



United Technologies

California Transparency in Supply Chains Act

California law requires UTC to disclose its activities regarding monitoring its supply chains to prevent human trafficking and slavery.

Section 24 of UTC's Code of Ethics states:

"UTC is committed to good citizenship and believes that engagement with others improves the human condition. For our employees worldwide, UTC assures safe and healthy work environments, based on the more stringent of U.S. standards, local standards or UTC policies. UTC does not use child labor or forced labor. For our communities worldwide, UTC works to protect the environment, maximize the efficiencies of our products and reduce wastes, emissions, energy consumption and the use of materials of concern. As affirmed in other sections of the Code, UTC obeys the law, does not discriminate in personnel practices and does not engage in corrupt practices. In addition to its own commitments, UTC expects direct suppliers to adopt suitable codes of business conduct. See UTC's policy entitled 'Corporate Citizenship.'"

UTC's Corporate Citizenship policy requires direct suppliers to adopt a suitable code of business conduct that specifically addresses "fair employment practices, including prohibitions on harassment, bullying, and discrimination, use of child or forced labor or trafficking in persons for whatever purpose."

As described above, UTC addresses labor standards in its Code of Ethics, and expects its officers, employees and others to report actual or alleged failures to meet the Code's standards. An annual certification required of all salaried employees worldwide includes a requirement to certify adherence to UTC's Code.

UTC makes training available to company management, employees and certain third parties regarding human trafficking and slavery issues, including training with respect to recognizing and mitigating risks within the supply chain. Those with direct responsibility for supply chain management are required to take this training.

UTC has robust supplier selection and administration criteria that it expects its direct suppliers to adhere to; however, UTC does not verify or audit its product supply chains specifically to evaluate and address risks of human trafficking and slavery, nor does it require its direct suppliers to certify that materials incorporated into its product comply with laws regarding slavery and human trafficking in the country or countries where they are doing business.

