Political Contributions Policy

U.S. Corporate and Political Action Committee Spending



Johnson Controls and its employees participate in the public policy process in the United States in a variety of ways – from corporate government affairs activities designed to educate and influence elected officials and policy makers on key issues related to the company's business, to individual political giving by employees through Johnson Controls Political Action Committee (PAC), to 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 its individual 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; increasing automotive safety and efficiency; and supporting efficient and effective regulatory and tax policies.
- 4. Johnson Controls will 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 (e.g. Democratic and Republican Governors Associations). The disclosure will be made on the company's website.
- 5. Johnson Controls' Executive Operating Team 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 of the benefits of the expenditures.
- PAC contributions shall be approved by the Corporate Vice President for Diversity and Public Affairs and a senior leader from at least one of our three business units. PAC contributions will be disclosed on the company's external website.
- 7. All other corporate political contributions must receive prior written approval from the General Counsel or Legal Department and the Vice President for Diversity and Public Affairs. Corporate contributions will be disclosed on the company's website.
- 8. In general, Johnson Controls will 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 will monitor the use of its dues or payments to other organizations for political purposes to assure consistency with the company's stated policies, practices, values and long-term interests.
- 9. Employees will not be reimbursed directly or through compensation increases for personal political contributions or expenses.
- 10. The company will not pressure or coerce employees to make personal political expenditures or take any retaliatory action against employees who do not.