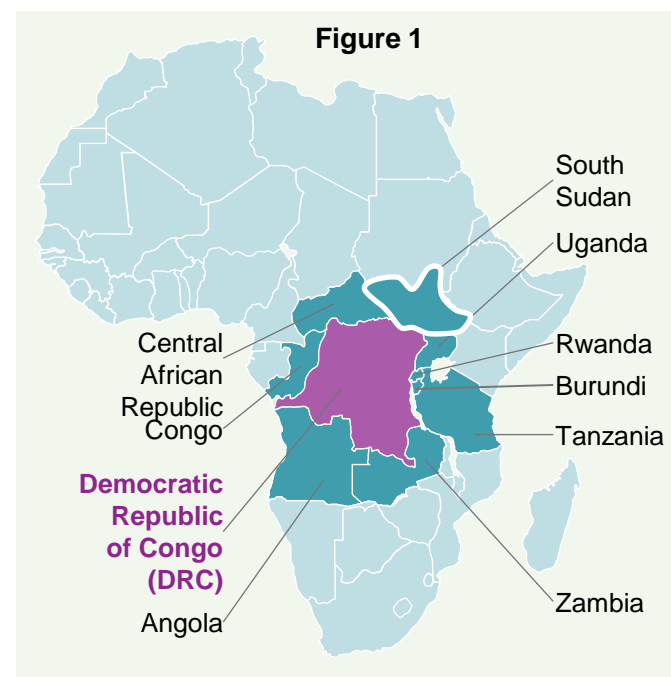


# Conflict Minerals Awareness Training



# Dodd-Frank Act – Conflict Minerals (Section 1502)

- The intent of the Conflict Minerals provision in the Dodd-Frank Act is to reduce violence in the Democratic Republic of the Congo (DRC) and surrounding countries (Figure 1) funded through exploitation of mining and trade activities.
- This act requires SEC registrants, such as Johnson Controls to identify whether the use of conflict minerals are included in its products via assessment or due diligence of the supply chain.
- On an annual basis (by May 31), companies must report their results on the use of conflict minerals by filing the Form D with the SEC which may declare one of the statuses shown below.
- Company products found to contain conflict minerals must be identified in the company's filing, along with the country of origin and smelter of the conflict minerals in those products.
- Based on findings, companies may be required to have an independent audit performed over their due diligence process.



## DRC Conflict Undeterminable

Sources of potential conflict minerals are either:

- Unknown or
- From DRC but not yet determined to be conflict free through Johnson Controls due diligence process

## DRC Conflict Free

All sources of potential conflict minerals are:

- Known and
- Determined to be conflict free (including those within DRC)





## Not DRC Conflict Free

At least one source of potential conflict minerals are:

- From DRC and
- Determined not to be "DRC Conflict Free"

# What are Conflict Minerals?

- The term “conflict minerals” and their derivatives refers specifically to four metals (referred to together as “3TG”) determined by the US government to be financing conflict in the covered countries.

Metal (3TG)		% world-supply from DRC
<b>Tin</b> (Cassiterite)		5%
<b>Tantalum</b> (Columbite-Tantalite)		15%
<b>Tungsten</b> (Wolframite)		3%
<b>Gold</b> (Gold Ores)		2%

- The following slides provide examples of Johnson Controls’ use of each of these metals at its business units.

Source: (1) SEC Release No. 34-63547; File No. S7-40-10; (2) U.S. Geological Survey (<http://minerals.usgs.gov/minerals>); (3) USGS Minerals Handbook 2019 – Gold (<https://www.usgs.gov/centers/nmic/gold-statistics-and-information>); (4) USGS Minerals Handbook 2008 – Tin (<http://minerals.usgs.gov/minerals/pubs/commodity/tin/myb1-2008-tin.pdf>); (5) USGS Minerals Handbook 2010 – Tantalum (<http://minerals.usgs.gov/minerals/pubs/commodity/niobium/mcs-2010-tanta.pdf>) (6) USGS Minerals Handbook 2008 – Tungsten (<http://minerals.usgs.gov/minerals/pubs/commodity/tungsten/myb1-2008-tungs.pdf>).

# Potential Conflict Minerals Used – Buildings

- Plating of metals
- Alloys (bronze, brass etc.)
- Capacitors
- Metal wires
- Electrodes
- Electrical contacts
- Variable Speed Drives
- Fans
- Compressors
- Circuit breakers
- Controls
- Sensors
- Transformers
- Fasteners
- Heat exchangers
- Coils, tanks, flues, valves
- Motors



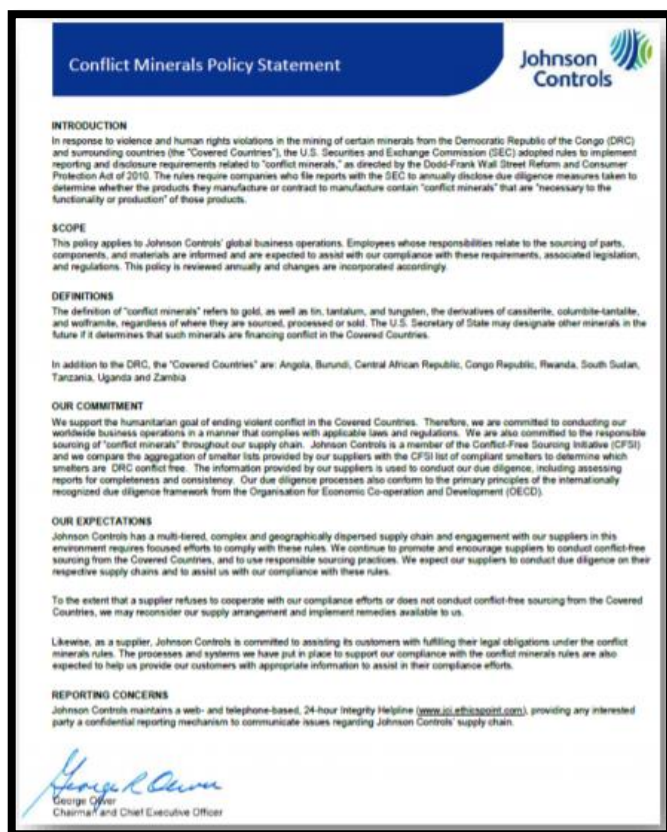
# Johnson Controls' Compliance Efforts

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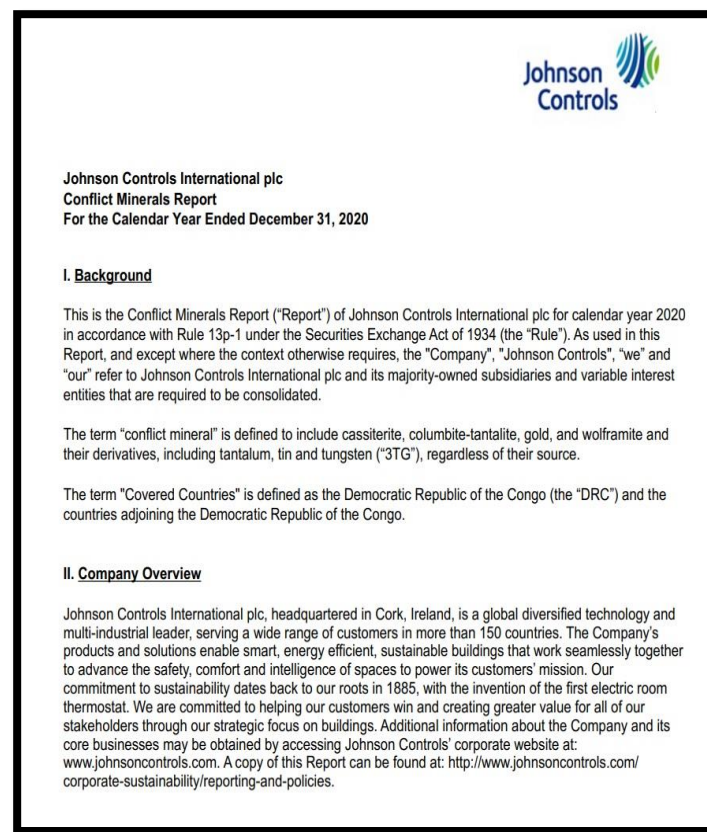
- Executive Steering Committee was established to oversee and support the company's program.
  - The committee is comprised of representatives from Global Procurement, Legal, Engineering, Communications, Information Technology, Internal Audit, Finance and Regulatory Compliance
- The Johnson Controls compliance framework, conforms to the primary principles of the internationally recognized due diligence framework of the Organization for Economic Co-operation and Development (OECD).
- Assessment is performed at Johnson Controls business units to identify parts, products, and materials—and the suppliers of each—that may contain 3TG.
- The procedures for Reasonable Country of Origin Inquiry (RCOI) and due diligence are performed annually.

# Johnson Controls' Compliance Efforts continued

- An enterprise conflict minerals policy was developed to comply with the related requirements in the Dodd-Frank Act. [Click here to access policy](#)



- Conflict Minerals Report filed by Johnson Controls.
- [Click here to access report](#)





# Summary

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- Johnson Controls is required to comply with the Conflict Minerals requirements of Section 1502 of the Dodd-Frank Act.
- Johnson Controls has developed an understanding of how it uses tin, tantalum, tungsten, and gold (“3TG”) in its products.
- Johnson Controls is working with its suppliers to identify whether 3TG is supplied, and if so, whether those 3TG are evaluated as Conflict Free.
- This is a Johnson Controls-wide effort, and your help raising awareness of the program will help ensure Johnson Controls’ compliance.
- To learn more about conflict minerals, reporting requirements, and Johnson Controls’ efforts to achieve compliance, please see the resources provided in the Appendix.
- Questions related to Johnson Controls’ conflict minerals program can be directed to the contacts provided in the Appendix.

# Appendix





# Conflict Minerals Resources

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- Conflict Minerals in the Supply Chain – Summary Video  
<http://www.youtube.com/watch?v=qs-Pm5iKg60>
- Conflict Minerals Tools & Resources  
<http://www.conflictreesourcing.org/>
- Johnson Controls Conflict Minerals dedicated page  
<https://www.johnsoncontrols.com/suppliers/sustainability/conflict-minerals>
- **Contact person**  
**Corporate:**  
Juraj Gregus, Substances Compliance Manager  
[Juraj.Gregus@jci.com](mailto:Juraj.Gregus@jci.com)
- **Reporting concerns:** Via Integrity Helpline at  
<https://valuesfirst.johnsoncontrols.com/resources>