



2020 Modern Slavery Statement

National Tyre & Wheel Limited
ACN 095 843 020

1. INTRODUCTION

This statement, pursuant to the Modern Slavery Act 2018 (Cth), reports on the risks of modern slavery in National Tyre & Wheel Limited's ("NTAW" or the "Company") operations and supply chains, and actions taken to address those risks during the financial year ended 30 June 2020 ("FY2020").

NTAW commits to supporting and respecting the protection of internationally proclaimed human rights, as set out in the Universal Declaration of Human Rights and the Ten Principles of the United Nations Global Compact.

This aligns with the NTAW Board's commitment to maintaining a high standard of corporate governance to promote responsible management and conduct within NTAW. It is also supported by NTAW's Code of Conduct, and in particular, our firm commitments to safety, lawful and ethical conduct, respect for others, and to responsibly consider the broader community in our decision making and operations.

NTAW understands that modern slavery and human trafficking can occur in many forms. We are committed to operating responsibly and ensuring we have robust standards and processes to minimise and address modern slavery risks. We are committed to providing transparency on our modern slavery risks and how they are being addressed.

This is our first Modern Slavery Statement ("MSS"), which addresses our obligations contained in the Modern Slavery Act 2018 (Cth).

The purpose of our statement is to:

- Describe the risk of modern slavery in NTAW's operations and supply chains;
- Explain actions taken to address those risks in FY2020; and
- Introduce our plan to further strengthen our commitment to address modern slavery risks in the future.

2. OUR BUSINESS

NTAW is an Australian Public Company having been established in 1989 and listing on the Australian Securities Exchange in 2017. NTAW operates throughout Australia, New Zealand and South Africa with Group headquarters located in Brisbane, Queensland. Through its subsidiary operating entities (refer Appendix One), NTAW wholesales and distributes a range of motor vehicle tyres, wheels, tubes and related products. NTAW imports products for the car, SUV, 4WD, caravan, light commercial, truck & bus, industrial, agricultural and off the road segments, acting as the exclusive importer and distributor of over 35 brands to the aforementioned geographic regions.

NTAW operates distribution centres, comprised of third-party logistic providers and our own premises as well as the Tyreright retail network which is comprised of NTAW owned and licensed and affiliated stores.

3. OUR OPERATIONS

NTAW employs over 600 team members throughout its Australia, New Zealand and South African operations.

People are considered its greatest asset and, as a result, NTAW strives to create a workplace where all team members feel valued, safe, included and supported.

Team members across NTAW bring a diverse set of skills to the variety of positions performed e.g. Warehouse Store person to Sales Account Manager; Retail Store Managers to specialist roles such as IT Developers.

The majority of NTAW team members are permanent, full-time employees, however, a very small number of casual team members are utilised to complement and support any fluctuations in business needs. These casual team members are usually sourced via word of mouth through current team members who are familiar with the NTAW policies and procedures. Employment agents are only utilised for senior leadership roles and only if essential. All permanent vacancies are advertised via on-line mediums such as Seek or LinkedIn and are jointly coordinated by People & Culture and the relevant Hiring Manager.

Most of NTAW team members are either office/warehouse based or active on the road or in retail stores selling direct to customers.

All staff are provided employment agreements that comply with all local laws and relevant legislation and set out employment conditions such as remuneration, hours of work and leave entitlements.

4. SUPPLY CHAIN

As NTAW's supply chains are diverse (operationally and geographically), there is potential for modern slavery risks to be present within these supply chains.

NTAW sources tyres, wheels, tubes and related products from suppliers located in a number of countries including, but not limited to:

Australia;	Israel;	Spain;
China;	Malaysia;	Sri Lanka;
Czech Republic;	Mexico;	Taiwan;
Germany;	New Zealand;	Thailand;
India;	Serbia;	United States of America; &
Indonesia;	South Korea;	Vietnam.

To the extent NTAW is aware, raw materials used in products acquired are also sourced from the countries listed above. NTAW acknowledges some of these countries are generally considered to have a higher prevalence of modern slavery.

Although NTAW purchases finished goods, natural rubber is one of the key raw materials used in tyres, the Group's main product type. The farming and development of natural rubber presents second-tier supplier risks for modern slavery as it is labour intensive and produced in countries where the risk of modern slavery is higher.

NTAW also uses suppliers who provide services related to freight, logistics and warehousing.

5. GOVERNANCE APPROACH

NTAW has a global Code of Conduct, accessible to all via the Company's website, which sets out the Company's commitment to ensuring a safe workplace, identifying and mitigating risks, complying with relevant legislative requirements and not knowingly participating in any illegal or unethical activity.

In support of the above, NTAW has a Risk Management Policy that provides guidance on the identification, assessment, management and reporting of risk.

NTAW has introduced a Modern Slavery Policy and has included reference to this, as well as the Anti-Discrimination and Harassment policies, in all new employment agreements.

Part of the newly introduced NTAW Group People and Culture function ("People and Culture") is to assess and conduct due diligence activities to ensure ongoing compliance to all related policies and the effectiveness of these policies. This includes ensuring our talent acquisition processes are fair, transparent, and open to everyone to apply, regardless of gender, ethnicity or ability.

NTAW is also mindful that leadership capability is fundamental to creating an inclusive culture underpinned by safety and performance values, which is supported through key leadership activities targeted at leaders of all levels across the Company.

NTAW will consider taking disciplinary action against a team member found to be non-compliant with any of the above-mentioned policies.

6. WHISTLEBLOWER POLICY

NTAW is committed to providing opportunity for employees, contractors and the general community to report suspected or known unethical, illegal, fraudulent, corrupt or dishonest conduct and shall ensure that those who report may do so with confidence and without fear of intimidation, ramifications or adverse consequences.

NTAW has a Whistleblower Policy designed to ensure the protection of those "speaking up" about misconduct (also known as "whistleblowers") and sets out how NTAW will respond to reports of misconduct.

Reports of known or suspected reportable conduct can be made confidentially and anonymously at any time (whether during or outside office hours) to the Whistleblower Protection Officer (Group People and Culture Officer).

7. ASSESSMENT OF MODERN SLAVERY RISKS

NTAW has undertaken a risk assessment process to understand our exposure to modern slavery risks. This process was designed to assist the Group to develop strategies to mitigate current and potential future risks. The assessment considered the primary modern slavery risk indicators including the type and quantum of goods and services supplied, high risk industries, geographic and entity-specific risks.

As a result of this initial assessment activity, we will commence further consultation with our suppliers, tailored to the level of risk they represent. Those that present a higher level of risk will be requested to complete a modern slavery questionnaire with the aim of gaining further insight into their operations and the second or subsequent tiers of our supply chain. Those who have been identified as lower risk will be informed of our commitment to the eradication of modern slavery and will be provided with opportunities for further engagement.

8. ACTIONS

NTAW has a focus on further developing the systems it has in place for ensuring ethical behaviour.

Preparation is underway to commence compliance training that will be provided to all current team members, as well as new team members as part of the new staff induction programme, to ensure a high level of understanding and awareness is introduced and maintained. In particular, team members who have responsibility over supply chain management will be provided with training in relation to modern slavery risks and our approach to identifying and mitigating those risks within our supply chains and operations.

NTAW has engaged an external contractor to review a sample of contracts with suppliers to identify best practice matters to be considered for inclusion in current and future contracts with suppliers.

NTAW will engage with certain key suppliers regarding their commitment to identifying and mitigating modern slavery risks in their operations and supply chains.

A review of all people-related policies, procedures and frameworks will be undertaken by People and Culture to ensure alignment with and reference to NTAW's Modern Slavery Policy. This will assist to embed a culture where inclusion and equity is achievable and experienced by everyone, every day.

9. MEASURING OUR EFFECTIVENESS

NTAW is committed to regularly assessing the effectiveness of our Modern Slavery policy and actions taken to mitigate the risk of modern slavery in our operations and supply chain. People and Culture will be responsible for conducting an annual review of the policy and actions taken to measure the effectiveness.

NTAW will monitor the progress of our actions in regard to modern slavery risks in our supply chain via the engagement of our suppliers, the number and timeliness of responses to our queries and feedback on our code of conduct and Modern Slavery policy.

NTAW will continue to conduct annual staff culture surveys. These surveys provide an opportunity to assess and receive feedback from all team members across the Company as to whether ethical and compliant behaviour is evident across the Company.

NTAW will also measure the effectiveness of our policy and actions through our employee's completion rate of training modules as well as their ability to confidently challenge and educate our suppliers.

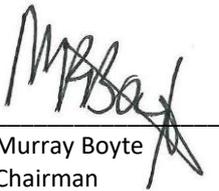
10. CONSULTATION WITHIN OUR GROUP

This statement was produced following consultation with logistics, People and Culture and leadership across the Company and its controlled entities.

All entities controlled by NTAW have been included in our risk based approach to the identification, assessment and mitigation of modern slavery risks. The Group will be developing global frameworks, policies and procedures in line with the emerging Australian and international legislation in this space.

11. FINALISATION

This statement was approved by NTAW's Board of Directors on 30 March 2021.



Murray Boyte
Chairman



John Peter Ludemann
Chief Executive Officer & Managing Director

APPENDIX ONE

**National Tyre &
Wheel Limited**
ACN 095 843 020

Exclusive Tyre
Distributors Pty
Ltd
ACN 159 029 357

Dynamic Wheel
Co. Pty Limited
ACN 007 147 364

M.P.C Mags and
Tyres Pty Ltd
ACN 117 639 040

Statewide Tyre
Distribution Pty
Ltd
ACN 008 181 904

Tyres4U Pty Ltd
ACN 642 540 690

Tyreright
Operations Pty
Ltd
ACN 646 640 897

Exclusive Tyre
Distributors
(NZ) Limited
NZBN 94 290 310
880 60

Tyres4U (NZ)
Limited
NZBN 94 290 484
950 59

Top Draw Tyres
(Pty) Ltd
Co Number
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