

Sustainable Procurement Policy

HDT Automotive, Inc and its affiliated companies (“HDT”) are committed to sustainable procurement in a responsible manner to achieve the best value for the money on the whole life cycle cost basis. HDT is committed to practicing sustainable procurement to manage and encourage the entire supply base to create, protect, and grow long term sustainability on environmental, social, and economic values for all people and communities.

Principles and commitments of HDT’s Sustainable Procurement Policy are:

- Achieve the best value for money in all areas of purchases of goods and services, considering lifecycle costs.
- Promote a level of sustainability awareness within business partners and encourage adoption of the appropriate level of sustainable practices.
- Include sustainability issues and achievements within contract and business award processes.
- Evaluate the need for the purchase, analyze opportunities for re-use of an existing product.
- Promote and specify products that are produced at a higher level of recycled content, and that are to be recycled at the end of the life cycle.
- Identify, minimize, and manage the sustainability risks within supply chain on environmental, social, and economic impacts, including but not limited to modern slavery, child labor, and conflict minerals.
- Comply with all relevant legislation, applicable laws, and regulations in the countries we work in.
- Promote that business partner suppliers operate to similar principles outlined in HDT’s Business Partner Code of Conduct and require the following:
 - Child Labor: does not use or encourage the use of child labor.
 - Diversity, Equity, and Inclusion must be promoted. Do not engage in any discrimination: by age, gender, disability, origin, religion, education, minority, or trade union membership.
 - Health and Safety: guarantee a safe and healthy workplace for all workers.
 - Private or Public Security Forces Policy in Place (where applicable): ensure clear and rigorous operating procedures and terms of engagement are established.
 - Disciplinary Practices: corporal punishment, mental or physical coercion and verbal violence shall not be used or encouraged.
 - Working Hours: complies with applicable laws and industry standards regarding working hours and public holidays.
 - Remuneration: ensures compliance with the statutory minimum wage level.
 - Development: ensures the development of the employees at every stage of their professional career.
 - Management System: implementation and maintenance of the social responsibility management system, defining improvement goals and verifying their implementation.
 - Financial Responsibilities need to be promoted.
 - GHG Emissions and Decarbonization: supplier must have target to reduce the GHG emissions & decarbonization.
 - Sustainable Resource Management: manage resources in a way that will benefit current & future generations. This includes consideration of renewable energy as well as impact of land use on deforestation and biodiversity.
 - Export Control and Economic Sanction: it is forbidden to buy material coming from areas with economic sanctions.
 - Implementation of a confidential, impartial, non-retaliatory complaints procedure available to employees and stakeholders to submit comments, recommendations, reports, or complaints about the workplace and/or any non-compliance related to the above.
 - Tier-1 Suppliers: these requirements must be cascaded through the supply chain with a binding requirement.
- HDT reserves the right to conduct periodic audits on supply partners’ performance in the areas of sustainable practices, quality, and adherence to HDT’s Business Partner Code of Conduct, compliance with applicable laws and regulations, ethical and financial health.

To provide feedback or report any issues you may contact: ethicsoffice@hdt-auto.com