

Continental Tyres of Australia Pty Ltd ACN 136 883 148

Modern Slavery Statement 2024

Introduction

This Modern Slavery Statement is made pursuant to the Modern Slavery Act 2018 (Cth). It outlines the steps taken by Continental Tyres of Australia Pty Ltd ACN 136 883 148 trading as 'Continental Tyres' to identify, assess, and address modern slavery risks in its operations and supply chains during the year ending 31 December 2024.

This is Continental Tyres' fifth modern slavery statement. Continental Tyres is a wholly owned subsidiary of Continental Aktiengesellschaft (AG), a multinational company with headquarters in Hanover, Germany. In previous years, sustainability management and policies, supply chains and actions of all Australian subsidiaries of Continental AG were reported in a joint statement. This is Continental Tyres' first individual statement. Continental Tyres doesn't own or control any other entities.

As part of a global company, we have a role to play in efforts to promote respect for human rights in business activities, and we are pleased to provide insight into the actions we have taken to understand, prevent and reduce the risk of forced labour in our operations and supply chain.

Structure, Operations and Supply Chain

Continental Tyres of Australia Pty Ltd is headquartered in Melbourne, Victoria, trading as 'Continental Tyres'. As mentioned above, Continental Tyres of Australia Pty Ltd is wholly owned subsidiary of Continental AG, a multinational company with over 202,000 employees worldwide. Continental Tyres imports tyres from Continental AG's tyres plants (approximately 35% from China, 25% from Thailand and 25% from Europe in 2024), and sell to tyres wholesalers and retailers in Australia and New Zealand with approximately 50 employees in Australia.

Continental consists of Continental AG and its worldwide subsidiaries (collectively, 'Continental' or 'Continental Group') and is divided into four group sectors: Automotive, Tyres, ContiTech and Contract Manufacturing. Since 1 November 2024, these have comprised a total of 15 business areas.

A group sector or business area with overall responsibility for a business, including its results, is classified according to product requirements, market trends, customer groups and distribution channel. Overall responsibility for managing the company lies with the Executive Board of Continental AG. The Automotive, Tyres and ContiTech group sectors are each represented on the Executive Board.

Spanning the group sectors are the group functions of Continental AG, which are represented by the chairman of the Executive Board, the chief financial officer and the chief HR officer. These functions include Finance and Controlling, Integrity and Law, Compliance, Internal Audit, Quality Management, Human Relations, Sustainability, IT and Group Purchasing.

With a 62% share of consolidated sales (previous year: 64%), the automotive industry – with the exception of the tyre replacement business – was Continental's most important customer group in the 2024 fiscal year.

The second-biggest market segment for Continental was the global replacement-tyre business for passenger cars and commercial vehicles, with 27% of total sales in the 2024 fiscal year (previous year: 25%).

The third-biggest market segment for Continental was the global business with industrial customers and spare parts from the ContiTech group sector with around 9% of total sales (previous year: 9%).

Sustainability management

Sustainability is a driver of innovation for Continental during the current transformation of mobility and industry and is thus firmly anchored in its corporate strategy in the cornerstone of “turning change into opportunity.” Sustainability is also a key component in Continental’s vision of “CREATING VALUE FOR A BETTER TOMORROW.”

In Continental’s sustainability ambition, Continental describes how it wants to shape this transformation in the relevant topic areas with respect to sustainability in order to reduce negative impacts and strengthen positive effects, seize transformation opportunities and mitigate transformation risks. Along with the relevant guidelines, this ambition constitutes the framework for existing management approaches, strategies, programs, processes and targets, as well as their further development. In our four focus areas of sustainability, Continental is committed to strong, visionary ambitions, which we want to achieve by 2050 at the latest, together with our partners along the value chain:

- › 100% carbon neutrality;
- › 100% emission-free mobility and industries;
- › 100% circular economy; and
- › 100% responsible value chain.

The entire ambition can be found at www.continental-sustainability.com.

Within the Executive Board, the Executive Board member for Group Human Relations (director of Labor Relations) and Group Sustainability is responsible for sustainability. Sustainability management within the Continental Group is regulated by dedicated sustainability rules.

The Group Sustainability group function is further supplemented by sustainability functions in the group sectors as well as coordinators in several business areas and countries, which includes Australia. The sustainability functions in the group sectors and in the Continental Group were further expanded and strengthened over the course of 2024.

The Sustainability Steering Committee of the Continental Group is responsible for assessing cross-functional issues, weighing up opportunities and risks and discussing relevant Executive Board decisions in advance. In the 2024 fiscal year, it consisted of the entire Executive Board, Group Sustainability and other functions at group and group sector level. The committee is chaired by the Executive Board member for Group Human Relations (director of Labor Relations) and Group Sustainability and managed by the head of the Group Sustainability group function. Our group sectors, Tyre and ContiTech, also have their own interdepartmental sustainability committees, which are coordinated by the relevant sustainability functions.

Modern Slavery Risk Analysis

Risk analysis at Continental Tyres

Continental Tyre has not identified any modern slavery risks relating to our employees. Our employees are directly engaged under contracts of employment and are supported by controls and processes which aims to ensure a safe and fire working environment.

Modern slavery risks in our operations and supply chains can arise through the procurement of goods and services. The top three categories of Continental’s total spend are goods from Continental’s tyre plants offshore, logistics services and Marketing Communications & Event services.

Risk analysis at Group level

Continental operates in complex global value chains in which a variety of risks relating to infringements of human and environmental rights may arise. Regular risk analyses are carried out to determine the human rights and environmental risks in our own business operations and with regard to direct suppliers. As part of the risk analysis, Continental uses dedicated risk categories identified in a multi-stage process, evaluated, weighted and prioritised. In gross terms, without taking existing preventive measures into account, all risk categories are considered as relevant for our own business operations and for the supply chain in relation to direct suppliers.

The defined risk categories refer to the risks of potential violations of protected rights in relation to child labour and forced labour, among others.

The risk analysis of our own business operations in Australia and of the supply chain in relation to direct suppliers follows a systematic and standardised method to ensure comparability and take special organisational features into account on an equal basis. In particular, factors such as business models, ability to intervene, contribution and probability of occurrence as well as severity are taken into account.

Along defined steps, the relevant risks are identified, assessed, weighted and prioritised. Not only are the total risks taken into consideration, but also the existing preventive measures and the net risks derived from them. Thanks to extensive preventive measures, the net risks are significantly lower than the gross risks. The latter arise from the global footprint of the business activities and supply chains, the broad range of the product portfolio and the various business models and value chain levels. Prioritised risks are then analysed and evaluated in greater detail to derive targeted priority prevention measures.

Based on the risk analysis carried out in the 2024 fiscal year, and in coordination with the respective central functions, the two risk categories of equal treatment / antidiscrimination and working conditions (including working hours) were formally prioritised for Continental's own business operations. The three risk categories of:

1. equal treatment / anti-discrimination;
2. no forced labour or modern slavery; and
3. environmental impacts

were formally prioritised for the supply chain risk analyses in relation to direct suppliers. An analysis of risks in relation to indirect suppliers is carried out on an ad hoc basis in cases of substantiated knowledge. Regardless of the prioritisation, all risk categories are part of the risk management regime.

Actions Taken to Assess and Address risks

Due diligence

The majority of Continental Tyres' expenditure (more than 80%) is on tyres imported from Continental AG's own manufacturing plants overseas. For spendings on local products and service providers, all key suppliers of Continental Tyres are required to read and sign the Business Partner Code of Conduct where they committed to implement due diligence processes to identify, prevent and mitigate risks for negative human rights and environmental impacts in their operations and supply chains as part of the onboarding process. Continental tyres seek to identify and assess actual and potential human rights and environmental impacts when onboarding the local suppliers.

Group policies in relation to fighting child labour, forced labour and modern slavery in our own operations and supply chains

Continental operates in complex global value chains that are exposed to a variety of risks associated with the violation of protected rights. Risks within this context are always related to the potential negative impact on people and the environment.

Continental has therefore defined and published its commitments toward a responsible value chain (hereinafter Responsible Value Chain Commitments, “RVC Commitments” for short) in the areas of labour standards, occupational safety and health, security practices, environment and land rights:  RVC Commitments. We have adopted the RVC Commitments as part of the Continental Group. Three of our RVC Commitments focus on rejecting child labour and forced labour and fostering respect for human rights throughout the value chain. These commitments apply to our own operations with Continental in Australia and in particular to our direct suppliers. More specifically:

No child labour

Continental firmly rejects any form of child labour and specifically respects the standards of the International Labour Organisation. Continental does not employ, nor do any of its Australian subsidiaries, people under the age of 15 or under the age at which compulsory schooling ends or under the applicable country's minimum age for employment, whichever is greatest. Furthermore, young workers under the age of 18 must be treated with special diligence and should not perform work that is likely to jeopardise their health, safety, and/or development.

No forced labour or modern slavery

Continental firmly rejects any form of forced labour, modern slavery, debt bondage, trafficking, or any other form of labour not conducted voluntarily or non-compliant with the International Labour Organisation's standards. This includes any form of oppression in the vicinity of the workplace, be it economically or of any other kind. Workers must be provided with documented employment terms or an offer of employment in a language the person should be able to understand. Migrant workers need to be treated with special diligence and receive relevant work-related information prior to their departure from their country of origin and must always have access and full control over their identity or immigration documents.

Supply chain

Continental collaborates with its business partners to foster respecting adequate standards throughout the value chain. Continental expects its suppliers to respect human and environmental rights as referenced in the RVC Commitments and applicable laws. Furthermore, Continental's suppliers are required to implement adequate due diligence processes. These are dedicated to identifying, preventing, and mitigating risks of negative impacts on human and environmental rights in their operations and supply chains, including appropriate grievance mechanisms and reporting. Continental is committed to support its business partners and especially its suppliers, e.g., through but not limited to adequate monitoring systems, corrective action plans, and training.

These commitments address the defined risk categories and formulate what is expected of Continental's business units and employees globally, as well as of its direct suppliers. In addition to this, Continental has anchored further prevention measures in its own business units and with respect to direct suppliers. Within Continental's responsible value chain due diligence system (RVCDDS), our Code of Conduct defines the fundamental requirements for our employees, while the Business Partner Code of Conduct defines the fundamental requirements for our suppliers and their suppliers with regard to human rights, working conditions, environmental protection, conflict minerals and anti-corruption. The Business Partner Code of Conduct is updated regularly, most recently in the 2024 fiscal year, to reflect changes or adjustments to relevant legislation. For suppliers of natural rubber, Continental's sourcing policy for sustainable natural rubber additionally applies.

Preventive measures at Group level

As a central prevention measure at group level, Continental has adopted its [RVC Commitments](#) and communicated them publicly. These address the defined risk categories, which were confirmed as part of the risk analysis, and the associated expectations regarding our own business operations and employees, direct suppliers, and along the supply chain. In addition, further group-wide prevention measures were anchored in our own business operations and towards direct suppliers.

The group-wide prevention measures apply to all Continental companies, including mycar, and are the subject of annual system monitoring. This includes:

- › The integration of the management system into the essential corporate control processes and frameworks;
- › The [Policy Statement of Continental AG](#) on compliance with human rights and environmental due diligence obligations in 2024 supply chains;
- › The [RVC Commitments](#), which explicitly include our rejection of child labour and forced labour within our human rights and environmental commitments;
- › The [Continental Code of Conduct](#), which includes, among other things, explicit rejection of any form of child labour or forced labour and the human rights and environmental-related expectations that we set for our employees;
- › The [Continental Business Partner Code of Conduct](#), which includes, among other things, the prohibition of child labour and forced labour and any forms of modern slavery as part of the human rights and environmental expectations that we place on our suppliers and require them to pass down to their own suppliers and subcontractors; and
- › General and topic-specific training on the management system.

In addition, specific prevention measures have been implemented in our own business operations and in relation to the supply chain. These measures are improved on an ongoing basis, particularly based on the risk analysis. They include, among other things, environmental and occupational health and safety systems for our own business operations, appropriate procurement strategies and practices, contractual agreements and control mechanisms, as well as training measures in relation to the supply chain. Furthermore, membership in relevant associations and platforms, participation in multi-stakeholder dialogue formats as well as initiatives and industry dialogues are also part of actively pursued preventive measures.

In the case of substantiated and verified knowledge of risks from direct or indirect suppliers, appropriate preventive measures are agreed and tracked.

The implementation of the management system also includes risk-based controls with regard to the preventive measures taken.

Corrective Measures

If we discover potential adverse human rights allegations, we investigate them and, if substantiated, pursue corrective measures, engaging and cooperating with affected stakeholders where appropriate. Continental's management system defines the framework for taking corrective measures within its own business operations worldwide, including Australia, and in relation to direct suppliers and, if necessary, indirect suppliers. Corrective measures are implemented promptly and appropriately in the event of violations within our own business operations. The corrective measures relating to direct suppliers follow a duty of care and are aimed at rectifying the violation. If a violation cannot be rectified immediately, appropriate action plans are drawn up to end the violation or at least reduce it appropriately with respect to direct suppliers. Corrective measures relating to indirect suppliers also follow a duty of care. As a last resort, we reserve the right to terminate the relevant business relationships in an appropriate manner.

Responsible Sourcing

Responsible sourcing is the responsibility of the relevant purchasing organisations, which are established at Continental by group sector, product group and country. A corporate purchasing network regularly deals with responsible sourcing topics as well.

Sustainability aspects are taken into consideration at various points in supplier management. On the basis of various criteria, selected suppliers are assessed with the help of self-assessment questionnaires and evaluations through sustainability platforms, which include questions regarding the management of human rights and working conditions, including child labour and forced labour, and the submission of supporting documentation. In addition to receiving assessment reports generated through this process, selective local audits or other audit activities – such as in relation to the existence of suppliers' own management systems – are also carried out.

As at 31 December 2024, a total of 1,534 valid supplier self-assessment questionnaires and results were available via Continental's two sustainability platforms, EcoVadis and NQC.

Communication and Training

Continental communicates its management approaches on labour standards and workers in the value chain through diverse channels. This includes Continental's website, the published annual report and internal communication platforms which host training, as well as the internal frameworks. In addition, posters and on-site training courses make relevant information available to employees who do not have access to the IT infrastructure. Furthermore, through integration into the onboarding process, new employees are also familiarised with Continental's standards right from the start.

Stakeholders involved in implementing the management approaches have clearly defined roles within Continental's RVCDDS and are trained on the associated responsibilities to enable effective collaboration and execution of management's approaches.

Training initiatives for suppliers are also carried out to further promote shared responsibility along the entire value chain. In addition, direct suppliers are requested to sign the Business Partner Code of Conduct. The communication is thus aimed at affected stakeholders as well as stakeholders involved in the implementation.

Complaints procedure

Continental's existing group-wide complaints procedure, the Continental Integrity Hotline, has been supplemented within the framework of the legal requirements of the German Supply Chain Act and is available to Continental employees and external parties. The Continental Integrity Hotline is open, among other things, for complaints regarding potential violations of human rights and environmental rights and lists these topics. The Continental Integrity Hotline and Integrity Platform are both publicly available and can be accessed, for example, via Continental's [website](#). The legally required rules of procedure are also stored there. Reports can be made both in writing and by telephone. Availability by telephone is ensured through national and international telephone numbers. Both options are available 24/7. The instructions for using the Integrity Platform can be found under the keyword "Step-by-step reporting" and are available in multiple languages. Instructions for using the telephone hotline are also available in multiple languages.

Continental uses the services of EQS Group AG, one of the leading providers in IT-supported reporting channels, for both complaint channels. This secure and anonymous whistleblowing system protects the whistleblower through an encrypted reporting channel. All informants can remain anonymous if they wish. Confidentiality is ensured within the framework of the legal provisions in the case of non-anonymous reporting. The persons entrusted with carrying out the complaint procedure are obliged to maintain confidentiality within the framework of the legal requirements and act independently. The effectiveness of the Continental Integrity Hotline and Integrity Platform with regard to relevant reports is assessed at least once a year as part of the review of the management system. Business partners, the respective employees, other stakeholders and rights holders in general are encouraged by the Business Partner Code of Conduct to report complaints via the Continental Integrity Hotline and Integrity Platform. The Business Partner Code

of Conduct contains a link to the Continental Integrity Hotline and Integrity Platform and is publicly accessible online. Continental protects persons who provide information and does not tolerate any retaliatory measures that could be directed against these persons. The procedural steps are explained in the rules of procedure. Receipt of a complaint will be confirmed and a discussion of the matter with the whistleblower on matters relating to the RVC Commitments is planned. Feedback is sent no later than three months after receipt of the notification has been confirmed.

In addition to the complaints procedure, further sources are used to investigate suspected cases of potential violations of protection rights and, if necessary, to implement preventative and corrective measures.

Review of effectiveness at Group level

As part of the annual system monitoring, the human rights officer of Continental reviews the appropriateness and effectiveness of the management system. This review is based, among other things, on the relevant assessments within the business areas as well as on the assessment of the individual elements of the system by the human rights officer. The management system is designed as a learning system that is improved on an ongoing basis. This also includes experience from memberships in relevant associations and platforms, and participation in multi-stakeholder dialogue formats.

The implementation of the management system is coordinated with relevant decision-makers, communicated internally, documented, and archived. External reporting on responsible value chain and the implementation of our due diligence obligations is part of sustainability reporting and other reporting formats, including this modern slavery statement.

Approval

This statement was approved by the principal governing body (as defined in the *Modern Slavery Act 2018* (Cth)) (the 'Act') of the Reporting Entity, Continental Tyres of Australia Pty Ltd

This modern slavery statement is signed by a responsible member (as defined in the Act) of the Reporting Entity.



Mitchell Golledge, Director
Continental Tyres of Australia Pty Ltd