

Prohibition Against Trafficking in Persons

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Policy Owner: Legal Department

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1.0 Purpose

Corporate social responsibility is at the core of HDT Global's operating philosophy, driving our dedication to our customers. We are committed to conducting our business in a lawful and ethical manner and we expect our employees, Agents and Subcontractors to conduct themselves in the same manner.

The purpose of this policy is to describe our approach to eliminating human trafficking and Forced Labor with respect to our U.S. federal government contracts. The policy outlines our expectations of employees, Agents and Subcontractors in terms of being part of a comprehensive, transparent, and verifiable work force free of human trafficking and Forced Labor.

2.0 Scope

This policy applies to all employees of the Company, including officers and directors. In addition, the Company will require third parties who represent the Company (such as Agents, representatives, consultants, and Subcontractors) to conduct themselves in a manner consistent with this policy.

3.0 References

Reference Number	Description
	Standards of Business Conduct
	Employee Policy Handbook

4.0 Definitions

"Agent" means – any individual, including a director, an officer, an employee or an independent contractor, authorized to act on behalf of the company.

"Commercial sex act" means any sex act on account of which anything of value is given to or received by any person.

"Employee" means any employee of HDT directly or indirectly engaged in or involved with the performance of work under a Government contract and who has other than a minimal impact or involvement in contract performance.

"Forced Labor" means knowingly providing or obtaining the labor or services of a person—

- a. By threats of serious harm to, or physical restraint against, that person or another person
- b. By means of any scheme, plan, or pattern intended to cause the person to believe that, if the person did not perform such labor or services, that person or another person would suffer serious harm or physical restraint

c. By means of the abuse or threatened abuse of law or the legal process.

“Severe forms of trafficking in persons” means—

- a. Sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age; or
- b. The recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.

“Sex trafficking” means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.

“Subcontractor” means any supplier, distributor, vendor or firm that furnishes supplies or services to us for performance of a prime contract or subcontract.

5.0 Procedures

5.1 Goal

The goal of this policy is to establish our expectations of our employees, Agents, and Subcontractors in terms of compliance with preventing or identifying and eradicating human trafficking and Forced Labor from corporate supply chains. This policy informs our employees and Subcontractors of the requirements of FAR 52.222-50 Combating Trafficking in Persons and explains how we will achieve compliance with the regulation.

5.2 When will this Policy be applied?

This policy will be provided to all of our employees. FAR 52.222-50 will be flowed down to Subcontractors and Agents where HDT’s contract or subcontract with such Subcontractor or Agent (i) is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and (ii) has an estimated value that exceeds \$550,000. This policy should be referenced when Subcontractors, Agents or our employees have questions regarding our position and expectations on the issue of eradicating human trafficking in the performance of U.S. government contracts.

5.3 What is prohibited?

The United States Government has adopted a policy prohibiting trafficking in persons. Contractors, contractor employees, Subcontractors and their Agents shall not:

1. Engage in severe forms of trafficking in persons during the period of performance of the contract.
2. Procure commercial sex acts during the period of performance of the contract.
3. Use Forced Labor in the performance of the contract.
4. Destroy, conceal, confiscate, or otherwise deny access by an employee to the employee’s identity or immigration documents, such as passports or drivers’ licenses, regardless of issuing authority.
5. (i) Use misleading or fraudulent practices during the recruitment of employees or offering of employment, such as failing to disclose, in a format and language understood by the employee, basic information or making material misrepresentations during the recruitment of employees regarding the key terms and conditions of employment, including wages and fringe benefits, the location of work, the living conditions, housing and associated costs (if employer or Agent provided or arranged), any significant costs to be charged to the employee, and, if applicable, the hazardous nature of the work; (ii) Use recruiters that do not comply with local labor laws of the country in which the recruiting takes place.
6. Charge employees or potential employees recruitment fees.
7. Fail to provide return transportation or pay for the cost of return transportation upon the end of employment in certain circumstances.
8. Provide or arrange housing that fails to meet the host country housing and safety standards.

9. If required by law or contract, fail to provide an employment contract, recruitment agreement, or other required work document in writing. Such written work document shall be in a language the employee understands. If the employee must relocate to perform the work, the work document shall be provided to the employee at least five days prior to the employee relocating. The employee's work document shall include, but is not limited to, details about work description, wages, prohibition on charging recruitment fees, work location(s), living accommodations and associated costs, time off, roundtrip transportation arrangements, grievance process, and the content of applicable laws and regulations that prohibit trafficking in persons.

5.4 Risk Analysis and Auditing

Before commencing a relationship with any Subcontractor or Agent, we use sources such as Experian®, Descartes Visual Compliance™ and other watch lists related to Forced Labor to understand potential financial and social risks. Subcontractors that are assessed to have higher risk in terms of Forced Labor, social risk and/or financial risk may be audited before business is awarded, or may not be selected for business.

5.5 Employee Education and Training

We communicate with and periodically train our employees and Subcontractors about human trafficking and what is prohibited by U.S. law. We also periodically train our employees on what to look for in our Subcontractors as potential risk factors for human trafficking and Forced Labor.

We post the U.S. Department of Defense's Hotline poster at all application work locations .

All employees may report, without fear of retaliation, all activity that is inconsistent with this policy prohibiting human trafficking by calling our **toll-free Ethics Hotline at 1-888-706-1505**, which is available for anonymous reporting, in cases where employees do not feel comfortable raising compliance or ethics-related issues to their manager or the company's Legal Department. Employees may also access the **Ethics Hotline at www.HDTGlobal.ethicspoint.com**.

The U.S. Department of State provides a toll-free hotline to enable employees to make inquiries, learn more about human trafficking and report suspected human trafficking activity – employees can call the **Global Human Trafficking Hotline at 1-888-844-888-FREE to or send an email to help@befree.org**.

Employees may find additional information about human trafficking at <http://www.state.gov/j/tip>.

Employees may also call federal law enforcement directly to report suspected human trafficking activity and get help. **U.S. Department of Homeland Security at 1-866-347-2423** 24 hours a day, 7 days a week, every day of the year, or submit a tip online at www.ice.gov/tips. Individuals across the world can report suspicious criminal activity to the U.S. Immigration and Customs Enforcement (ICE) Homeland Security Investigations (HSI) Tip Line. The Tip Line is accessible internationally by calling **1-802-872-6199**. Highly trained specialists take reports from both the public and law enforcement agencies on more than 400 laws enforced by ICE HSI, including those related to human trafficking.

Employees may also submit a tip online to the FBI at <https://tips.fbi.gov>, or call your local FBI office. (You can get their number at www.fbi.gov/contact-us/field/field-offices.)

5.6 HDT Global Standards of Business Conduct

To promote our values and ethical standards throughout our work force and with our Subcontractors, and Agents, we have adopted our "Standards of Business Conduct" that sets minimum expectations for our employees as well as our Subcontractors who conduct business with us. The Standards of Business Conduct is a general guide to standards of business practice and regulatory compliance applicable to all who are employed by or do business with us.

Our Standards of Business Conduct states: *"Not only do we expect the highest degree of integrity from our own employees, **but it is required that our suppliers, subcontractors and business partners are familiar with our Code of Conduct and comply.** We encourage all of our business partners to familiarize themselves with our policies and to implement procedures within their own companies to ensure that they are similarly complying with the highest standards of business ethics. [Emphasis added.]"*

The Standards of Business Conduct obligates employees and Subcontractors to "without exception, comply with all applicable laws, rules and regulations" and to *"promptly report any illegal or unethical behavior to the Compliance Officer or other appropriate management person."*



The Standards of Business Conduct also contains a separate policy “Prohibition Against Trafficking in Persons” which, among other things, requires employees to flow down the requirements of FAR 52.222-50 to all Subcontractors working on U.S. government contracts.

We recognize that laws may differ from one region of the world to another; however, we believe that our Standards of Business Conduct outlines a set of **fundamental principles** for good corporate citizenship that our Subcontractors should implement and share. Our goal is to ensure that all Subcontractors are compliant with critical laws involving human trafficking.

5.7 Compliance Plans

HDT will maintain a Compliance Plan for any U.S. Government contract that (i) is for supplies, other than commercially available off-the-shelf items, acquired outside the United States, or services to be performed outside the United States; and (ii) has an estimated value that exceeds \$550,000.

Compliance Plans must include, at a minimum, the following:

- i. An awareness program to inform contractor employees about the Government’s policy prohibiting trafficking-related activities, the activities prohibited, and the actions that will be taken against the employee for violations.
- ii. A process for employees to report, without fear of retaliation, activity inconsistent with the policy prohibiting trafficking in persons, including a means to make available to all employees the hotline phone number of the Global Human Trafficking Hotline at 1-844-888-FREE and its email address at help@befree.org.
- iii. A recruitment and wage plan that only permits the use of recruitment companies with trained employees, prohibits charging recruitment fees to the employees or potential employees and ensures that wages meet applicable host-country legal requirements or explains any variance.
- iv. A housing plan, if the Contractor or subcontractor intends to provide or arrange housing, that ensures that the housing meets host-country housing and safety standards.
- v. Procedures to prevent agents and subcontractors at any tier and at any dollar value from engaging in trafficking in persons and to monitor, detect, and terminate any agents, subcontracts, or subcontractor employees that have engaged in such activities.

HDT will post such Compliance Plan at the workplace (unless the work is to be performed in the field or not in a fixed location) and on the Company’s website. If posting at the worksite or website is impracticable, HDT will provide relevant portions of the Compliance Plan to each worker in writing.

5.8 Instances of Non-compliance

Any of our employees who are not compliant with this policy will be subject to discipline, including, any of the following actions:

- Removal of the employee from work on U.S. government contracts.
- Discipline, up to and including termination of employment.

Failure of any Subcontractor to comply with the requirements of this policy, or FAR 52.222-50, is grounds for us to take any and all appropriate actions, up to and including immediate termination of that Subcontractor’s contract. All violations will be immediately remediated in such a way as to correct the violation and ensure preventative measures are in place to prevent the violation from occurring again, such as contract suspension or termination for repeat violations.

Any Agents, Subcontractors or Subcontractor employees that have or are determined to have engaged in severe trafficking-related activities will be terminated immediately.

Subcontractors who do not certify compliance with this policy or who are determined to be engaged in behavior in violation of this policy will be sent official correspondence identifying them as high-risk and requesting a time-bound plan for remediation. Subcontractors that fail to comply or respond will be subject to corrective action, up to and including termination of their relationships with us. We will periodically review the Subcontractor’s progress and status of approved remediation plans. It is the Subcontractor’s responsibility to demonstrate progress on meeting the plan’s goals. Demonstrable progress shall include, but is not limited to:

- More detail provided by the Subcontractor regarding the Subcontractor’s policies and/or procedures as they relate to human trafficking or labor issues that resolve the issues of concern identified by us.

- Third-party audit documentation from a reputable and independent auditor that resolve the issues of concern identified by us.

6.0 Responsibilities

Supply Chain

- Include in its subcontracts or contracts with third parties clauses which prohibit human trafficking in performance of any aspect of the subcontracts or contracts.
- Conduct due diligence on potential subcontractors to ensure against potential financial and social risk.

Legal Department

- Communicate with and train our employees and Subcontractors about human trafficking and what is prohibited by U.S. law.
- Communicate and train our employees on what to look for in our Subcontractors as potential risk factors for human trafficking and Forced Labor.
- Develop Compliance Plans, as necessary, with the assistance of Supply Chain

Human Resources – Undertake steps to ensure contract labor in foreign countries receive all documents and information required by this policy prior to undertaking any labor assignment.

7.0 Records

Records shall be maintained as follows:

Record	Custodian	Media	Minimum Retention Period
Financial records, supporting documents, statistical records and all other records pertinent to an award	Supply Chain	Electronic	3 years from the date of final payment under government contract (or such shorter period as provided for in FAR Subpart 4.7)
Contract documents	Government Contracts	Electronic	Current + 10 years after termination and/or final payment (whichever comes later) under government contract

8.0 Revision History

Date	Version	Description	Responsible Person
6/30/2015	1.0	Original	Rita Thomas
5/1/2021	2.0	Revision	Mike Thomas

9.0 Approvals

	Version	Date	Name	Title	PDM Signature
Written by	1.0	6/30/15	Rita Thomas	SVP & General Counsel	
Approved by	1.0	6/30/15	Bryan Moon	Director of Supply Chain	
Written by	2.0	5/1/2021	Mike Thomas	Corporate Counsel	
Approved by	2.0	5/1/2021	Rita Thomas	SVP & General Counsel	