU has its registered office at level 3, Building A, 11 Talavera Road, Macquarie Park, NSW, 2113, Australia, and is a subsidiary of Hankook Tire & Technology based in Seongnam City, Republic of Korea and manufacturer and distributor of tyres in Australia. HKAU does not own or control any other entities.

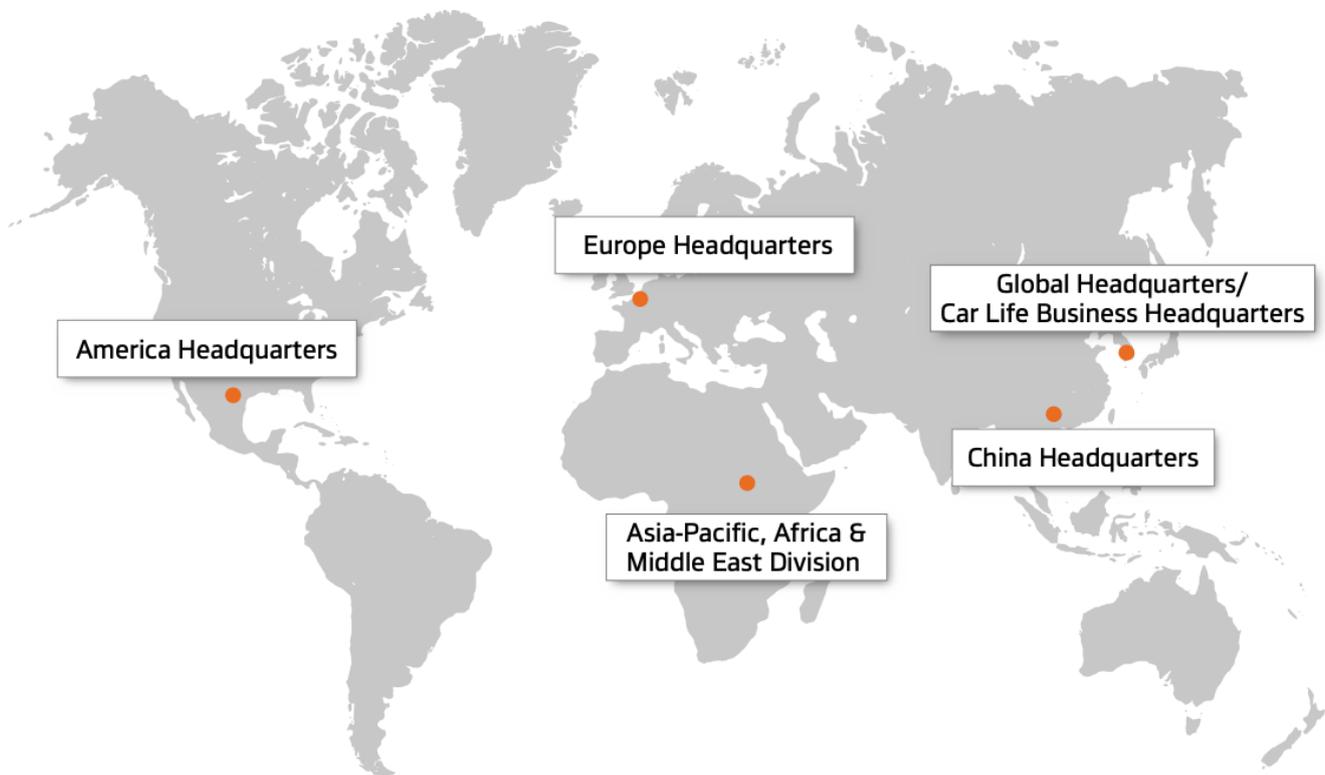
Hankook Tire & Technology manufactures a full range of tyre and employs approximately 20,000 worldwide. Hankook Tyre & Technology has eight manufacturing plants worldwide; Korea (2), China (3), USA, Hungary and Indonesia.

HKAU’s tyre business sources tyres exclusively and directly from Hankook Tire & Technology and directly manages and operates 4 tyre distribution centres in NSW, VIC, QLD and WA. There are no examples of HKAU sourcing tyre products from suppliers other than Hankook Tire & Technology.

Other risks may present as third-party suppliers of raw materials prior to the manufacturing process which falls under the responsibility of Hankook Tire & Technology and is covered by its sourcing policies.

HKAU is focused on ensuring that modern slavery practices are not taking place in our supply chain. At the same time, we recognise that this is an ongoing journey and that mapping an entire supply chain to identify risks of modern slavery requires a systematic approach.

Hankook Tire & Technology has undertaken to check their supplier base regularly to ensure that any new suppliers are reviewed for their risk exposure to Modern Slavery. There have been no changes to the Hankook global policies that may impact Modern Slavery.



RISKS AND RISK MITIGATION

As with any Australian company sourcing products from overseas through the parent company, there is a potential risk that these products may have been produced with slave or child labour. Hankook Tire & Technology supplies all of our products.

Hankook Tire & Technology 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 and increase supply chain transparency and traceability.

“We are a founding member of the Global Platform for Sustainable Natural Rubber (GPSNR), a global platform for the sustainability of natural rubber. In 2018, after establishing the “sustainable natural rubber policy” which sets out the specific social responsibility for the natural rubber supply chain, we have updated the policy to reflect the 2020 Policy Components.”

www.hankooktire.com/global/en/esg/responsible-engagement.html

GPSNR members have aligned on a wide-reaching set of priorities for the natural rubber supply chain. They also harmonize standards to improve respect for human rights, prevent land-grabbing and deforestation, protect biodiversity, and increase supply chain transparency and traceability.

The founding members have agreed on 12 principles to drive improvements in the socio-economic and environmental performance of the natural rubber value chain including complying with applicable labour laws for employees and contractors; AND recognizing and promoting the rights of Indigenous Peoples and local communities and, more globally, human rights within the natural rubber value chain.

COMPANY POLICIES

As a part of conducting business in Australia, HKAU takes its legal reporting and compliance obligations seriously. To assist in reducing risk, HKAU have implemented a number of policy which states that all stakeholders in our supply chain comply with its stipulation with regard to the protection of human rights.

The parent company, Hankook Tire & Technology, also endorses and respects the protection of internationally proclaimed human rights, and fully endeavours to avoid any involvement in the human rights violations.

Human Rights Management Declaration of Hankook Tire & Technology

- 1. Hankook Tire & Technology is fully aware that human rights, a universal value for humankind, are important, and that we can realize such value in our business activities. Based on this, we will continue to respect and protect the human rights of all workers, including irregular workers, temporary workers, and foreign workers, and, by extension, all stakeholders who come into contact with us through our products, services, and business activities.***

2. *To realize this responsibility to respect human rights, Hankook Tire & Technology will continue to endorse and abide by the principle under the Universal Declaration of Human Rights, the UN Global Compact, and the International Labor Organization's Fundamental Principles and Rights at Work.*
3. *In addition, Hankook Tire & Technology endorses the UN Guiding Principles on Business and Human Rights of the UN Human Rights Council, and to abide by the Principles, it will operate a human rights management system, encompassing the diagnosis, improvement activities and monitoring, internal and external communications, grievance settlement, and relief procedures.*
4. *As a company that is oriented towards fulfilling its social responsibilities and pursuing the happiness of all workers and stakeholders, Hankook Tire & Technology will comply with the laws of each country under any circumstances, and respect and protect human rights to contribute towards the sound development of society.*

www.hankooktire.com/global/en/esg/hankook-tire-esg/esg-policy.html

Hankook Tire Human Rights Principles

1. **Prohibition of Forced Labor**
Hankook Tire shall not use or get involved in any kind of forced labor through physical and mental suppression of freedom of any person, including bonded labor, slavery and human trafficking.
2. **Prohibition of Child Labor**
Hankook Tire 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 Tire shall not discriminate in hiring, compensation, or promotion on the basis of race, age, gender, nationality, disability, religion, pregnancy, unionization, marital status, social status, or sexual orientation.
4. **Gender Equality Achievement**
Hankook Tire shall ensure women's full and effective social participation, equal opportunities for leadership and equal remuneration for work of equal

www.hankooktire.com/global/en/esg/hankook-tire-esg/esg-policy.html

HKAU has a zero-tolerance approach to modern slavery. Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory 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.

HKAU expects our suppliers and stakeholders to conduct their business with integrity, honesty and openness. With this we want all HKAU employees to feel they have a voice to communicate any concerns to management.

HKAU also has a Whistleblowing policy to support compliance with the company's Code of Conduct Handbook. The policy allows all HKAU employees to confidentially report any concerns they have regarding modern slavery.

Relevant Company Policies :

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

ESG Strategy



Management Mission

Future Innovated, Innovation Realized



ESG Vision

Innovation for a Sustainable Future

Priority Area of ESG



Eco Value Chain

- Reduction of GHG emissions
- Production with minimal environmental impact



Sustainable Product

- Use of sustainable materials
- Development of sustainable technologies



Responsible Engagement

- Valuable Supply Chain
- Community Engagement
- Human Rights Management and Assurance of Diversity
- Creation of Values for Employees

TRAINING AND EDUCATION

Our people are our first line of defence in identifying any signs of modern slavery. HKAU expects every employee to know and understand our compliance and ethics policies and to abide by them. HKAU provides training to foster understanding and awareness throughout our organisation regarding the issues around modern slavery in our business. HKAU conducts regular compliance training to staff of all levels, including training on the Code of Conduct, Human Rights, Competition and Consumer law, Workplace Harassment and Discrimination and associated topics.

We will continue to train our employees on how to identify risks of slavery in our supply chains and how to escalate them internally.

DUE DILIGENCE

As part of our process to identify and mitigate the risk of modern slavery, Hankook conduct annual survey our first-tier suppliers to request information regarding their business operations and the source of their goods or services by way of a supplier questionnaire. Our 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. In the event that a supplier does not provide an adequate response or violate (or is likely to violate) Hankook company policy, Hankook may suspend the transaction with the relevant supplier immediately.

All contracts with suppliers include provisions relating to anti-slavery together with an obligation for suppliers to comply with related legislation and also to ensure that their sub-contractors and suppliers comply with the same.

We will continue to work with our suppliers as part of our zero-tolerance approach to modern slavery. We will be continuing to identify and assess potential risk areas in our supply chains and carrying out due diligence checks, such as requesting evidence of their own policies and procedures.

ONGOING COMMITMENT AND FURTHER STEPS

To confirm our commitment to prohibiting modern slavery and human trafficking in our supply chains and in any part of our business, we will take the following further steps:

- continue to measure the effectiveness of our policies and assist the further development of the company's approach
- continue to train our employees to enable them how to identify risks of slavery in our supply chains and how to escalate them internally

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

This statement is made and constitutes our modern slavery statement for the financial year ending 31 December 2021. This Modern Slavery Statement has been approved by the member of the board of Hankook Tyre Australia Pty Ltd ABN 77 082 389 704 on 20 June 2022.



Junghee (June) Cho

Managing Director

Hankook Tyre Australia Pty Ltd