

**United Technologies Corporation**  
**Supplement for Ombudsman/DIALOG Program Contacts**  
**Involving Persons protected by French Privacy Laws.**  
**(Effective June 8, 2011)**

Since 1990, United Technologies Corporation (“UTC”) has maintained its *Code of Ethics*<sup>1</sup> to inform the actions and business conduct of UTC employees worldwide. This *Supplement* clarifies our implementation of the *Code* in accordance with legal requirements in France. It is intended to be read together with the *Code* and the policies and processes established by UTC’s Business Units in France. This Supplement is issued under, and is intended to satisfy, the *Délibération* N° 2005-305 dated December 8, 2005 as modified by the *Délibération* N° 2010-369 dated October 14, 2010 issued by the *Commission Nationale De l’Informatique et des Libertés* (“CNIL”).

UTC encourages employees worldwide to ask questions and raise concerns without fear of retaliation. The *Code* identifies many acceptable avenues to do so, including supervision, human resources, legal staff, business practices officers (“BPO”), and senior management. In some countries, Employee Representatives and Works Councils are another possible avenue. In addition, and as required under the US Sarbanes–Oxley Act of July 30, 2002, UTC, as a US company, and all its controlled entities worldwide, has to provide an avenue that must be confidential and anonymous.

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<sup>1</sup> UTC’s *Code of Ethics* is accessible in multiple languages, including French, at [www.utc.com](http://www.utc.com). The *Code* as it is applied in France is accessible at [http://www.utc.com/StaticFiles/UTC/StaticFiles/coe\\_france\\_only.pdf](http://www.utc.com/StaticFiles/UTC/StaticFiles/coe_france_only.pdf).

In UTC, and all its Business Units (“BUS”) worldwide, including France, this system is referred to as the Ombudsman/DIALOG program.<sup>2</sup> Since implementing the program in 1986, UTC has maintained worldwide procedures on how the program processes communications from employees. Included in these procedures are the proper subjects for Ombudsman/DIALOG, who may use the program, handling of matters related to allegations concerning employees, redaction of personal information before processing, security of data, and refusals to process potentially defamatory matters.

The *Code* operates on the firm belief of respect for employee privacy and dignity, and UTC will comply with all applicable laws regulating the disclosure of personal information about employees. We therefore believe that the goals and requirements of U.S. and French laws in connection with these matters are not incompatible but complementary and equally important.

However, in the limited number of cases where anonymous allegations are made to the Ombudsman/DIALOG program by or about persons protected by French privacy laws, the possibility is raised that the person identified in the allegation may be deprived of their legal protections regarding privacy and data protection, human rights, and human dignity.

Accordingly, the application of the Ombudsman/DIALOG program for France, that is whenever a person protected by French privacy laws is involved, requires the following additional protections when processing Ombudsman/DIALOG inquiries:

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<sup>2</sup> While the *Code* instructs employees to bring actual or suspected violations of the *Code* to the attention of the company, use of the Ombudsman/DIALOG Program is voluntary and is never preferred to other reporting channels such as management, Business Practices, Human Resources, or other company representatives.

- Step 1. Immediately upon receipt of an inquiry dispatched through the Ombudsman/DIALOG program, the inquiry will be referred to a UTC Ombudsman for a determination whether the issue is within the scope of the Program in France. Inquiries will be accepted only if they relate to one of the four following categories of matters:
  - (i) accounting, auditing, financial and banking matters;
  - (ii) bribery and corruption matters;
  - (iii) anti-competitive matters; and
  - (iv) processes and internal controls that relate to these matters.

All other inquiries will be rejected. In this case, the caller/writer shall be so notified by the Ombudsman and all files purged immediately after.

- Step 2. If the inquiry is accepted as per Step 1, the UTC Ombudsman will ensure that “Employee personal information” and “sensitive employee information”<sup>3</sup> regarding the caller/writer and individuals identified in the inquiry are expunged. No data regarding political opinions, religion, sexual orientation, ethnic origin, medical condition, trade union status, or an employee’s criminal records will be collected or processed. The only personal data processed through the Program will concern (i) the identity, title and details of the person filing the report, if available, (ii) the identity, title and details of the person who is the subject of the report, (iii) the identity, title and details of the persons intervening in the collection or processing of the report, (iv) the facts mentioned in the report, (v) the elements gathered during the verification process, and (vi) the

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<sup>3</sup> These terms are defined in UTC’s [Safe Harbor Privacy Notice](http://www.utc.com) published at [www.utc.com](http://www.utc.com). UTC adheres to the U.S. Department of Commerce’s *Safe Harbor Principles* approved by the European Commission (Decision 520/2000/EC, dated 26 July 2000) for data related to employees that may be transferred to the United States.

consequences of the report. The UTC Ombudsman will also ensure that manifestly frivolous, unsubstantiated, or unverifiable inquiries are expunged.

- Step 3. The UTC Ombudsman will then send the inquiry once expunged to the appropriate BPO for investigation (the “Investigating BPO”). Simultaneously to Step 3, if the inquiry identifies any person (by name or position/function in the organization) as the subject of the inquiry (the “Person”), the Person will be notified by the Investigating BPO who will have been informed by the Ombudsman immediately.

Said Person will be provided access to the inquiry as it was received, but shall not have access to any information that may identify or tend to identify the writer. The Person has the right to ask whether his or her personal data are the subject of further processing, to know the goal of the processing, the categories of processed personal data, the recipient or categories of recipients of the data, to receive the data concerning him or her (other than the data regarding the identity of the reporting employee), and to obtain information about planned transfers (if any) of personal data to non-European Union Member States. The Person has a right to request that erroneous, incomplete, equivocal or outdated data be corrected, completed, updated, locked or erased. The Person has a right to respond to any allegations contained in the inquiry. The Person also has the right to (i) request the deletion of his/her data if the collection or processing of the same is prohibited by law, and (ii) add comments to the contents of the file.

However, the Investigating BPO may determine that the notification to the Person will not be done immediately if doing so would involve risks such as the destruction of evidence or a reasonable risk of retaliation against the caller/writer. Similarly, the Investigating BPO may decide not to immediately share with the Person some or all of his/her file data if doing so would involve risks such as the destruction of evidence or a reasonable risk of retaliation against the caller/writer.

UTC will take every precaution to safeguard the security of data on the occasion of their collection, communication and storage. Access to the data repository is controlled by a user identification/access code and password, which are regularly renewed.

Data submitted through the Ombudsman/DIALOG program may be transmitted to UTC in the United States, under its Safe Harbor registration.

In all cases, the Person shall be treated loyally, fairly, honestly and equitably, with the utmost respect for his or her right to privacy and dignity. All rights of any such Person will be respected, including the right to defend him or herself and the right to be presumed innocent of any alleged wrongdoing unless proved otherwise.

Pertinent electronic and hard-copy files will be retained in accordance with established Ombudsman/DIALOG Program retention protocols and only for the time necessary to process the question or submission. If no evidence of any wrongdoing is found or no disciplinary or judicial procedure is initiated, then no copy of the question, submission or

investigation shall be kept in the employee's personal file and the data will be deleted or archived within two months following the closure of the investigation; provided, however, that UTC will retain employee personal information that is required for effective operation of the company or as required by law. Evidence or allegations that are proven to be false or gratuitous will be purged within 2 months of closure of the case.

All persons using the Ombudsman/DIALOG Program in France are encouraged to identify themselves when using the system. However, they may choose to remain anonymous. Anonymous messages shall be treated with the necessary precautionary steps as required under the *Délibération*.

### **Labor Law Aspects**

The use of the Ombudsman/ DIALOG program is an option offered to employees and cannot be considered as an obligation.

No disciplinary sanction(s) will be taken on the sole basis of inquiries to the Ombudsman/DIALOG Program. Only credible evidence can lead to disciplinary action or other sanctions against employees; provided, however, that any such sanction will always be imposed subject to, and in strict compliance with, all requirements of applicable laws and regulations, including where applicable the French Labor Code, the House Rules and any applicable collective bargaining agreement.

Good faith reporting of violations or suspected violations will under no circumstances result in any sanctions against the reporting employee. Conversely, bad faith reporting may result in sanctions against the reporting employee, up to and including termination of employment. Reporting employees are also advised that criminal suit for slanderous denunciation (*dénonciation calomnieuse*) and/or defamation may be brought by the company, by other employees or third-parties.

### **Confidentiality Requirements**

The *Délibération* calls for a strict written confidentiality obligation upon any person handling the inquiries. UTC's Ombudsmen adhere to the Standards of Practice of the International Ombudsman Association which include a specific provision on confidentiality ([www.Ombudsman-toa.org](http://www.Ombudsman-toa.org)). Should the caller/writer agree, for the purpose of the investigation, that his/her name be shared with the Investigating BPO, the Investigating BPO shall sign a specific confidentiality clause extending to the caller/writer the same confidentiality protection that he/she enjoys from the UTC Ombudsman.