

# MODERN SLAVERY AND HUMAN TRAFFICKING STATEMENT

**This statement describes the measures taken by Falken Tyre Europe GmbH to address the risk of modern slavery and human trafficking in its own business and in its supply chains.**

## **Corporate profile**

**Falken. Tyres for Europe.**

From its headquarters in Offenbach am Main, Germany, Falken Tyre Europe GmbH oversees the marketing of a complete portfolio of tyres for passenger cars, trucks, pick-ups and SUVs – ranging from OE factory fit through to aftermarket tyres. The company has built up a sales network of around 8,000 tyre dealers throughout Europe, which act as our partners for sales and fitting of our quality products.

Falken Tyre Europe GmbH is the European subsidiary of Japanese tyre manufacturer Sumitomo Rubber Industries Ltd. (SRI). The Falken brand was established in Japan in 1983, with the branch office in Germany following in 1988. Falken Tyre Europe GmbH was then established in 2008, and now employs more than 220 people from 24 countries.



» Falken Tyre Production Facilities

Falken Tyres are produced in facilities across Japan, Turkey, Thailand and Indonesia.

## **Commitment**

Falken Tyre Europe GmbH, as member of the Sumitomo Rubber Group, commits to respecting human rights as set down in the UN Universal Declaration on Human Rights, and described in the Guiding Principles on Business and Human Rights, and the International Labour Organisation Declaration on Fundamental Principles and Rights at Work.

Falken Tyre Europe GmbH is committed to preventing and mitigating adverse human rights violations that are directly linked our own business operations and products as well as via our business relationships – even if we do not contribute directly to those impacts.



### **Falken Tyre Europe GmbH's own operations**

- Falken Tyre Europe GmbH personnel are employed in compliance with local labour laws, including rules on maximum working hours, and paid above minimum wage. Overtime monitored and compensated or adequately remunerated.
- HR policies are in effect to ensure respect of human rights and applicable laws regarding working conditions.
- Falken Tyre Europe GmbH offers its employees modern and 'family flexible' working conditions, including flexible working hours and remote work, as well as employee benefits, including meal allowance, job bicycle, subsidised gym membership, participation in company and special events.
- Falken has implemented a whistleblower policy which protects employees who speak up and raise concerns regarding human rights.

### **Sumitomo Rubber Group sustainability efforts**

Protection of human rights is a central part of our group-wide sustainability and ESG activities. These include:

» ["Driving Our Future Challenge 2050"](#)

» [Roadmap for ESG Management](#)

» [Human Rights Policy and appendix](#)

- [Driving Our Future Challenge 2050](#)
- [Roadmap for ESG Management](#)
- [Sumitomo Rubber Group Human Rights Policy and appendix](#)

Recognising human rights as stated in the Universal Declaration of Human Rights and ILO Declaration of Fundamental Principles and Rights at Work, adhering to OECD Guidelines for Multinational Enterprises and UN Guiding Principles on Business and Human Rights.

SRI is a signatory of the United Nations Global Compact.

SRI conducts training for its employees on ESG topics, including sustainability and human rights issues.

**» Sustainable Natural Rubber Policy****Sustainable Natural Rubber**

Having identified specific human rights risks connected to the collection of natural rubber, the Sumitomo Rubber Group has acted, as described in its Sustainable Natural Rubber Policy ([srigroup.co.jp](http://srigroup.co.jp));

“The Group manufactures and supplies tyres and other rubber products, which use various raw materials. Among these, natural rubber, as the main raw material in tyres, is an essential resource that must be sustained for the continuity of our business. In order to ensure continuous and sustainable procurement of natural rubber, the Group recognises that it is necessary to consider not only quality, cost and delivery time, but also the environment and human rights, etc. in the interests of making natural rubber a sustainable resource.

Having joined the Sustainable Natural Rubber initiative (SNR-i) established by the International Rubber Study Group (IRSG) in October 2016, the Group has undertaken independent efforts toward achieving sustainable natural rubber. As a founding member of Global Platform for Sustainable Natural Rubber (GPSNR), the Group is committed to cooperating in collaborative efforts involving all stakeholders.”

**Due diligence and risk management****» “Driving Our Future Challenge 2050”**

- **Long-Term Sustainability Policy: “Driving Our Future Challenge 2050” | Sumitomo Rubber Industries, Ltd. ([srigroup.co.jp](http://srigroup.co.jp))**

To promote ESG management and contribute to the accomplishment of the UN Sustainable Development Goals, the Sumitomo Rubber Group has established procurement guidelines.

“The Sumitomo Rubber Group actively supports the efforts of suppliers to bring its activities in line with these guidelines.

In this process, we recommend that suppliers perform internal audits and/or receive external audits in the interests of understanding their present situation with respect to these guidelines and ensuring that their activities are appropriate. Further, when making purchasing decisions, we give priority to those suppliers who are actively engaged in activities that are in line with these guidelines. We also ask suppliers whose activities do not conform with the standards set forth in these guidelines to implement corrective action. We may reconsider our business relationship (including the possible suspension or cessation of business dealings) with suppliers who do not show improvement following such a request.”

**» Sustainable Natural Rubber Policy**

Sumitomo Rubber Group addresses the particular risks related to the sourcing of natural rubber in its Sustainable Natural Rubber Policy ([srigroup.co.jp](http://srigroup.co.jp)).



“The Group will respect human rights (including upholding the UN Guiding Principles on Business and Human Rights) and comply with the following: No forced labor (ILO Convention No. 105 and No. 29 and ILO Protocol of 2014) The Group is committed to eliminating inhumane labour practices that constitute an affront to human dignity. No child labor (ILO Convention No. 138 and No. 182) The Group prohibits child labour so that infants and children are not forced into labour and thereby deprived of opportunities for healthy growth and education. Prohibiting inhumane treatment and discrimination (ILO Convention No. 111) The Group respects each worker’s personality, individuality and privacy. The Group also aims to build a working environment where workers do not face harassment or discrimination. Respecting freedom of association and the right to collective bargaining. (ILO Convention No. 87 and No. 98) The Group respects the basic rights of workers and will strive to protect and improve the standing of workers. Improving working conditions. (ILO Convention No. 100) At a minimum, the Group will comply with all applicable laws and regulations concerning employment conditions, which include wages, working conditions, and health and safety standards. The Group will work towards improving working conditions and building positive and healthy working environments. Respecting the rights of migrant workers. (ILO Convention No. 97 and No. 143) The Group will respect the rights of contract, temporary and migrant workers and strives in particular to practice ethical recruitment. Support decent living wages Promote gender equity Respecting Human Rights 6 The Group abides by the standards set forth under the Plantations Convention concerning Conditions of Employment of Plantation Workers (ILO Convention No. 110).”

» Sumitomo Rubber Group Integrated Report 2023

Further details are shown in the **Sumitomo Rubber Group Integrated Report 2023**.



» **Sumitomo Rubber Group Corporate Ethics Helpline**

### **Sumitomo Rubber Group Corporate Ethics Helpline**

The Sumitomo Rubber Group has established a Corporate Ethics Helpline to serve as a central office for collecting information and responding to enquiries concerning potential and actual violations of laws and regulations or norms of corporate ethics. All Sumitomo Rubber Group employees, anywhere in the world, as well as our global business partners (including customers and suppliers etc.) may freely contact the Corporate Ethics Helpline for consulting or reporting.

[Sumitomo Rubber Group Corporate Ethics Helpline for Consulting & Reporting | Sumitomo Rubber Industries, Ltd. \(srigroup.co.jp\)](https://www.srigroup.co.jp)

### **Compliance contact at Falken Tyre Europe GmbH**

- Falken Tyre Europe GmbH has established a local compliance contact: [compliance@falkentyre.com](mailto:compliance@falkentyre.com)

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#### **Markus Bögner**

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