

Subject: Code of Conduct and Basic Working Conditions**Subject Policy Number:** FMHR-GL039**Function:** Human Resources**Department:** All Departments**Issued for:** Global Operations**Country Policy # Referenced:** Not Applicable**Issue Date:** May 17, 2016**Global Policy # Referenced:** Not Applicable**Supersedes:** FMHR-GL039 (November 2, 2012)**Page:** 1 of 5

I. Summary

Federal-Mogul Corporation (Company) supports the protection of international human rights within the realm of its influence and is committed to the highest ethical standards. These standards are the overarching principles guiding business practices and the Company expects the same of its suppliers.

The Company's principles and guiding business practices are consistent with the human rights frameworks identified in the following:

- The United Nations Universal Declaration of Human Rights
- The United Nations Global Compact
- The Organization for Economic Cooperation and Development (OECD) Guidelines for Multinational Enterprises
- The Global Sullivan Principles of Social Responsibility

The principles and concepts outlined in this Code of Conduct and Basic Working Conditions are derived from the Company's existing policies and practices; however, these were not previously summarized in a single document. It is the responsibility of all employees to report known suspected violations or contradictions to items outlined in this policy through the proper reporting avenues.

As stated in the Integrity Program for Federal-Mogul employees there is protection from retaliation: Federal-Mogul will not allow any employee to be discharged, demoted, suspended, threatened, harassed, or in any other manner discriminated against in the terms and conditions of employment because of any lawful act done by the employee to provide information, assist in an investigation, and/or provide testimony supporting an investigation conducted by government or regulatory agencies or Federal-Mogul representatives regarding Federal-Mogul business activities that the employee reasonably believes constitute a legal, regulatory, or company policy violation.

II. Definitions

A. Company refers to Federal-Mogul Corporation and its subsidiaries.

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III. Policy/Scope

A. Child Labor

The Company will comply with local minimum age laws and requirements and in any case will not employ child labor (defined as any person under the age of 16). Age exceptions will be made where legally allowable for authorized job training or apprenticeship programs that bear a clear benefit to the participants. As previously required, Federal-Mogul will not utilize suppliers that fail to comply with Federal-Mogul's policy concerning child labor.

B. Work Authorization

The Company will require that all employees and the employees of our labor suppliers must meet work permit compliance, global immigration requirements as well as legal status in the respective country.

C. Compensation

The Company will provide competitive wages and benefits to its employees that meet or exceed the legally required minimum.

D. Forced Labor

The Company will not tolerate inhumane treatment of its employees such as, but not limited to, physical abuse, harassment or the threat thereof. The Company will not employ forced, bonded or involuntary labor. All employment terms are to be voluntary between the Company and its employees. In addition, the Company does not tolerate acts of workplace violence committed by or against employees or visitors or conduct that creates an intimidating or offensive environment as is detailed in policy FMHR-GL025, Workplace Violence.

E. Freedom of Association

The Company does not discriminate against employees based on specific associations that an employee may have and further recognizes an employee's right to associate with a legally sanctioned organization if he/she chooses.

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F. Discrimination and Harassment

The Company is committed to providing a work environment where all employees and others who do business with the Company, regardless of position or status, and regardless of nationality and national origin, race, religion, gender, physical abilities, sexual orientation, age, caste or other characteristics, are treated with dignity, respect and equality. Behavior that undermines gender equality, reduces the quality of working life or jeopardizes the well-being of employees will not be tolerated, whether committed by or directed toward subordinates, co-workers, managers, suppliers or customers as is fully described in policy FMHR-GL021, Harassment in the Workplace. The Company is further committed to providing a business environment in which we value and respect the differences that make individuals unique as detailed in policy FMHR-GL019, Valuing Global Diversity. The Company further states this commitment to the work environment is also described in the Federal-Mogul Integrity Policy, FMGE-GL002, under the Federal-Mogul Community, Equal Employment Opportunity section.

G. Health and Safety

As fully stated in the Company Environmental, Health & Safety (EHS) Policy, the Company will provide and maintain for all employees a safe and healthy work environment that meets or exceeds applicable standards for occupational safety and health. As referenced on the Company's external website, the Company's commitment to protect employees and the environment is a top priority. The global Environment, Health and Safety (EHS) group develops, and helps facilities to implement, Company standards and best practices for worker safety and environmental protection. Our worldwide manufacturing facilities manage safety in accordance with a management system, either integrated as part of ISO 14001 or separately under OHSAS 18001.

H. Work Hours

The Company will comply with local applicable laws regulating working hours, allowing for alternate schedules to be utilized in meeting business needs so long as the schedule remains in compliance with local laws.

I. Community Engagement & Indigenous Populations

Federal-Mogul considers local communities to be among the primary stakeholders in Company projects and activities within those communities. The Company will work constructively with local officials who have an interest in Federal-Mogul projects and activities that may impact the community.

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Briefly stated here, as it is more fully detailed on the Company's external website, the Company prides itself on an aggressive Supplier Diversity program, which, over the years, has increased the number of minority and women-owned suppliers with which Federal-Mogul does business. Through this emphasis on diversity, the Company enriches its business environment and creates more efficient relationships with its employees, customers, supply base and the local communities.

J. Bribery and Corruption

The Company does not permit business transactions to occur which are made under the terms of bribery or corruption, including in countries or regions where the local customs may appear to make it seem typical or permissible. Both as a matter of sound procurement practice and basic business integrity, the Company makes purchase decisions solely on the basis of which suppliers offer the best value for the goods or services needed. The Company avoids doing anything that suggests that our purchase decision may be influenced by any irrelevant or improper consideration, whether illegal; such as a kickback or bribe, or technically legal; such as personal friendship, favors, gifts or free entertainment. Based upon the National Association of Purchasing Management (NAPM) "Principles & Standards of Purchasing Practice" guidelines, any 'gray' area in purchasing decisions will be addressed by using common sense and good judgment. The Company states this commitment in the Federal-Mogul Integrity Policy, FMGE-GL002, under the Federal-Mogul, Working with Customers and Suppliers, Ethical Business Practices section. The Company further states this on its external website.

K. Environment & Sustainability

As fully stated in the Company's EHS policy, Federal-Mogul strives to meet or exceed applicable environmental laws and standards, and to continually improve EHS management systems, including implementing practices to prevent pollution and minimize waste. As referenced in section III.F above and on the Company's external website, the Company is committed to protecting the environment as a top priority. Our worldwide manufacturing facilities are managed in accordance with the voluntary ISO 14001 Standard for Environmental Management Systems.

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IV. Administration/Responsibilities

All Human Resource professionals are responsible for implementing and reinforcing adherence to these policy requirements, including communication to all employees. All employees are responsible for adherence to the above-stated policy. Any violation of this policy should be reported to local management.

V. References

<http://www.federalmogul.com>

<http://www.federalmogul.com/en-US/Suppliers/Pages/Purchasing-Policies.aspx>

FMHR-GL019	Valuing Global Diversity
FMHR-GL021	Discrimination and Harassment in the Workplace
FMHR-GL025	Workplace Violence
FMGE-GL002	Integrity Policy
FMGE-GL007	[Supplier] Code of Conduct and Basic Working Conditions