

Johnson Controls and our employees participate in the public policy process in the United States in a variety of ways. These include corporate government affairs activities designed to educate elected officials and policymakers on key issues related to the company's business, individual political giving by employees through the Johnson Controls Political Action Committee (PAC), and membership in trade associations and organizations to help advance our business objectives.

The following principles guide our political contributions and activities to ensure compliance with applicable federal and state laws and go beyond compliance to implement leading practices in accountability and transparency.

1. Political spending by Johnson Controls shall reflect the company's interests and not those of our individual employees, officers, or directors.
2. No political contribution shall be given in anticipation of or return for any official act.
3. Contributions are based upon advancing our business goals in a broad range of public policies, including, but not limited to: improving energy efficiency and sustainability programs, policies and activities; promoting building codes and standards; advancing innovation in technology and manufacturing; and supporting efficient and effective regulations and policies.
4. Johnson Controls shall publicly disclose expenditures of corporate and political action committee (PAC) funds on political activities including independent expenditures; in-kind contributions; electioneering communications on behalf of federal, state or local candidates; the use of company time and resources for political activity; contributions in support or opposition to ballot initiatives; and to organizations representing elected officials of the major political parties. The disclosure shall be made on the company's website semiannually.
5. Johnson Controls' Executive Committee shall monitor the company's political spending; receive regular reports from corporate officials responsible for the spending; supervise policies and procedures regulating the spending; and review the purpose and the benefits of the expenditures. The Board of Directors shall receive regular updates on our corporate political activity and public policy efforts.
6. Johnson Controls PAC contributions shall be approved by the PAC Steering Committee which is comprised of representatives from a broad cross-section of business and functional leaders for the company. PAC contributions shall be disclosed on the company's website.
7. All other corporate political contributions must receive prior written approval from the General Counsel or Legal Department and the Chief Sustainability & External Relations Officer. Corporate contributions shall be disclosed on the company's website.
8. In general, Johnson Controls shall follow a preferred policy of making its political expenditures directly rather than through third party groups. In the event that we are unable to exercise direct control, Johnson Controls shall monitor the use of its dues or payments to other organizations for political purposes to identify any inconsistency with the company's stated policies, practices, values and long-term interests.
9. Employees shall not be reimbursed directly or through compensation increases for personal political contributions or expenses.
10. The company shall not pressure or coerce employees to make personal political expenditures or take any retaliatory action against employees who do not.