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## CNH INDUSTRIAL SUPPLIER CODE OF CONDUCT



### Overview



CNH Industrial N.V. and its subsidiaries (“CNH Industrial” or the “Company”) believe that operating in a socially responsible and ethical manner and in compliance with the laws of those countries in which we operate is fundamental to our long-term success. This means, among other things, that the Company adopts fair employment practices, protects safety in the workplace, supports and fosters environmental consciousness and fully complies with applicable laws. The Company expects its interests and those of its suppliers to be fully aligned in these fundamental respects.



CNH Industrial considers collaboration with its supply chain to be an integral part of its success and, therefore, strives to operate as an integrated team with its suppliers. The selection of the Company’s suppliers is based not only on the quality and competitiveness of their products and services, but also on their adherence to acceptable social, ethical and environmental principles, which is a pre-requisite to becoming a supplier and developing a lasting business relationship with the Company. Any violation of this Supplier Code of Conduct may jeopardize the supplier’s business relationship with CNH Industrial, up to and including termination of that relationship.



All suppliers must comply with all applicable laws (including, without limitation, laws relating to anti-corruption and competition), as well as the principles set out in the CNH Industrial Code of Conduct and in this Supplier Code of Conduct. In addition, all suppliers are expected to provide applicable information to the Company or take other actions necessary to allow the Company to fulfil its reporting, disclosure and other legal obligations.



This Supplier Code of Conduct applies to all persons and entities who sell goods or services of any type to CNH Industrial or any of its subsidiaries (each a “Supplier”) and summarizes the standards to be followed in their daily business activities as a Supplier to the Company.

All Suppliers carrying on business with CNH Industrial are deemed to agree and accept the contents of this Supplier Code of Conduct and such agreement and acceptance is evidenced by the Supplier continuing to do business with CNH Industrial.

## **Labor and Human Rights**

### **Child labor**

No Suppliers may employ child labor. The term “child” refers to a person who is younger than 15 years old or who has not yet reached the age for completing compulsory education, whichever is greater.

(ref. ILO Convention n. 138)

### **Forced labor**

No Suppliers may employ forced labor. Employment must be voluntarily and freely chosen. All Suppliers, including recruitment agencies used by a Supplier, must verify the legal employment eligibility of all persons to work and not use any form of prison, indentured, forced, involuntary, bonded or slave labor. Involuntary labor includes the transportation, harboring, recruitment, transfer, receipt, or employment of persons by means of threat, force, coercion, abduction, fraud, or payments to any person having control over another person for the purpose of exploitation.

No Suppliers will require employees to lodge deposits or identity papers, or to pay recruitment fees.

(ref. ILO Conventions n. 29 and n. 105)

### **Wages and Hours**

All Suppliers must ensure that all of their workers receive at least the legally mandated minimum wages and benefits. Working conditions, working time and compensation must be fair, complying with the laws, standards and practices applicable in those countries where the Supplier operates.

Suppliers must maintain required official documentation that verifies an employee's age, wages, and hours worked. CNH Industrial reserves the right to review this documentation if necessary.

**Freedom of association**

All Suppliers shall freely allow workers to join associations, and bargain collectively, in accordance with local law, without interference, discrimination, retaliation, or harassment. (ref. ILO Conventions n. 87 and n. 98)

**Health and safety**

Health and safety in the workplace is a fundamental right of employees. All Suppliers must provide and maintain a safe work environment in compliance with all applicable laws. (ref. ILO Convention n. 155)

**Non-discrimination**

All Suppliers must treat their workers in a fair and non-discriminatory manner, with the guarantee of equal opportunity and the absence of any policy aimed at, or indirectly resulting in, discrimination toward them on any basis whatsoever, including, but not limited to, race, gender, sexual orientation, social and personal position, health condition, disability, age, nationality, religion or personal belief (in accordance with applicable laws). (ref. ILO Convention n. 111)

**Environment**

To minimize the impact of production processes and products on the environment, all Suppliers should: (i) make every effort to optimise the use of resources and minimise polluting and greenhouse gas emissions; (ii) design and develop products taking into account the impact they have on the environment and the potential to re-use and recycle them; (iii) properly manage, in compliance with applicable laws, waste treatment and disposal; (iv) avoid the use of potentially dangerous substances (as defined by applicable laws); and, (v) apply logistics management policies that take environmental impacts into consideration.

An Environmental Management System (EMS), according to international standards (i.e. ISO14001, EMAS), is strongly recommended.

## **Trade Restrictions/Export Controls**

All Suppliers are either directly or indirectly responsible for the import and export of goods sold to CNH Industrial, and must be aware of and comply with all applicable laws that govern international trade. Accordingly, Suppliers are expected to, among other things, make accurate customs declarations, not mischaracterize the value or nature of goods in any way that may create liability for CNH Industrial, and obtain (or assist in obtaining) any required licenses, approvals or other permits.

### **Responsible Sourcing of Minerals**

Suppliers shall exercise due diligence, in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas, on its entire supply chain with respect to the sourcing of all tin, tantalum, tungsten, and gold contained in its products, to determine whether those metals are from the Democratic Republic of the Congo (“DRC”) or any adjoining country and, if so, to determine whether those metals directly or indirectly financed or benefited armed groups that are perpetrators of serious human rights abuses in the DRC or an adjoining country. Countries that adjoin the DRC are Angola, Burundi, Central African Republic, the Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda, and Zambia.

## **Business Ethics**

### **Improper Payments**

Any form of bribery, “kickback”, or improper payments (of cash or anything else of value) to government officials, Company employees, or other third parties, to obtain an unfair or improper advantage are strictly prohibited. In particular, all Suppliers and their employees, agents or representatives are prohibited from directly or indirectly accepting, soliciting, offering or paying a bribe or providing anything else of value (including gifts or gratuities, with the exception of commercial items of modest economic value) to any CNH Industrial employee or any third party.

### **Accurate Records**

All Suppliers will provide the Company with accurate and complete invoices and other transaction documentation and will not assist or engage in any action or inaction that could reasonably be expected to result in the Company’s books and records not being accurate and complete in all respects. Among other things, discounts, rebates, and other credits will be

provided to the Company in full and in the applicable period earned or granted, unless otherwise specified in the terms of the applicable agreement with the Company. In addition, the amount and effective date of any price increases must be in accordance with the terms and limits, if any, set forth in the applicable agreement with the Company.

Costs, fees and expenses chargeable to the Company must be clearly and accurately described and actually incurred.

**Confidential Information**

All Suppliers must respect intellectual property rights and safeguard all CNH Industrial information, including, but not limited to, know-how, trade secrets, financial information, new product or service development plans and other sensitive CNH Industrial or personal information and limit access to such information only to those Supplier personnel who have a legitimate business need for such information when permitted by applicable law.

**Conflicts of Interest**

All Suppliers must disclose any actual or potential conflict of interest, and discuss it with CNH Industrial's management. Any activity that is approved, despite an actual or apparent conflict, must be documented.

**Fair Competition**

All Suppliers will conduct their business in line with fair competition principles and in accordance with applicable antitrust and competition laws.

**Anti-Money Laundering**

No Suppliers may engage or otherwise become involved in any activity involving, or which may give rise to the appearance of, money laundering and shall strictly comply with applicable anti-money laundering laws.

**Supplier Relations**

All Suppliers are expected to assist CNH Industrial in enforcing this Supplier Code of Conduct and are responsible for communicating the principles contained in this Supplier Code of Conduct to their respective employees, subsidiaries, affiliates and subcontractors.

CNH Industrial seeks to foster long-term “partnerships” with its Suppliers through specific tools and periodic workshops designed to achieve a smooth integration between the respective business cultures and processes and to work jointly toward meeting market expectations. CNH Industrial is committed to supporting small and local suppliers and minority-owned businesses.

#### **Monitoring and Remedial Actions**

CNH Industrial monitors adherence of all Suppliers with this Supplier Code of Conduct. Accordingly, the Company reserves the right to request from Suppliers applicable documentation and conduct onsite audits.

CNH Industrial:

- may require that any Supplier that materially infringes on the basic principles of the CNH Industrial Code of Conduct or this Supplier Code of Conduct, implement an acceptable action plan to bring its performance into compliance, and
- reserves the right to terminate its business relationship with any Supplier that is unwilling or unable to bring its performance into compliance to the satisfaction of the Company.

#### **Training**

CNH Industrial encourages suppliers to establish training programs for their workers to enhance the level of their professional skills.

#### **Reporting Violations**

Suppliers are responsible for reporting to the Company suspected violations of law, the CNH Industrial Code of Conduct or this Supplier Code of Conduct. Among other means, Suppliers may use the Company’s compliance helpline, available at:

[www.cnhindustrialcompliancehelpline.com](http://www.cnhindustrialcompliancehelpline.com)

References:

- Universal Declaration of Human Rights;
- International Labor Standards (ILO);
- OSHSAS Health and Safety Standard;
- California Transparency in Supply Chain Act of 2010.