

Modern Slavery Statement 19/20

Overview

This statement is made pursuant to the Modern Slavery Act 2015 and sets out the steps that the Company has taken, and is continuing to take, to make sure that modern slavery or human trafficking is not taking place within our business. Modern slavery encompasses slavery, servitude, human trafficking and forced labour. Modern slavery is a crime and a violation of fundamental human rights. It takes various forms, such as slavery, servitude, forced and compulsory labour and human trafficking, all of which have in common the deprivation of a person's liberty by another in order to exploit them for personal or commercial gain. The Company has a zero-tolerance approach to any form of modern slavery. We are committed to acting ethically and with integrity and transparency in all business dealings and to putting effective systems and controls in place to safeguard against any form of modern slavery taking place within the business or our supply chain.

We expect the same high standards from all of our contractors, suppliers and other business partners. As part of our contracting processes, we include specific prohibitions against the use of forced, compulsory or trafficked labour, or anyone held in slavery or servitude and we expect that our suppliers will hold their own suppliers to the same high standards. This policy applies to all persons working for us or on our behalf in any capacity, including employees at all levels, directors, officers, agency workers, seconded workers, volunteers, agents, contractors, external consultants, third-party representatives and business partners. This policy does not form part of any employee's contract of employment and we may amend it at any time.

Organisational Structure

This statement applies to the two operating facilities in the UK which are in the Motor parts division of the Federal-Mogul group, Federal Mogul are now owned by Tenneco and are mid transition, this statement does not cover other Tenneco companies in the UK.

- Our Chapel-en-le-Frith site is a manufacturer of friction products which include brakes & linings for the automotive sector and brake pads and blocks for the railways sector (trading as Federal-Mogul Friction Products Limited)
- Our Bradford site is a distribution centre for OE and AM products manufactured by Federal-Mogul group companies (trading as Federal-Mogul Aftermarket UK Limited)

As we proceed through the acquisitions, over the next year we will ensure that the commitment to combatting modern slavery and having robust and effective policies in place is maintained as we transition into adopting the new group-wide approach

Our supply chains

Our supply chains include the network created amongst different companies producing, handling and/or distributing specific products or services.

Specifically, the supply chain encompasses the steps it takes to get goods or services from the supplier to the customer.

Federal-Mogul categorises its vendors into the following segments:

- Direct Material and Service vendors
- Indirect Material and Service vendors

- Capital Equipment (Capex) and Tooling
- Transportation

All suppliers are sent a pack which contains all of our policies and procedures which are relevant, such as our code of conduct. Each supplier is requested to sign a contract which confirms they will abide by our policies and procedures which include zero tolerance to slavery and human trafficking. Although each supplier is not reviewed currently due to number of suppliers we use, when each order is created the supplier will receive a reminder of our policies and procedures by way of links with each order.

Responsibility

The HR Department has overall responsibility for ensuring this policy complies with our legal and ethical obligations. The team have a primary and day-to-day responsibility for implementing this policy, monitoring its use and effectiveness, dealing with any queries, and auditing internal control systems and procedures to ensure they are effective in countering modern slavery. Management at all levels are responsible for ensuring those reporting to them understand and comply with this policy and are given any required training.

We operate a number of internal policies to ensure that we are conducting business in an ethical and transparent manner. These include:

1. Recruitment policy. We operate a robust recruitment policy, including conducting eligibility to work in the UK checks for all directly employed staff, and agencies on approved frameworks are audited to provide assurance that pre-employment clearance has been obtained for agency staff, to safeguard against human trafficking or individuals being forced to work against their will.
2. Equal Opportunities. We have a range of controls to protect staff from poor treatment and/or exploitation, which comply with all respective laws and regulations. These include provision of fair pay rates, fair terms and conditions of employment, and access to training and development opportunities.
3. Safeguarding policies. We adhere to the principles inherent within both our safeguarding children and adults' policies. These provide clear guidance so that our employees are clear on how to raise safeguarding concerns about how colleagues or people receiving our services are being treated, or about practices within our business or supply chain.
4. Whistleblowing policy. We operate a whistleblowing policy so that all employees know that they can raise concerns about how colleagues or people receiving our services are being treated, or about practices within our business or supply chain, without fear of reprisals.
5. Standards of business conduct. This code explains the manner in which we behave as an organisation and how we expect our employees and suppliers to act.

Due diligence processes for slavery and Human Trafficking

- As part of our initiative to identify and mitigate risk we complete the following:
- ISO/TS audits
- Integrity certification for new starters and recertification on annual basis for existing employees
- Federal Mogul Employee Hotline
- Compliance Team
- HR Team – Supporting procedures

We have in place systems to:

- Identify and assess potential risk areas in our supply chains

- Mitigate the risk of slavery and human trafficking occurring in our supply chains
- Monitor potential risk areas in our supply chains
- Protect whistle blowers

Communication and Awareness of the Policy

Advice and training about modern slavery and human trafficking is available to staff through our intranet and training is provided to our salaried employees annually. It is also discussed at our compulsory staff induction training. We are looking at ways to continuously increase awareness within our organisation, and to ensure a high level of understanding of the risks involved with modern slavery and human trafficking in our supply chains and in our business.

Training on this policy, and on the risk our business faces from modern slavery in its supply chain will be given where needed. Our zero-tolerance approach to modern slavery must be communicated to all suppliers, contractors and business partners at the outset of our business relationship with them and reinforced as appropriate thereafter. We require our business partners to provide training to their staff, suppliers and providers.

We reserve the right to spot check our suppliers as we deem necessary and to measure how effective we have been to ensure that slavery and human trafficking is not taking place in any part of our business or supply chains.

Our Performance Indicators and Further Steps

We will know the effectiveness of the steps that we are taking to ensure that slavery and/or human trafficking is not taking place within our business or supply chain if:

- No reports are received from our staff, the public, or law enforcement agencies to indicate that modern slavery practices have been identified.

Over the course of the next financial year we will continue to enhance our procedures to help us identify, prevent and mitigate any risks of modern slavery or human trafficking in relation to new and existing suppliers. We will ensure the following steps are taken:

- To ensure that any new employee is trained in our Code of Conduct Policy and our Vision, Mission and Values during their induction
- To refresh all employees annually both salaried and hourly
- To continue to promote our policies and the FM Hotline
- To offer information and support for all employees and to identify opportunities to support the reintegration of victims of modern slavery into both our own operations and supply chain
- Provide tailored modern slavery training to Supply Chain, Procurement and Managers
- Build a greater understanding of the use of migrant labour in our supply chains in order to develop a strategy for empowering refugee communities linked to our supply chains, where we know there is a risk of modern slavery to develop an audit programme for

Approval for this statement

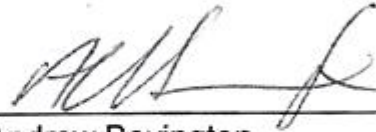
This statement has been approved by:



David Careless
Director

Federal-Mogul Friction Products Limited
Chapel-en-le-Frith

Signature Date: 15/5/19



Andrew Bevington
Managing Director

Federal-Mogul Aftermarket Limited
Bradford

Signature Date: 14.05.19