

Policy Title: Prohibition on Insider Trading Policy
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- 1.0 Purpose:** This insider trading policy (the policy) has been adopted by Meritor, Inc. (the “Company”) to establish procedures intended to prevent both intentional and unintentional acts of prohibited insider trading, and thereby to promote compliance with applicable securities laws by the Company and its affiliates and employees. Violations of insider trading laws, inadvertent or otherwise, can result in severe civil and criminal penalties for the individuals involved, as well as for the Company and its management. Violations, or even the allegation or appearance of an improper transaction, can also damage the Company’s reputation for integrity and professionalism.

This policy supplements, and does not supersede, Corporate Policy A-08, “Standards of Business Conduct,” which includes provisions requiring compliance with applicable laws, including insider trading laws.

- 2.0 Scope:** This policy applies to all Board members, officers and employees of the Company and its subsidiaries in all global locations.

- 3.0 Responsibility:** The Chief Legal Officer is responsible for interpreting this policy.

4.0 Definitions:

- 4.1** Who is an “insider”?: Any person who has material nonpublic information about the Company is considered an insider as to that information. Insiders include Company Board members, officers, employees, independent contractors and those persons in a special relationship with the Company, such as its auditors, consultants and outside legal counsel. The question of who is an insider is decided in the context of each transaction. In other words, an individual is an insider with respect to each item of material nonpublic information of which he or she is aware.
- 4.2** What is “material” information?: The materiality of information depends upon the circumstances. A fact is considered “material” if there is a substantial likelihood that a reasonable investor would consider it important in making a decision to buy, sell or hold a security or where the fact is likely to have a significant effect on the market price of the security. Material information can be positive or negative and can relate to virtually any aspect of a company’s business or to any type of security, debt or equity. Some examples that may be material information include:

- Unpublished financial results
- Expectations as to future financial results
- Expectations as to future market conditions that could affect financial results
- Internal operating plans
- News of a pending or proposed merger or acquisition
- Significant changes in corporate objectives
- News of a significant sale of assets
- Changes in dividend policies
- An expected change in credit ratings
- Financial liquidity problems
- Management or Board changes
- Significant litigation developments
- New public offerings of securities
- Cybersecurity risks or incidents

These examples are merely illustrations of material items. Many other types of information may be considered material depending on the circumstances. Materiality of particular information must be assessed on a regular basis.

- 4.3** What is “nonpublic” information?: Information is “nonpublic” if it is not available to the general public. In order for information to be considered public, it must be widely disseminated by the Company in a manner that makes it generally available to investors through such recognized news media as Dow Jones, Reuters, The Wall Street Journal, AP or UPI. The circulation of rumors by parties other than the Company, even if accurate and reported in the news media, does not constitute effective public dissemination.

Even after a public announcement of material information, a reasonable period of time must pass in order for the market to absorb and react to the information. Generally, it is prudent to allow two full trading days after public dissemination of information as a reasonable waiting period before that information is deemed to be public.

- 4.4** Who is a “related person”?: For purposes of this policy, a “related person” includes your spouse, minor children and anyone else living in your household, partnerships in which you are a general partner, trusts of which you are a trustee, and estates of which you are an executor. Although your other relatives, such as your parents, may not be considered to be related persons if they are not living in your household, they may be “tippees” for securities law purposes. “Tipping” is discussed below.

5.0 Policy:

5.1 Policy

It is the Company’s policy that no Board member, officer, employee, agent or advisor of the Company who has material nonpublic information relating to the Company, and any related person (as defined above), shall buy or sell securities of the Company or engage in any other action to take advantage of that information or pass it on to others. This policy also applies to material nonpublic information relating to any other entity with publicly traded securities, including the Company’s customers, suppliers and business partners, that is obtained in the course of employment by or association with the Company. Additional restrictions on trading securities of the Company apply to Board members, executive officers and certain other employees, as discussed below. These individuals receive additional information providing details of additional applicable restrictions and requirements.

5.2 Guidelines

To comply with the letter and spirit of this policy, you should observe the following rules:

- 5.2.1** Non-disclosure of Material Non-Public Information. Until material nonpublic information has been released by the Company, it must not be disclosed to anyone, except the persons within the Company or third party agents of the Company (such as investment banking advisors and outside legal counsel) whose positions require them to know it.
- 5.2.2** Prohibited Trading in Company Securities. No person or their related persons may place a purchase or sell order or recommend that another person place a purchase or sell order in securities of the Company when he or she has knowledge of material information about the Company that has not been released to the public. In addition to transactions through brokers or on-line brokerage accounts, this restriction also applies to any purchase, sale, transfer, reallocation or change in allocation election related to Company stock under the Employee Savings Plans. This rule does not apply to purchases of stock under the dividend reinvestment plan administered by the Company’s transfer agent; however, stock that is acquired through the dividend reinvestment plan is subject to this policy and may not be sold by someone who is in possession of material nonpublic information.

- 5.2.3** How Transactions Appear in Hindsight. If securities transactions become the subject of scrutiny, they are likely to be viewed after the fact with the benefit of knowledge of all of the circumstances present at the time, even if the person who engaged in the transaction was not considering these circumstances. As a result, before engaging in any transaction, an insider should carefully consider how the transaction may be construed with the benefit of hindsight.
- 5.2.4** “Tipping” Information to Others. Insiders may be liable for communicating or “tipping” material nonpublic information to any outside party (a tippee) or for recommending that the tippee buy or sell Company securities based on such information. Tippees are not limited to related persons; they can be friends, neighbors or acquaintances.
- 5.2.4.1** Tippees inherit an insider’s duties and are liable for trading on material nonpublic information illegally tipped to them by an insider. Similarly, just as insiders are liable for the insider trading of their tippees, so are tippees who pass the information along to others who trade. In other words, a tippee’s liability for insider trading is no different from that of an insider. Tippees can obtain material nonpublic information by receiving specific tips from others or through conversations at social, business or other gatherings, among other things.
- 5.2.5** Speculation and Hedging are Prohibited. Investing in Company securities provides an opportunity to share in the future growth of the Company. However, short-range speculation based on fluctuations in the market price of Company securities may put the personal gain of the Board member, officer or employee in conflict with the best interests of the Company and its shareholders. Board members, officers and employees, and their related persons, are prohibited from selling Company securities “short.” Board members, officers and employees, and their related persons, are also prohibited from trading in exchange-traded or other third party options, warrants, puts and calls or similar instruments on Company securities, and may not hold Company securities in margin accounts. Board members, officers and employees, and their related persons, are also prohibited from engaging in any hedging transactions involving Company securities, including through the use of financial instruments such as forward sales contracts, equity swaps, collars and certain exchange funds designed to hedge or offset any decrease in the market value of Company securities. Transactions involving a broad-based index or a broad-based fund that includes Company securities in addition to securities of other companies, including for example, transactions involving exchange funds pursuant to which an insider divests Company securities, are not hedging transactions.
- 5.2.6** Pledging is Permitted Under Certain Circumstances. Officers, employees and their related persons are prohibited from pledging Company securities as collateral for a loan or other financing arrangement. Independent Board members may pledge Company securities as collateral for a loan or other financing arrangement only with prior approval of the Chief Legal Officer and the Chairman of the Board. Decisions will be based on the facts and circumstances of the request including but not limited to: (1) the percentage of the Company securities held by the individual that is currently pledged, (2) any compelling needs of the individual justifying the pledge and (3) the magnitude of aggregate pledged shares in terms of total common shares outstanding, market value, or trading volume. If the pledging transaction is approved, any pledged Company stock shall not be counted towards the Director’s stock ownership and retention requirements. The initiation of new pledging transactions is not permitted during a blackout period, as further specified in section 5.3.1.
- 5.2.7** Trading in Other Securities. No Board member, officer or employee may place purchase or sell orders or recommend that another person place a purchase or sell

order in the securities of another corporation if the person learns of material nonpublic information about the other corporation in the course of his or her employment with the Company.

5.3 Additional Restrictions for Board members, Officers and Certain Other Personnel

5.3.1 Blackout Periods. The period prior to the public release of quarterly and annual financial results is a particularly sensitive period for transactions in Company securities from the perspective of insider trading. This sensitivity is due to the fact that during these periods, officers, Board members and certain employees often possess material nonpublic information about the expected financial results for the quarter or year. Accordingly, Board members, executive officers, employees eligible for participation in the Company's long-term incentive plans (generally, employees who are in director level positions and above) and other personnel in the finance function who are aware of financial results may not buy or sell Company securities in the public market during the period that begins on the 15th day of the last month of each quarter and ends two full trading days after the release of the Company's earnings for that quarter.

The Company may also impose blackout periods from time to time in connection with specific material developments. Depending on the circumstances, these trading blackouts may be announced or unannounced. If unannounced, an individual will be informed of the blackout when he or she contacts the Chief Legal Officer to seek clearance of a transaction, as described below.

Note that the restrictions imposed in connection with blackout periods are in addition to the other restrictions in this policy. Trading outside of the blackout periods should not be considered a "safe harbor," and any person with material nonpublic information concerning the Company should not engage in transactions in Company securities until two full trading days after the information has been made public.

5.3.2 Pre-Clearance. The Company's Board members, officers and employees eligible for participation in the Company's long-term incentive plans (generally, director level and above) are required to obtain prior clearance from the Chief Legal Officer or his or her designee before such Board member, officer, employee or a related person makes any purchases or sales of Company securities, including exercise of any stock options. This includes transfers or changes in allocation elections in the Employee Savings Plans that involve Company stock. If the transaction order is not placed within 48 hours after receiving clearance advice, the trading party must again request clearance for the transaction. Any advice will relate solely to the restraints imposed by law and will not constitute advice regarding the investment aspects of any transaction.

5.3.3 Filing Transaction Reports with the SEC. Board members and executive officers are required to file reports with the Securities and Exchange Commission (SEC) within two business days of any transaction involving Company securities. As a result, in addition to the pre-clearance required as described above, these individuals are required to report transactions promptly to the Office of the Chief Legal Officer, so that Section 16 reports can be completed and filed on a timely basis.

5.3.4 Short Swing Profits. Board members and executive officers may not participate in transactions to both buy and sell securities of the Company within a six-month period; accordingly, any amounts earned as a result of such trades ("short swing profits") must be disgorged to the Company. This rule applies regardless of whether the individual in question possesses any material nonpublic information.

5.4 Violations

Securities laws impose civil and criminal fines and penalties, including imprisonment, on persons who trade in Company securities at a time when they have knowledge of material nonpublic information concerning the Company. Insiders may also be liable for improper transactions by any tippee to whom they have disclosed material nonpublic information regarding the Company or to whom they have made recommendations to buy or sell Company securities on the basis of such information, even if the insider did not profit from the trading. In addition to any governmental action or penalty, the Company will impose appropriate disciplinary action on any Board member, officer or employee who violates this policy. Such disciplinary action could include termination of employment.

5.5 Questions

Please direct any questions regarding this policy to the Chief Legal Officer. Any concerns about insider trading activities can be reported to the employee Helpline.

5.6 Certifications

Each executive officer of the Company must certify, by signing and returning the attached certification, that he or she has read, understands, and will abide by this policy.

5.7 10b5-1 Trading plans

The securities laws provide a defense from insider trading liability for transactions pursuant to a written trading plan that meets the requirements of Rule 10b5-1 under the Securities Exchange Act of 1934. Transactions under properly constructed trading plans can be completed during blackout periods and at other times when the individual in question possesses material nonpublic information, and they are not subject to pre-clearance requirements. Entry into any such agreement should be discussed with and approved by the Office of the Chief Legal Officer to assure that it complies with applicable requirements.