

Eaton Cummins Automated Transmission Technologies

Supplier Code of Conduct

The Supplier Code of Conduct applies to business that provide products or services to Eaton Cummins Automated Transmission Technologies ("ECJV") and its subsidiaries or affiliates. We recognize that legal requirements vary in a global business environment, and expect that all our suppliers follow the applicable laws of their country or territory. At the same time, the Supplier Code sets forth certain universal minimum requirements that all suppliers and their respective supply chain partners must follow.

Our goal in this Supplier Code is to provide you with the information you need to be successful when dealing with ECJV or your own subcontractors or suppliers. The Supplier Code provides the foundation for our ongoing evaluation of a supplier and constitutes additional terms of your contract with ECJV.

Treat all people with dignity and respect.

Commitment to Diversity and Equal Employment Opportunity

ECJV believes in the value of diversity. We expect our suppliers to be inclusive and to ensure that their employees and other stakeholders are always treated with dignity and respect. ECJV suppliers must prohibit discrimination based on race, color, gender, nationality, religion, age, disability, union membership, political conviction, sexual orientation, gender identity and/or expression, marital status, or any additional legally protected characteristics.

No employee of ECJV or a supplier should take part in harassing behavior, such as sexual or racial harassment, or any behavior that creates a hostile or offensive work environment for others.

Wages and Hours

Suppliers must follow all applicable laws regarding working hours, wages, and overtime pay. Workers must be paid at least the minimum legal wage, according to local laws, or a wage that meets local industry standards, whichever is greater. Suppliers should conduct operations in ways that limit overtime to a level that ensures humane and productive working conditions.

Suppliers must pay overtime and any incentive rates that meet all legal requirements or the local industry standard. Hourly wage rates for overtime should be higher than the rates for the regular work shift. Workers should receive necessary time off, paid annual leave, and holidays, as required by local laws.

No Forced or Child Labor

Suppliers must not use slave or involuntary labor of any kind, including prison labor, debt bondage, or forced labor by government. Suppliers must not be involved in human trafficking. Suppliers must not use corporal punishment, physical or psychological abuse, threats of violence, or other forms of physical or mental coercion. There must not be unreasonable restrictions on the ability of employees to enter or exit the workplace.

Suppliers must only employ or engage workers who meet the applicable minimum legal age requirement, except that in no event shall suppliers employ any person under the age of 16, even if local laws permit otherwise. Supplier may allow individuals aged 15 years or older to work as part of a bona fide apprentice program. Such apprentice program must be approved under local laws and be intended to provide instruction in one or more particular industrial disciplines as part of enrollment in an educational institution.

Suppliers must comply with all applicable child labor laws, including those related to hiring, wages, hours worked, overtime, and working conditions.

Freedom of Association

Suppliers must respect employees' right to join or not join any lawful organization, including but not limited to trade unions and work councils, and shall comply with all applicable laws pertaining to freedom and collective bargaining. Employees should be able to choose whether or not to join a union, and should not be subject to discrimination based on that choice.

Sourcing of Materials from Conflict Regions

ECJV is committed to ensuring that the products it sells do not incorporate certain minerals known as "conflict minerals." Conflict minerals

are tin, tungsten, tantalum, and gold that are mined in conditions of armed conflict and human rights abuses in the Democratic Republic of Congo (DRC) and its adjacent countries. We will work with suppliers and strive to ensure that minerals in our products come from conflict-free sources and all suppliers are required to supply information about their use of these minerals to ECJV.

Suppliers must perform sufficient due diligence into their supply chains to determine whether products sold or provided to ECJV contain tin, tantalum, tungsten, or gold, and, if so, whether and to what extent those metals are sourced from conflict-free smelters. Furthermore, suppliers must report to ECJV the results of all such due diligence to enable ECJV to comply with its legal obligations and policy goals. Finally, suppliers must commit to being or becoming "conflict-free," so that any such metals are sourced only from conflict-free smelters.

Do business fairly and honestly, and avoid conflicts of interest.

Gifts & Entertainment

Suppliers must do business in a way that is open and transparent and commit to the highest standards of ethical conduct when dealing with its personnel, suppliers, customers, and other stakeholders.

When doing business with or conducting business on behalf of ECJV, suppliers may, for legitimate business purposes, offer or accept gifts or entertainment to/from suppliers, customers, or other business associates, so long as in each instance the gift or entertainment:

- is unsolicited;
- is in compliance with all applicable laws;
- is not a bribe, kickback, or other illicit payment;
- is not a gift of cash or cash equivalents;
- is in good taste and occurs at a business appropriate venue;
- is not given in exchange for any consideration;

- does not create the appearance, or an actual or implied obligation, that the gift giver is entitled to preferential treatment, an award of business, better prices, or improved terms of sale.

Bribery and Corruption

ECJV strictly prohibits all bribery and all of its suppliers must follow the applicable law and the ECJV policy that prohibits giving anything of value to any person or entity where the purpose is to obtain an improper business advantage.

ECJV prohibits all acts of bribery whether they involve government officials or individuals in the commercial and private sector.

Fair Competition and Anti-Trust Compliance

Suppliers must comply with all applicable anti-trust or fair competition laws and regulations. These laws deal with agreements among competitors or resellers, price discrimination,

price fixing, and other acts or situations that may unfairly reduce competition.

Conflicts of Interest

There is the potential for a conflict of interest if a supplier's employee or his or her family member has a close relationship with an ECJV employee who can make decisions that will affect the supplier's business. For that reason, the supplier must disclose these types of relationships to ECJV before entering into negotiations and whenever they arise.

The supplier should notify ECJV if any of its employees or its employees' family members work for ECJV, have a financial interest in ECJV, or have any kind of past or present business relationship with ECJV.

Non-Retaliation Protections

Suppliers must implement processes to ensure the confidentiality and protection of an employee who in good faith raises a concern, makes a report, or assists with an investigation related to potential ethical or criminal violations.

Protect the environment.

Suppliers must comply with all applicable environmental laws, regulations, and standards that apply to their business, as well as the minimum standards outlined in this Code.

- Suppliers should manage compliance, minimize environmental impact and drive continual improvement through implementation of programs comparable to ISO 14001 or similar programs that drive a comprehensive approach to environmental matters.
- Suppliers should have procedures for notifying local community authorities in case of an accidental discharge or release of hazardous materials into the environment, or in the case of any other environmental emergency.
- Suppliers must store hazardous and combustible material in secure and ventilated areas and dispose of them in a safe and legal manner.
- Suppliers should develop robust means by which they monitor, measure, and validate their use of materials and resources, discharges, and emissions to understand and reduce their impact on the environment. Specifically, suppliers should focus on:
 - Greenhouse gases and other emissions to the air;
 - Ozone-depleting compounds in a manner that meets standards such as the Montreal Protocols;
 - Water resources including a mitigation strategy to address water risk in its facilities and through its supply chain;
 - Waste, re-use, and recycling, where disposal is the least desired outcome, but when necessary, is conducted in a manner with the least negative impact on the environment.
- Suppliers must maintain all required environmental permits and registrations and follow the operational and reporting requirements of such permits.
- Suppliers must comply with regulated substance and product content specifications and with any applicable laws prohibiting or restricting the use, content, or handling of specific substances, including, but not limited to, RoHS, WEEE, REACH, California Prop. 65, and other similar laws. Suppliers will provide ECJV any information relative to such compliance, including, but not limited to, material declarations, as applicable.

Product safety is a top priority at ECJV. Certain substances such as asbestos, cadmium, and hexavalent chromium are prohibited in ECJV products. These rules apply to all ECJV entities and all suppliers that provide any product or

service to any ECJV entity. Suppliers are wholly responsible for the end product provided to ECJV irrespective of how many sub-suppliers (Tier 2, 3, etc.) may be in the supply chain.

Ensure a safe and healthy working environment.

ECJV is committed to being a global leader in safeguarding the health and safety of employees, officers, directors, agents, and contractors. A safe and healthy working environment is a critical component of an effective partnership between us and our suppliers. To that end, the following guidelines are expected of our suppliers:

- Suppliers must comply with all applicable laws regarding working conditions, including worker health and safety, hygiene and sanitation, fire safety, risk protection, and electrical, mechanical, and structural safety by implementing a structured health and safety management system.
- Suppliers must ensure a safe work environment and minimize physical and chemical hazards through proper design, engineering, and administrative controls, preventative maintenance, and safe work procedures as well as ongoing safety training.
- The work environment should be well lit, ventilated, and free from temperature extremes. Suppliers should assess their work environments for health and safety hazards and eliminate, control, or otherwise mitigate identified risks.
- Suppliers should post easy-to-follow warning signs and health and safety information signs.
- There must be sufficient, clearly-marked and unimpeded exits that allow workers to evacuate in an orderly fashion in the event of a fire or other emergencies. Emergency exit routes should be posted and clearly marked in all sections of the supplier's factory. Suppliers should provide fire alarms and adequate fire suppression for each work environment, along with adequate emergency lighting to illuminate exit routes, exits, and stairwells.
- Production and associated machinery must be equipped with appropriate operational safety devices, and must be maintained, inspected, and serviced on a regular basis.
- Suppliers should implement and communicate a lockout-tagout program such that all machinery and equipment is to be shut-off, locked out, and tagged out as appropriate when maintenance or service work is performed. Failure to do so could cause injury due to unexpected startup or release of stored energy.
- Suppliers should have strict policies that prohibit the use of illegal drugs or alcohol in the factory and prohibit impaired employees from working.
- Suppliers should have a process in place to manage health and safety of activities performed by contractors.

- Appropriate personal protective equipment must be provided to workers where hazards cannot be adequately controlled by other means. All such equipment must be made available to all workers at no cost, and provisions should be made for storing such equipment in a hygienic manner.
- Suppliers must provide safe and accessible drinking water for all workers and allow reasonable access to clean and sanitary toilet facilities throughout the working day.
- Suppliers must minimize the impact of emergency situations through the implementation of emergency plans and response procedures.
- Suppliers must provide training and ensure that its personnel are appropriately trained and educated in respect of health and safety matters.

Protect ECJV technology, information, and intellectual property.

All ECJV suppliers are responsible for safeguarding our confidential information and intellectual assets. Each party's employees should use extreme care in protecting all types of sensitive information. If sensitive information is to be discussed or exchanged between ECJV and the supplier, or the supplier and a third party, the parties must first ensure that a Confidentiality or Non-Disclosure Agreement has been signed.

Intellectual Property

Each supplier must ensure that its own supply network respects the intellectual property rights of others. Suppliers must take reasonable steps to ensure that their vendors, through all tiers, safeguard sensitive information. Suppliers must not transmit information from other customers to ECJV without written permission.

If a supplier becomes aware of any violation of our intellectual property rights, then the supplier

must notify ECJV immediately. A supplier must not register any intellectual property of ECJV in the supplier's own name, nor use ECJV intellectual property for any other purposes. On request or at the end of a supply relationship, a supplier must return ECJV sensitive information or certify its destruction.

Anti-Counterfeit

ECJV strives to ensure that all of its products are of the highest quality and reliability. Therefore, we must prevent the use of counterfeit parts in our products and have processes to detect and report counterfeit parts or suspected counterfeit parts that may appear in the supply chain.

Suppliers have a responsibility to know the origins of all parts and materials and to ensure their authenticity. Suppliers must respond to requests for information regarding the source of any parts or materials.

Assist ECJV in enforcing this Code.

Any code of conduct is only as effective as the efforts to enforce it. In that spirit, ECJV expects its suppliers to comply with the conditions of the Supplier Code and maintain a system to monitor compliance. Suppliers must take the necessary steps to ensure that its employees understand and comply with the Code.

ECJV may visit supplier facilities, review supplier documentation and conduct a full audit if necessary to ensure compliance with this Code. Additionally, suppliers must promptly report to ECJV notice of known breach of this Code. If ECJV determines that a supplier has violated this Code, the supplier must provide information relating to the incident(s) and show within 30 days the actions taken to correct the condition. ECJV will follow up to make sure the condition has been corrected.

Each supplier shall contractually require its suppliers and/or subcontractors to conform to the standards of conduct equivalent to the provisions of this Code. ECJV reserves the right to audit suppliers' suppliers and/or subcontractors for compliance to this Code and suppliers shall accommodate ECJV's audit as required.

In the event of supplier non-compliance with this Code, ECJV reserves the right to terminate the business relationship, including but not limited to suspending placement of future orders and potentially terminating current production. ECJV reserves the right to hold the supplier responsible for reasonable costs of investigating non-compliance.