

# Conflict Minerals Policy Statement



## INTRODUCTION

In response to violence and human rights violations in the mining of certain minerals from the Democratic Republic of the Congo (DRC) and surrounding countries (the "Covered Countries"), the U.S. Securities and Exchange Commission (SEC) adopted rules to implement reporting and disclosure requirements related to "conflict minerals," as directed by the Dodd-Frank Wall Street Reform and Consumer Protection Act of 2010. The rules require companies who file reports with the SEC to annually disclose due diligence measures taken to determine whether the products they manufacture or contract to manufacture contain "conflict minerals" that are "necessary to the functionality or production" of those products.

## SCOPE

This policy applies to Johnson Controls' global business operations. Employees whose responsibilities relate to the sourcing of parts, components, and materials are informed and are expected to assist with our compliance with these requirements, associated legislation, and regulations. This policy is reviewed annually and changes are incorporated accordingly.

## DEFINITIONS

The definition of "conflict minerals" refers to gold, as well as tin, tantalum, and tungsten, the derivatives of cassiterite, columbite-tantalite, and wolframite, regardless of where they are sourced, processed or sold. The U.S. Secretary of State may designate other minerals in the future if it determines that such minerals are financing conflict in the Covered Countries.

In addition to the DRC, the "Covered Countries" are: Angola, Burundi, Central African Republic, Congo Republic, Rwanda, South Sudan, Tanzania, Uganda and Zambia

## OUR COMMITMENT

We support the humanitarian goal of ending violent conflict in the Covered Countries. Therefore, we are committed to conducting our worldwide business operations in a manner that complies with applicable laws and regulations. We are also committed to the responsible sourcing of "conflict minerals" throughout our supply chain. Johnson Controls is a member of the Conflict-Free Sourcing Initiative (CFSI) and we compare the aggregation of smelter lists provided by our suppliers with the CFSI list of compliant smelters to determine which smelters are DRC conflict free. The information provided by our suppliers is used to conduct our due diligence, including assessing reports for completeness and consistency. Our due diligence processes also conform to the primary principles of the internationally recognized due diligence framework from the Organisation for Economic Co-operation and Development (OECD).

## OUR EXPECTATIONS

Johnson Controls has a multi-tiered, complex and geographically dispersed supply chain and engagement with our suppliers in this environment requires focused efforts to comply with these rules. We continue to promote and encourage suppliers to conduct conflict-free sourcing from the Covered Countries, and to use responsible sourcing practices. We expect our suppliers to conduct due diligence on their respective supply chains and to assist us with our compliance with these rules.

To the extent that a supplier refuses to cooperate with our compliance efforts or does not conduct conflict-free sourcing from the Covered Countries, we may reconsider our supply arrangement and implement remedies available to us.

Likewise, as a supplier, Johnson Controls is committed to assisting its customers with fulfilling their legal obligations under the conflict minerals rules. The processes and systems we have put in place to support our compliance with the conflict minerals rules are also expected to help us provide our customers with appropriate information to assist in their compliance efforts.

## REPORTING CONCERNS

Johnson Controls maintains a web- and telephone-based, 24-hour Integrity Helpline ([www.jci.ethicspoint.com](http://www.jci.ethicspoint.com)), providing any interested party a confidential reporting mechanism to communicate issues regarding Johnson Controls' supply chain.

Sincerely,

Alex A. Molinaroli  
Chairman, President and Chief Executive Officer