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At Cummins, we are dedicated to exceeding customer expectations by always being first to market with the best products. We accomplish this goal, in part, through partnerships with suppliers who share our commitment to quality and low cost, and who operate under a philosophy that focuses on integrity, compliance and doing the right thing.

Since 2005, Cummins has had a Supplier Code of Conduct that applies to businesses that provide products or services to Cummins and its subsidiaries, joint ventures, divisions or affiliates. Cummins recognizes that legal and cultural requirements vary in a global business environment, and expects that all our suppliers follow the applicable laws of their country or territory. At the same time, the Supplier Code sets forth certain universal requirements that suppliers must follow.

Our goal in this Supplier Code is to provide you with the information you need to be successful when dealing with Cummins 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 Cummins.

If you have questions or feedback about this Code, or need any additional information or assistance, please contact your Cummins Purchasing Representative. Thank you for all you do to make Cummins successful and to help us live our values in all that we do.

Lisa Yoder
Vice President, Global Supply Chain and Manufacturing

Tim Millwood
Executive Director, Purchasing

Letter from Lisa Yoder and Tim Millwood

In 2012, Corporate Responsibility magazine named Cummins one of the world's 100 Best Corporate Citizens for the 12th time in 13 years.
Suppliers for Cummins must comply with the laws of their countries and with all other applicable laws, rules and regulations. Many times, suppliers who do work for Cummins must also comply with certain laws of the United States even if they are located in another country. While there are many laws and regulations that companies must follow, some examples of important areas of legal compliance include:

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

Bribery can include not just the payment of money, but the transfer of anything of value including lavish entertainment or travel expenses, a future job offer, or political or charitable donations.

**Compliance Guidelines**
- Suppliers should know all applicable laws and maintain awareness of any legal or regulatory changes that may impact operations.
- Suppliers should ensure employees are aware of all applicable laws and put systems in place to monitor compliance.
- Cummins policies on Anti-Bribery, Export Controls, Fair Competition and other legal obligations can be found on the Cummins Supplier Portal at supplier.cummins.com. Suppliers who have any questions about our policies or expectations should contact Cummins for more information.
Cummins prohibits all acts of bribery whether they involve government officials or individuals in the commercial and private sector.

**Export Control Laws**
Cummins is subject to international laws that regulate, restrict and sometimes prohibit business dealings with certain countries, entities, individuals and end-use applications. These restrictions can include controls on the export and re-export of goods or technical data to other countries or to employees with nationalities different from their location. Special rules also apply to products or technical data used in defense and military applications.

Suppliers may obtain access to certain Cummins technology, information, product or software that is regulated by these export control laws. Cummins expects its suppliers to be aware of these restrictions, not take any action that violates these regulations or Cummins policy, and work with Cummins on any necessary compliance processes and required licensing.

**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.
Suppliers must treat all people humanely and with dignity and respect.

**Commitment to Diversity and Equal Employment Opportunity**
Cummins believes in the value of diversity. Bringing together people of different races, gender, education, language, viewpoints, skill sets and experience enables ideas and innovation to flourish.

Cummins expects its suppliers to be inclusive and to ensure that its employees and other stakeholders are always treated with dignity and respect. Cummins expects its suppliers to prohibit discrimination based on race, color, gender, nationality, religion, age, disability, union membership, maternity, sexual orientation, gender

**Compliance Guidelines**

- Suppliers should have formal policies prohibiting harassment, discrimination and ensuring fair treatment of all employees.

- Suppliers should conduct periodic reviews of hiring and promotion practices to help ensure against discrimination.

- Suppliers must maintain payroll records documenting wages, overtime pay and hours worked.

- Suppliers must maintain official documentation that verifies a worker’s date of birth, employment history and training history. Cummins reserves the right to review this information if necessary.

- Suppliers must respond to requests for information regarding the presence and source of conflict minerals in products supplied to Cummins.
identity and/or expression or marital status. No employee of Cummins 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 or a wage that meets local industry standards. 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.

**Commitment to Freedom of Association**
Suppliers must respect employees’ freedom of association, right to bargain collectively and all other workplace rights. Employees should be able to choose whether or not to join a union and should not be subject to discrimination based on that choice.

**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 governments and 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.

Only workers who meet the applicable minimum legal age requirement in the country where they are working, or are at least 15 years old or are over the age for completion of compulsory education, whichever is greater, may be hired by a supplier.

Suppliers must comply with all applicable child labor laws, including those related to hiring, wages, hours worked, overtime and working conditions. Vocational or developmental programs for young people may require an exception to the age requirements.

**Sourcing of Materials from Areas of Conflict**
As a U.S. company, Cummins is required to track the use of 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 Cummins.
Suppliers must do business fairly and honestly and avoid conflicts of interest.

Suppliers must do business in a way that is open, transparent and with the highest integrity. 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 a Cummins employee who can make decisions that will affect the supplier’s business. For that reason, the supplier must disclose these types of relationships to Cummins before entering into negotiations and whenever they arise.

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

Compliance Guidelines

- Suppliers should review Cummins Conflicts of Interest Policy by visiting supplier.cummins.com.

- Because the Cummins Conflicts of Interest Policy limits the giving and receiving of gifts, suppliers should refer to this policy before giving a gift or other business courtesy to any Cummins employee.

- Suppliers should have policies regarding conflicts arising from personal relationships and the giving and receiving of gifts and other business courtesies.

- Suppliers must notify Cummins promptly if they become aware of any relationship that could be a conflict or if a Cummins employee ever requests or demands a business courtesy that does not seem appropriate to the supplier.
We ask that suppliers respect the Cummins policy on conflicts of interest, which limits the giving and receiving of business courtesies. While the exchange of courtesies such as meals, entertainment and nominal gifts is a widespread business practice, these exchanges must be casual and token. The following exchanges are never acceptable under Cummins policy:

- Any gift of cash or cash equivalents
- Any item offered with the expectation of something in return
- Any business courtesy that involves parties currently in a competitive bidding process
- Any entertainment or other business courtesy that is indecent or in violation of our Treatment of Each Other at Work policy

For all other business courtesies (meals, gifts and entertainment), the courtesy must be for a legitimate business purpose and generally, must not exceed $100 USD in value. This amount may be less in certain countries. Please consult the Cummins Conflicts of Interest policy on the Supplier Portal or seek guidance from your Cummins contact if you have any questions.

In 2013, Cummins was named one of the World’s Most Ethical Companies by the Ethisphere Institute. The institute evaluates companies’ commitment to ethical leadership, compliance practices and corporate responsibility. It was the sixth consecutive year Cummins received the honor.
Suppliers must protect the environment.

Suppliers must comply with all applicable environmental laws, regulations and standards that apply to their business. If these requirements are less stringent than Cummins’ requirements, the supplier will be encouraged to meet the standards outlined in this document.

- 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.

Compliance Guidelines

- Suppliers should establish means by which they understand the identity and quantity of chemicals and compounds used in their operations and products such that they are able to manage the regulatory requirements and potential hazards posed by these materials.
- Suppliers must maintain documentation to be able to respond to requests for information, including but not limited to, resource consumption, emissions, compliance, environmental risks and liabilities and other environmental sustainability metrics.
- Suppliers should implement an audit program that reviews compliance to applicable environmental regulations and standards, including a means to ensure corrective actions and avoidance of recurrence.
PRODUCT SAFETY AND PROHIBITED SUBSTANCES

Product safety is a top priority at Cummins. Certain substances such as asbestos, cadmium and hexavalent chromium are prohibited in Cummins products. These rules apply to all Cummins entities and all suppliers that provide any product or service to any Cummins Inc. entity. Organizations included are all subsidiaries, joint ventures, alliances, partnerships and company-owned distributors in which Cummins has a controlling interest or management responsibility.

Suppliers are wholly responsible for the end product provided to Cummins irrespective of how many sub-suppliers (Tier 2, 3 etc.) may be in the supply chain flow. For more information, including a list of prohibited substances, please see the “Cummins Suppliers Guide: Prohibited and Restricted Substances” under Environmental Stewardship at supplier.cummins.com.

- Suppliers must store hazardous and combustible materials 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:
  1. Greenhouse gases and other emissions to the air
  2. Ozone-depleting compounds in a manner that meets standards such as the Montreal Protocols
  3. Water resources including a mitigation strategy to address water risk in its facilities and through its supply chain
  4. 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 should maintain emission and discharge permits that monitor compliance.
Suppliers must provide a safe and healthy working environment.

A safe and healthy working environment is a critical component of an effective partnership between Cummins and a supplier. To that end, the following guidelines apply:

- 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. Cummins recommends OHSAS 18001 certification.

- 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

Compliance Guidelines

- Suppliers must know and comply with applicable health and safety and life safety regulations.

- Suppliers are responsible for providing all required training for their employees, contractors and others and the effectiveness of such training must be evaluated in a timely manner.

- Cummins encourages suppliers to certify according to OHSAS 18001, a system for managing health and safety that promotes safe working environments.
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, such as gloves, steel-toe shoes or boots, safety glasses, goggles, hearing and respiratory protection should be used where applicable and must be made available to all workers at no cost. 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 have procedures for timely dealing with injuries that require medical treatment inside of the facility, as well as procedures to manage serious injuries or emergency cases that require support from outside organizations.
Suppliers must protect Cummins technology, information and intellectual property.

All Cummins suppliers are responsible for safeguarding our confidential information and intellectual assets. Both parties must maintain physical and electronic security for all sensitive information. Each party’s employees should use extreme care in protecting all types of sensitive information. Face-to-face confidential discussions should be conducted in a secure location.

If sensitive information is to be discussed or exchanged between Cummins 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.

Compliance Guidelines

- Do not print or download classified Cummins documents without permission from a Cummins contract manager or the appropriate document owner.
- No Cummins classified information should be stored on a USB “thumb” drive or other portable device, nor should it be transmitted using unsecured means, such as personal email accounts, text messaging, instant messaging or social media.
- Suppliers must have formal policies for the protection of classified information. Cummins policies relating to the protection of information can be viewed on the supplier portal.
- Suppliers must not use the Cummins brands, including registered and unregistered trademarks, without the written authorization of Cummins.
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 Cummins without written permission.

If a supplier becomes aware of any violation of Cummins intellectual property rights, then the supplier must notify Cummins immediately. A supplier must not register any intellectual property of Cummins in the supplier’s own name, nor use Cummins intellectual property for any other purposes. At the request of Cummins or at the end of a supply relationship, a supplier must return Cummins sensitive information or certify its destruction.

Data Classification

In order to protect its intellectual property and assets, Cummins has established the following data classification guidelines:

- Restricted Confidential
- Confidential
- Internal Use Only
- Public

All suppliers must adhere to the Cummins Data Classification Policy and protect Cummins data accordingly. Suppliers should consult the Supplier Portal at supplier.cummins.com to view this policy. Suppliers’ own data classification and protection policies must meet or exceed Cummins’ minimum data classification standards.

Anti-Counterfeit

Cummins strives to ensure that all of its products are of the highest quality and reliability. Therefore, Cummins must prevent the use of counterfeit parts in its products and has 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.
Suppliers must assist Cummins in enforcing this Code.

Any code of conduct is only as effective as the efforts to enforce it. In that spirit, Cummins 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, including communicating the details of the Code to employees annually in the local language of the business. Suppliers

Compliance Guidelines

- Suppliers should have a process for ensuring compliance with this Code.

- Suppliers must maintain documentation relating to compliance with this Code and provide Cummins access to that documentation upon request. Documentation demonstrating compliance of sub-contractors shall also be maintained.

- Suppliers should have a process and policy giving employees a way to raise concerns without fear of retaliation. Where allowed by law, the supplier should have a system that allows for anonymous reporting of concerns.

- If an employee at a Cummins supplier has a concern about a potential violation of this Code that has not been addressed by the supplier, they may report it to Cummins directly. Contact information for reporting potential Code violations is available on the Cummins Supplier Portal at supplier.cummins.com.
must also ensure that its suppliers and sub-suppliers who work on Cummins business are aware of and comply with this Code.

Cummins may visit supplier facilities, review supplier documentation and conduct a full audit if necessary to ensure compliance with this Code. If Cummins 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. Cummins will follow up to make sure the condition has been corrected. Cummins reserves the right to terminate agreements with suppliers for repeated non-compliance or for violations of law.

At the same time, Cummins recognizes that many of its suppliers have codes of conduct that cover most or all of the principles above. In those cases suppliers can provide evidence of their own Code of Conduct to meet the intent of this requirement. The Cummins Law Department will decide if the supplier’s code meets the requirements of this document.