

## **Transparency in Supply Chains Act Disclosure**

At Federal-Mogul, we are committed to conducting business in an ethical, lawful and socially responsible manner. This objective is reflected in our company's Core Values which state in part:

*"Teamwork, Accountability, Innovation, Integrity, Respect and Passion"*

One important way that we foster respect on an international scale is by taking steps to keep slavery and human trafficking out of our supply chain. This disclosure, made pursuant to the California Transparency in Supply Chains Act of 2010 ("SB 657"), outlines our efforts to ensure that the people who make our products are treated with dignity and respect.

### **We Do Not Tolerate Forced Labor or Human Trafficking Anywhere We Do Business**

Federal-Mogul is committed to recognizing human rights throughout our global organization. We believe that all employees should have the right to voluntarily elect whether to be employed by Federal-Mogul, and our Code of Conduct and Basic Working Conditions Policies ("Code of Conduct") prohibit anyone in our company from using any type of forced labor or engaging in abusive or corrupt business practices. We will not use forced or involuntary labor of any kind or tolerate physically abusive disciplinary practices, and do not employ children under the legal age for employment in any location.

Additionally, the Code of Conduct calls for all employees to follow all applicable laws, rules and regulations of the cities, states and countries in which Federal-Mogul operates. This includes laws that prohibit human trafficking or forced labor.

To promote these standards within our supply chain, Federal-Mogul requires that all of our suppliers certify that they and all of their employees will adhere to the F-M Basic Working Conditions Policy. This policy prohibits the use of any type of forced labor or child labor. In addition, Federal-Mogul requests that all of our suppliers agree to our Purchase Order Terms and Conditions ("Terms and Conditions"). Under these Terms, our suppliers and their permitted subcontractors are prohibited from using any type of forced labor or child labor or engaging in abusive or corrupt business practices.

### **We Take Any Reports of Slavery or Human Trafficking Seriously**

If anyone has reason to believe that slavery or human trafficking is being used in our supply chain, we want to know about it. Federal-Mogul has an extensive complaint reporting procedure in place, which allows Federal-Mogul employees, suppliers' employees, and even unaffiliated third parties to report violations of any law, regulation or company policy. To allow for anonymous reporting without fear of retaliation, Federal-Mogul has implemented a Hotline. This toll-free, local phone number allows an employee to call 24 hours a day, any day of the week, to speak with a third party in his or her local language.

If we become aware that any of our suppliers are engaging in forced labor or human trafficking, or are doing business with subcontractor who engages in slavery or human trafficking, we will investigate and address the issue promptly. While Federal-Mogul does not conduct audits or engage in a formal verification program to evaluate and address the risk of slavery and human trafficking in our supply chains, in the event that we receive a report that a particular supplier may be engaging in forced labor or human trafficking, we will take the necessary steps to help the supplier become compliant with our terms and may terminate the business relationship with such supplier.

### **We Use Strict Internal Accountability Standards**

Federal-Mogul monitors and enforces our Code of Conduct and other policies affecting workplace human rights through a compliance program that includes oversight by a Compliance Committee that reports directly to Federal-Mogul's Audit Committee of the Board of Directors. Federal-Mogul also regularly assesses the effectiveness of its compliance programs. We require our employees to report any legal violations that they suspect are occurring both within the company or any of its suppliers, including uses of forced labor or human trafficking.

### **Our Employees are Trained to Report Signs of Forced Labor and Human Trafficking**

Federal-Mogul makes clear to every employee, including those who work in our supply chain, that we do not tolerate any uses of forced labor or human trafficking. We require our employees and managers who work with our supply chain to know and comply with all Federal-Mogul policies and legal requirements relating to their jobs, including but not limited to the Code of Conduct and all applicable local laws and regulations. In addition, we train all of our employees on the Code of Conduct. We believe that by ensuring that our employees understand these guidelines, we have equipped them to recognize and report any violations of our policies or the law, including those related to slavery and human trafficking. Reporting may be done through our Hotline or to any supervisor or manager or member of the Human Resources Department. When an employee reports the possible existence of slavery or human trafficking in our supply chain, we investigate and address any issues on a corporate level.