Johnson Controls

CORPORATE ACCOUNTING & FINANCIAL PROCEDURES

	SERIES NUMBER 140	SEQUENCE NUMBER 200-00

DATE ISSUED: December 2012	SUBJECT:	PAGE
DATE REVISED: November 2018	Trade Compliance Policy	1 OF 3
LAST REVIEWED: December 2018		

DEPARTMENT:	DEPARTMENT CONTACT:	APPROVED:
Trade Compliance	Director, Trade Compliance	Andrew Thorson

APPLICABILITY

Corporate... Yes
U.S. Divisions and majority owned subsidiaries .... Yes
Foreign divisions and majority owned subsidiaries .... Yes
Consolidated joint ventures, affiliates, and partnerships…………………………..……………. Yes
Unconsolidated joint venture affiliates ....**
** At the discretion of business unit management.

1.0 INTRODUCTION AND SCOPE

This policy commits Johnson Controls to complying with statutory and regulatory requirements in the following areas, which are collectively referred to as "Trade Compliance":

- Sanctions and Embargoes (including the screening of customers and suppliers);
- Restrictive Trade Practices ("Anti-boycott");
- Export, Re-Export and Import Controls (on goods, technology, designs and software);
- Customs Regulations (including tariff classification, valuation and country of origin);
- Indirect Taxes on cross-border transactions; and
- Customs Duty management schemes (including Preferential Trade Programs, maquiladora, bonded warehousing, duty suspensions and drawback)

		SERIES NUMBER 140	SEQUENCE NUMBER 200-00

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CORPORATE ACCOUNTING & FINANCIAL PROCEDURES

DATE ISSUED: December 2012	SUBJECT:		PAGE
DATE REVISED: November 2018	Trade Compliance Policy		2 OF 3
LAST REVIEWED: December 2018			
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2.0   POLICY

It is the policy of Johnson Controls to comply with all laws and regulations of each country in which Johnson Controls does business. Products, technology and/or services shall not be exported, imported, transferred or re-exported, including between Johnson Controls entities or businesses, except as authorized by local law and Johnson Controls policies and procedures.

In the event of a conflict between the laws and regulations of one country and those of another country, employees must contact the Johnson Controls Trade Compliance team for guidance and/or authorization before proceeding with the proposed transaction or activity.

Johnson Controls shall exercise reasonable care to comply with legal and regulatory requirements, by developing, maintaining and following appropriate business processes and procedures.

3.0   RESPONSIBILITIES

Compliance with this Policy is the responsibility of every Johnson Controls Director, Officer, and employee (including contract employees).

Corporate Executives, Business Unit Presidents and Supervisors are responsible for ensuring that all affected personnel in their respective organizations are informed as to the requirements of this Policy and for ensuring the effective implementation of this Policy as appropriate for the applicable business unit.

		SERIES NUMBER 140	SEQUENCE NUMBER 200-00

CORPORATE ACCOUNTING & FINANCIAL PROCEDURES

DATE ISSUED: December 2012	SUBJECT:	PAGE
DATE REVISED: November 2018	Trade Compliance Policy	3 OF 3
LAST REVIEWED: December 2018		

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4.0   OBLIGATION TO REPORT TRADE VIOLATIONS

Failure to comply with laws relating to Trade Compliance may result in one or more of the following:
- Criminal and/or civil penalties for Johnson Controls;
- Criminal and/or civil penalties for individual employees;
- Damage to Johnson Controls' reputation; and/or
- Significant business disruption/ inefficiency.

Johnson Controls employees shall, in accordance with local law, report to the Johnson Controls Trade Compliance team and/or the Legal Department any activity that they believe to be a violation or apparent violation of this Policy. Employees may also contact the Johnson Controls Integrity Helpline at www.JohnsonControlsIntegrityHelpline.com.