

# Modern Slavery Statement



Modern Slavery Statement



## Financial Year January to December 2022

This statement is made and published in accordance with Section 13 of the *Modern Slavery Act 2018* (Cth) (“MSA”). It is the second modern slavery statement released by Kia Australia Pty Ltd (“KAU”) ABN: 97 110 483 353. KAU’s reporting period is 1 January to 31 December 2022.

This statement is released in line with the MSA requirements and outlines the steps KAU has taken and will continue to take to prevent modern slavery occurring in our operations and supply chain.

## Introduction

KAU is committed to the prevention of modern slavery in all forms. Modern slavery is a violation of human rights. Modern slavery takes many forms, including human trafficking, compulsory labour, and the deprivation of liberty.

To prepare this statement, KAU has undertaken a review of its operations and supply chain operations to identify any modern slavery risks. This has included consulting with key suppliers about their operations and the goods or services they supply to KAU.

## Business structure and operations

KAU is a subsidiary of Kia Corporation based in Seoul, Republic of Korea and a manufacturer and distributor (via a dealership network) of motor vehicles in Australia. KAU does not own or control any other entities. Our Head office is based in Macquarie Park in Sydney, Australia. There are 137 franchised Kia dealerships across Australia.

The business structure of KAU comprises of eight main departments which are managed by General Managers, who report directly to KAU’s Chief Operating Officer (COO). Our COO reports directly to our Chief Executive Officer (CEO).

KAU’s business comprises of the following main departments:

1. Sales
2. After Sales
3. Marketing
4. Network Development



5. Product Planning
6. Legal
7. Finance
8. Human Resources

KAU's main departments consist of sub-departments which are led by KAU's General Managers and National Managers. At the time of publishing, KAU has 130 employees and works with approximately 200 suppliers. Our cars are built at our factories which are in the Republic of Korea. Our cars are then imported to Australia to be sold to our customers via our dealer network.

## Risks of Modern Slavery in KAU's Supply Chain

KAU is focused on ensuring that modern slavery practices are not taking place in any of our supply chains. 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.

KAU has reviewed its supply chain, to identify potential modern slavery risks. Over the last two years, KAU issued questionnaires to all our first-tier suppliers to assess the risk of modern slavery. The results of that survey are discussed in the section on Due Diligence below.

KAU considers that the risk of modern slavery in KAU's supply chain primarily relates to the manufacture of motor vehicles and parts overseas. KAU works with Kia Corporation to consider the risk posed by these suppliers and to address any potential modern slavery issues.

## Company Policies

As part of conducting business in Australia, KAU takes its legal reporting and compliance obligations seriously. We strive to live up to our Corporate philosophy values in everything we do.

KAU has a zero-tolerance approach to modern slavery. We will only work with those who share our values.



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 involve the deprivation of a person's liberty by another for their own personal or commercial gain.

KAU expects our suppliers and stakeholders to conduct their business with integrity, honesty, and openness. With this we want all KAU employees to feel they have a voice to communicate any concerns to management. KAU is in the process of preparing a Supplier Code of conduct setting out the principles and standards expected of all our suppliers ensuring they conduct their business with integrity, honesty, and openness.

KAU's Whistleblowing policy allows all employees to confidentially report any concerns they have KAU is in the process of updating this policy to include the ability to raise any concerns regarding modern slavery.

Additionally, in issuing our supplier questionnaire (discussed further in Due Diligence below), we used the opportunity to communicate and affirm our zero-tolerance approach to modern slavery.

## Modern Slavery Compliance Officer

KAU's Legal and Compliance Officer, Ms. Gabrielle Mantoufeh, monitors our compliance with Australian laws and regulations concerning modern slavery across our business.

## Training and Education

KAU is raising awareness throughout our organisation regarding the issues around modern slavery.

We are working with our employees and suppliers regarding how to recognise modern slavery and what steps to take to reduce the risk of modern slavery, and if modern slavery is identified.

Our Legal and Compliance Officer will offer training to all staff regarding how to manage and reduce the risk of modern slavery, highlighting the negative effect it could have on people and our business.



## Due Diligence

As part of our process to identify and mitigate the risk of modern slavery, as mentioned above, we first mapped our suppliers by surveying each business unit. Each unit provided their list of first-tier suppliers based on previous contract spend. We then surveyed these first-tier suppliers to request information regarding their business operations and the source of their goods or services by way of a supplier questionnaire. From these enquiries, we have been able to learn more about where our suppliers source products from and to identify and mitigate the risk of modern slavery occurring in our supply chains.

We surveyed approximately 200 first tier suppliers irrespective of the contract or supply value.

Our surveys sought information from our suppliers regarding:

- Operations in, or goods sought from the top high-risk locations identified by the Global Slavery Index 2018;
- Use of goods from countries listed in the List of Goods Produced by Child Labor or Forced Labor 2018 published by the US Department of Labor;
- Existing or planned reporting under the MSA or other laws;
- Anti-slavery policies.

Our suppliers who completed the survey have confirmed that they do not have operations in, or source goods from, the high-risk locations. They also confirmed that they do not source goods from the lists published by the US Department of Labor. However, we are aware that this does not mean there is no risk of modern slavery. We will continue to work with our suppliers as part of our zero-tolerance approach to modern slavery.

## Assessing the effectiveness of our actions

KAU has developed a framework to assess the effectiveness of its actions to combat risks of modern slavery. At this early stage, we are likely to put in place the following steps to assess effectiveness of our actions:

- a. tracking the number of staff who complete the modern slavery training;



- b. monitoring supply contracts to ensure there is a provision relating to Modern Slavery and that a Supplier Code of Conduct is implemented;
- c. continuing to issue supplier questionnaires to our first tier suppliers and ensuring ongoing communication with our suppliers and stakeholders on the risks of modern slavery;
- d. conducting internal audits and recording our actions to identify modern slavery risks and track their effectiveness using risk-based tools; and
- e. keep up to date with developments and trends in modern slavery laws and regulations.

## Ongoing Commitment to Combating Modern Slavery

KAU will continue to measure the effectiveness of our procedures to prevent modern slavery occurring throughout any part of our business or supply chains.

We will also build on the training and education procedures provided to employees to enable them to better identify, understand and report on modern slavery, if detected within our supply chain.

This statement is made pursuant to Section 13 of the MSA and constitutes our modern slavery statement for the financial year ending December 2022. This Modern Slavery Statement was approved by the Governing Authority of KAU.

A handwritten signature in black ink, appearing to read 'Joonsu Cho', written over a faint, light-colored signature line.

Joonsu Cho  
President & CEO