

Harman International
400 Atlantic Street, 15th Floor
Stamford, CT 06901 USA

September 2020

**HARMAN Supply Chain Corporate Social Responsibility
& Sustainability Policy**

General statement

Harman does business with partners who share our strong commitment to ethical, environmental and social responsibility.

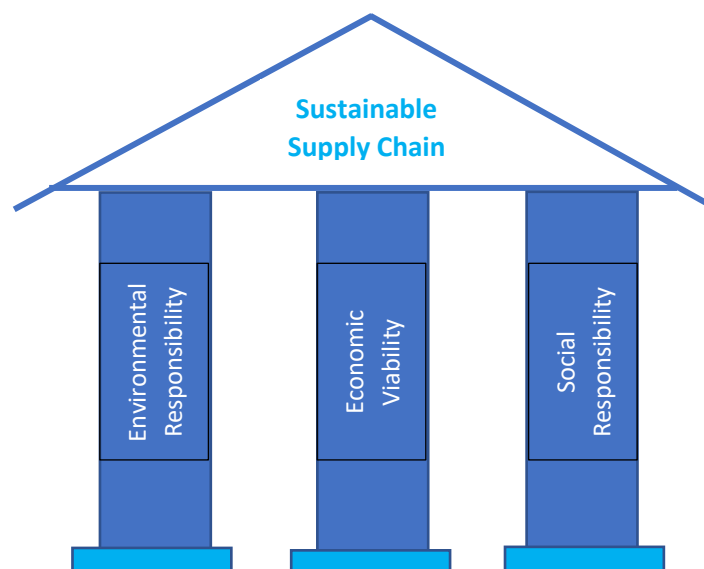
Supply Chain Corporate Social Responsibility (CSR) and Sustainability is a key strategic initiative at HARMAN with our suppliers and partners. Developing and maintaining a sustainable supply base that is reflective of our customer base is critical.

Supply Chain Risk Management (SCRM) at Harman, a team within the Global Procurement organization, works with cross-functional teams like internal Environment, Health and Safety (EHS) departments and Corporate Social Responsibility teams, along with our suppliers, to continually improve CSR/Sustainability at HARMAN, with the goal of achieving best-in-class processes for long-term sustainable growth.

HARMAN is committed to providing quality products and services to our customers, with the focus of partnering with suppliers which:

- *Protect the environment*
- *Conserve resources*
- *Enhance lifestyle*
- *Communicate information*

While we continue to meet the demand for excellent products, we also affirm our commitment to the below three pillars that support a sustainable future in our supply chain:



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While we follow these principles at HARMAN, we will work with our suppliers and partners around these actions:

Environmental Responsibility	Economic Viability	Social Responsibility
Environmental Impact <ul style="list-style-type: none"> Develop new materials and processes to replace those that may pose a risk to the environment or human health Reduce greenhouse gas emissions Reduce emissions of Volatile Organic Compounds (VOCs) Increase recycling and reduce waste going to landfill 	Economic Contribution <ul style="list-style-type: none"> Grow sustainably as viable companies Create employment within our industry and suppliers We encourage our supply base to Invest in people, their skills, knowledge and awareness 	Diversity and Equal Opportunities <ul style="list-style-type: none"> Operate a policy of equal opportunity in all aspects of employment and training Fairness <ul style="list-style-type: none"> All relationships with suppliers, customers and stakeholders will be conducted with fairness
Resources <ul style="list-style-type: none"> Improvements in energy efficiency Minimising waste around the hierarchy of 'reduce, reuse, recycle' Increased use of renewable materials Optimised water usage Improved service life and durability for products that act as protection 	Innovation <ul style="list-style-type: none"> Maximising sustainable processes and resource use Partnering with suppliers in the development and use of sustainable raw materials Investing in new technologies for the benefit of future generations 	Employee Health and Safety <ul style="list-style-type: none"> Our suppliers understand that businesses depends on the well being and safety of work force and staff. Employees should be informed and trained on all relevant health and safety procedures Suppliers must seek continuous improvements in work safety in their manufacturing processes Suppliers should be committed in improving the welfare and wellness of their employees
Safe Products <ul style="list-style-type: none"> Safe use and handling of products while being used for their intended application Safe transport of parts and products 	Compliance <ul style="list-style-type: none"> Reach higher standards with voluntary codes of practice Create partnerships with the appropriate partners to develop further initiatives 	Respect for people and communities <ul style="list-style-type: none"> Engage with the local community Treat people with respect and dignity Listen and learn from the views of a diverse range of stakeholders Share experiences and discuss emerging issues with stakeholders and local communities

Supplier Diversity & Inclusion

Our goal is to do business with the most innovative, responsible, cost-competitive and diverse suppliers, in every community in the world we do business.

As a leading innovative global brand, we understand the significance of entrepreneurship in building prosperous communities.

We aim to work with diverse suppliers to develop them and bring them to a level that our customers expect from our supply chain. Supplier development programs can be put together between Harman and its suppliers to achieve the desired results together.



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HARMAN uses best practices in supplier diversity from across the world to shape our global procurement strategy. We strive to work with the best and diverse entrepreneurs in the world who are diverse in size, ownership (i.e. gender, race, ethnicity, socio-economic, sexual orientation, military veteran, people with disabilities) and has a mission that values these social enterprises. We aim to ensure that our procurement process remains transparent, objective and non-discriminatory in the selection of suppliers.

To achieve this we will collaborate with all our prime suppliers, local governments, non-governmental organisations, thought-leaders, capital providers and others across entrepreneurial ecosystems, to assist in becoming a leader in global supplier diversity.

Additional Expectations / Requirements

HARMAN expects its Suppliers to achieve and maintain the highest standards of Human and Labor rights, Working conditions, Business ethics, Health and Safety and Management of Environmental impacts (such as: Responsible Chemical Management, Energy consumption and GHG-Co2 emission, Waste reduction, Air quality, Water quality and consumption).

Each supplier must comply with the applicable legal requirements and standards under the laws of each country in which the supplier operates. We expect suppliers to apply these minimum standards to their subcontractors and sub-suppliers.

Our corporate discipline translates into clearly defined policies regarding requirements, certifications, audits, accountability, transparency and the responsible sourcing of raw materials that go into our products.

Full details of these policies can be found on our Supply Chain communication page:
(<https://www.harman.com/supply-chain>)

CSR / Sustainability assessment

HARMAN reserves the right to initiate CSR/Sustainability Surveys (self assessment questionnaires) to assess and evaluate the performance and compliance of its suppliers with regard to Corporate Social Responsibility & Sustainability. This assessment is triggered by Supply Chain Risk Management with the support of a Contracted External Service Provider – RESILINC.

Outcomes of the survey are used for partner risk assessment and scoring, which is an input for sourcing decisions and continual supply chain risk mitigation. Improvement program and due diligence can be initiated by HARMAN SCRM and Procurement upon assessment result.

Audits

HARMAN reserves the right to designate internal or third party auditors to evaluate suppliers' compliance with the CSR/Sustainability requirements.