

Supplier Code of Conduct

The BorgWarner Beliefs serve as a guide for our employees on the way we conduct our business – with our customers, our employees, our suppliers and our communities. These beliefs, which are deeply rooted in our culture, also serve as a framework for the standards of business conduct we expect of any supplier that does business with us. Compliance with these standards will be a mandatory component of our purchase contracts worldwide and must also apply to your subcontractors.

Respect for Each Other

BorgWarner operates in a climate of respect, courtesy and impartiality. The same fairness and impartiality should be extended to all legitimate suppliers who wish to compete for BorgWarner's business. We expect open, honest and timely communication. BorgWarner suppliers should encourage a positive and diverse workplace by not tolerating harassment or discrimination, including that involving race, color, religion, gender, age or disability.

Power of Collaboration

Successful business relationships are the result of mutual goals and values. We encourage differentiating technologies that challenge the status quo and help support BorgWarner's product leadership model. We view every supplier relationship as an opportunity to extend our enterprise and grow our business. Information given to us must be accurate, and when requested, we will treat as confidential, information that is so designated.

Passion for Excellence

BorgWarner seeks to be a leader – in serving our customers, advancing our technologies, and rewarding all who invest in us. To extend our competitive position, we expect our suppliers to relentlessly improve their own performance and to bring urgency to every business challenge and opportunity.

Personal Integrity

We at BorgWarner demand uncompromising ethical standards in all we do and say – we expect our suppliers to do the same. Our policies prohibit the acceptance of gifts, services or anything of such value that the good judgment of the recipient might be influenced, or that a third party might reasonably perceive as influencing that judgment. Payments of money, property, or services for the purpose of obtaining business or special consideration are prohibited. If a BorgWarner employee solicits a gift or entertainment opportunity from a supplier for their personal use, the request is to be declined. We discourage our employees from purchasing goods or services from BW suppliers for their personal use, even though paid for by the employee.

BorgWarner recognizes that in some cultures, business gifts and business entertainment are considered an important part of the development of business relationships. Any gift or entertainment must be evaluated to insure it is in the best interest of BorgWarner, consistent with BorgWarner policies and the law and in accordance with local custom.

No listing of ethical guidelines can be considered complete. It is incumbent upon those affected by this policy to avoid the misconception that if it is legal, it is ethical. Appropriate conduct must reflect good judgment, fairness and high standards.

Responsibility to Our Communities

We are committed to good corporate citizenship. We expect our suppliers to abide by all applicable employment, environmental, health and safety laws and regulations. We will not allow the use of any forced, involuntary or child labor by suppliers who provide goods or services to us. We also believe that suppliers should provide wage and benefit levels to their employees that address the basic needs of people in light of local conditions.

Adherence

We expect your cooperation in ensuring adherence to our Supplier Code of Conduct. If you or anyone in your company believes that a BorgWarner employee or other supplier, has violated this policy, please contact the BorgWarner Compliance Office by phone (248) 754-0656, or e-mail to Complianceoffice@borgwarner.com.