

**KUMHO
TIRE**



Forced Labour and Child Labour in Supply Chains Report

INTRODUCTION

Kumho Tire Canada, Inc. ("**Kumho Canada**") has prepared this report ("**Report**") in compliance with the *Fighting Against Forced Labour and Child Labour in Supply Chains Act* (the "**Act**").

The Report outlines the steps taken by Kumho Canada during the financial year commencing January 1, 2024 and ending December 31, 2024 (the "**Reporting Period**") to prevent and reduce the risk that forced labour or child labour is used in its supply chains.

STRUCTURE, ACTIVITIES AND SUPPLY CHAINS

Structure and Activities

Kumho Canada is a wholly-owned subsidiary of Kumho Tire Co., Inc. ("**Kumho Tire**"). Kumho Tire manufactures tires for sale to its customers, either directly or through distribution channels worldwide.

Kumho Tire has eight production plants: three in South Korea, three in China, one in Vietnam and one in the United States. Kumho Tire is further comprised of twelve international sales corporations, including Kumho Canada, and 13 branches/offices internationally. Kumho Tire is headquartered in Gwang Ju, Korea.

Kumho Canada has an office in Mississauga, Ontario and has been operating in Canada since 1977.

Supply Chains

Kumho Canada's suppliers include Kumho Tire, and other suppliers that provide freight services, and goods and services that support day-to-day operational needs, including legal, administrative and financial services. All tires sold by Kumho Tire are sourced from Kumho factories. We understand that the natural rubbers Kumho Tire uses to manufacture the tires are provided by suppliers such as Southland Rubber and Sri Trang Agro-Industry Public Company Limited. Other synthetic raw materials, e.g. synthetic rubber, cords, carbon black, and bead wire, used in the manufacturing of the tires is sourced from Korean and foreign suppliers such as Kumho Petrochemical, LG Chem, Hyosung Corporation, Kolon Industries, Birla Carbon, OCI Global, Orion Engineered Carbons, and Kiswire Ltd. Kumho Tire has several suppliers, including those that supply the key materials for the tires.

Except for Kumho Tire, the remaining of the majority of Kumho Canada's other Tier 1 suppliers are located in North America.

FORCED LABOUR AND CHILD LABOUR RISKS

The risk of forced and child labour in Kumho Canada's Tier 1 suppliers has been assessed as low compared to suppliers further down its supply chain. Kumho Canada makes decisions regarding freight and goods and services that support day-to-day operational needs, including legal, administrative and financial services.

In 2024, to identify potential supply chain human rights issues, such as forced and child labour, Kumho Tire conducted a human rights impact assessment amongst its Korean stakeholders. The survey was answered by Kumho Tire's Korean stakeholders and collected information about the frequency, likelihood, and severity of human rights risks. Kumho Tire intends to include international sites and suppliers in future human rights impact assessments. Further, Kumho Tire utilizes its Supplier ESG Risk Diagnosis Index to identify and categorize potential ESG-related risks, including human rights and labour risks, that could be incurred throughout its supply chain and conducts online and on-site assessments of many of its suppliers.

Kumho Canada will assess other measures it can take to identify forced labour and child labour risks in its supply chains.

POLICIES AND DUE DILIGENCE PROCESSES

Kumho Canada complies with the following corporate practices of Kumho Tire, which together work to address the risks of forced and child labour within Kumho Canada's own activities and its supply chains:

- **Human Rights Policy**: Kumho Tire's Human Rights Policy is designed to support compliance with international standards and guidelines relating to human rights and labour, including the United Nations Universal Declaration of Human Rights, United Nations Guiding Principles on Business and Human Rights, the International Labour Organization Declaration on Fundamental Principles and Rights at Work, and the OECD Due Diligence Guidance for Responsible Business Conduct. All executives and employees are required to comply with the Human Rights Policy. The Human Rights Policy sets out Kumho Tire's prohibition on all forms of forced and child labour. Specifically, all Kumho Tire executives, employees, and business partners must not employ children under the age of 15, or the minimum age mandated by local laws, and must engage in age screening practices when evaluating prospective employees. Further, documents such as government-issued identification cards, passports, or work permits are not permitted to be withheld as a condition of employment. The Human Rights Policy also encourages Kumho Tire's suppliers to implement human rights management systems. Kumho Tire intends to make its suppliers subject to the Human Rights Policy.
- **Code of Ethics**: Kumho Tire's Code of Ethics requires compliance with all applicable domestic and international laws and regulations. All Kumho Canada executives and employees are mandated to comply with the Code of Ethics.
- **Supplier Code of Conduct**: Kumho Tire expects all of its suppliers comply with the Supplier Code of Conduct. The Supplier Code of Conduct mandates that suppliers respect and protect all employees' and executives' human rights and comply with international human rights documents such as the United Nations Universal Declaration of Human Rights in addition to applicable laws and regulations. Suppliers are also encouraged to operate a reporting system that allows suppliers' employees to report violations of human rights laws.

- Kumho Tire is one of the founding members of the [Global Platform for Sustainable Natural Rubber](#) (“GPSNR”). The GPSNR aims to improve respect of human rights and supply chain transparency in the natural rubber supply chain. GPSNR members adhere to the GPSNR Policy Framework which includes the following commitments to uphold applicable labour laws, the United Nations Guiding Principles on Business and Human Rights, and the International Labour Organization’s core conventions, two of which prohibit the use of forced and child labour.¹ Kumho Tire’s [Sustainable Natural Rubber Policy](#) reiterates Kumho Tire’s commitment to its Human Rights Policy.
- Kumho Tire’s [Cyber Reporting Centre](#) allows directors, employees, and officers to report suspected or confirmed violations of applicable laws or Kumho Tire policies. Reports can also be made via hotline or email. Audit Committee members are required to take all possible measures to prevent against retaliation of those who report a suspected or confirmed violation.
- Kumho Tire has also established and implemented a [supply chain management process](#) that involves four steps: training and policy setting; supplier assessment; risk analysis and identification; and monitoring results and requesting suppliers implement processes to respond to risks.

TRAINING

Kumho Tire conducts training programs to improve its executives’ and employees’ awareness and understanding of human rights and to educate employees and executives about Kumho Tires’ Human Rights Policy, which includes forced labour and child labour components.

ASSESSING EFFECTIVENESS

Kumho Canada relies upon the assessment mechanisms that are established by Kumho Tire.

Kumho Tire has established a process to monitor human rights risks at its business sites and throughout its supply chain. Kumho Tire periodically evaluates its human rights risks, including forced and child labour risks, to identify potential new risks, ensuring Kumho Tire adapts as its business and risk landscape changes. Further, Kumho Tire strives to minimize potential child and forced labour impacts of its activities by monitoring implementation and effectiveness of mitigation measures.

REMEDATION MEASURES


Kumho Canada has not been made aware of any instances of forced or child labour in its operations or supply chains in the Reporting Period. Therefore, no measures have been taken to remediate instances of forced labour or child labour, or remediate loss of income resulting from remediation measures, during the Reporting Period.

¹ International Labour Organization Conventions [No. 29](#) and its [2014 Protocol](#), [No. 138](#) and [No. 182](#).

APPROVAL AND ATTESTATION

Pursuant to section 11 4(a) of the Act, this report has been approved by the board of directors.

In accordance with the requirements of the Act, and in particular section 11 thereof, I attest that I have reviewed the information contained in the report for Kumho Tire Canada, Inc. Based on my knowledge, and having exercised reasonable diligence, I attest that the information in the report is true, accurate and complete in all material respects for the purposes of the Act, for the reporting year listed above.


TAEHYUNG KIM (May 30, 2025 12:32 EDT)

Taehyung Kim

President

I have authority to bind Kumho Tire Canada, Inc.