

Conflict of Interest Policy

Johnson Controls Compliance Policy



Applicability

Corporate	Yes
U.S. divisions and majority-owned subsidiaries.....	Yes
Non-U.S. divisions and majority-owned subsidiaries	Yes
Consolidated joint ventures and affiliates	Yes
Unconsolidated joint venture affiliates	Recommended

Employees sometimes face situations where their personal interests may conflict with the interests of Johnson Controls. This document will equip you with the tools to confidently take the correct steps if such situations occur.

Purpose: The Johnson Controls Conflict of Interest Policy seeks to identify and prevent situations in which an employee’s activities conflict or appear to conflict with the interests of Johnson Controls, its subsidiaries, or its affiliates.

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What is a conflict of interest?

A conflict of interest exists whenever an employee's personal interests are at risk of interfering with their ability to make unbiased decisions on behalf of the Company.

Johnson Controls expects employee behavior to be consistent with the best interests of the Company. This is known as a **"duty of loyalty"**.

How do I identify a conflict of interest?

A conflict of interest can happen when you have a financial, personal or social interest that could affect – or appears to affect – your judgement, such as:

- Having a second job where your duties conflict with your workplace responsibilities.
- Having an ownership interest in, or professional involvement with, a Johnson Controls competitor, customer, vendor or business partner.
- Accepting gifts or hospitality from a vendor that could make it seem like you might owe something to that vendor.
- Close personal relationships within reporting lines where your personal, romantic or family connections could affect business decisions.
- Close personal or family connections with an employee of a Johnson Controls competitor, customer, vendor or business partner.

When in doubt – reach out

Unsure if a situation may lead to a conflict or could look like a conflict?
Ask yourself these questions:

1. Could this influence my objectivity or judgement regarding Johnson Controls business decisions?
2. Could this look unethical or unfair to others?

If the answer is "yes" to either of these questions, or if you're not sure, contact Compliance or Legal, or email askcompliance@jci.com to get the answers you need.

Please note

See the Johnson Controls Third Party Gifts, Entertainment and Travel policy for detailed guidance on giving and receiving gifts and hospitality.

What are my responsibilities?

Employee:

- Disclose any actual, potential or perceived conflict of interest by completing a disclosure form on the **Compliance Portal**.
- Comply with any guidance provided as a result of your disclosure.
- Update any existing disclosure form immediately if circumstances change from a previous disclosure.
- Contact Compliance or email askcompliance@jci.com immediately if you are uncertain whether a situation requires disclosure or is not allowed.

Manager:

- Ensure that all team members complete a conflict of interest disclosure form when assigned.
- Advise employees to disclose any known actual, potential or perceived conflicts.
- Comply with any guidance provided as a result of disclosures.
- Take any conflict of interest questions to Compliance or Human Resources as soon as possible.

What do I have to disclose?

1. Any personal or private interests, including outside employment, volunteer work or other activities that may impact your duty of loyalty to Johnson Controls.
2. All board of director positions, including those with not-for-profit and for-profit organizations, other than subsidiaries, affiliates, or joint ventures of Johnson Controls.
3. Other work, including consulting services or freelance work, with any business or organization that is a Johnson Controls customer or business partner or that might be considered to be a Johnson Controls competitor.
4. Family or personal relationships with any Johnson Controls employees, competitors, customers or vendors.

This is not a complete list and other types of situations may have to be disclosed. Reach out to Compliance or email askcompliance@jci.com if you are unsure whether a situation needs to be disclosed.

What is a personal relationship?

A personal relationship is a connection between persons, other than professional, that could be perceived as influencing an employee's conduct or decision-making. Personal relations include family members, friends or anyone with whom the employee has a romantic relationship.

How do you define "family member" or "family connection"?

A person connected to an employee by relationships through birth or adoption or as a result of a marriage or domestic partnership, including:

- Spouse or domestic partner
- Parents or step-parents or parents-in-law
- Grandparents or step-grandparents
- Children or stepchildren or grandchildren
- Siblings or step-siblings or siblings-in-law

Reach out to your local Human Resources contact if you are unsure whether an organization or individual could be considered a family member or family connection.

Real-life scenario

I am an employee and a family member just got hired at my branch/plant. Is there a conflict of interest? What should I do?

Yes, this situation presents a potential conflict of interest. You should disclose this fact to your manager and fill in the conflict of interest disclosure form via the **Compliance Portal** so you can get guidance on what to do next.

What is the process?

Step 1

Identify a situation that requires disclosure

Step 2

Disclose the situation by completing a disclosure form via the **Compliance Portal**

Step 3

Remove yourself from any decision-making related to the potential conflict until you receive guidance

What activities are not allowed?

1. Owning or working for a competitor, helping anyone in competing activities, or taking part in any activity that competes with the business interests of Johnson Controls. This includes unpaid positions or assistance to competitors.
2. Giving or receiving loans to or from:
 - A. Employees that are under one's managerial control
 - B. Persons or organizations that do or seek to do business with Johnson Controls.
Note: Loans to employees from financial institutions that do business with Johnson Controls are permissible if the loans are made using normal terms and conditions and are in amounts meeting the institution's usual and ordinary lending guidelines.
3. Using the Johnson Controls name, influence, funds, materials, facilities, employees, or work time, without prior permission:
 - A. For outside activities
 - B. To obtain favorable terms and conditions in personal dealings
4. Being involved in Johnson Controls decisions that specifically benefit a family member or person with whom the employee has a personal relationship.

How do you define "competitor"?

For purposes of this policy, a competitor is an organization or individual that offers or provides products or services that Johnson Controls also offers.

Reach out to Compliance or Legal, or email askcompliance@jci.com if you are unsure whether an organization or individual could be considered a competitor.

Real-life scenario

I work in HVAC at Johnson Controls but, on the weekends, I have a job installing security cameras at local businesses. I also sometimes provide feedback on product design. Is this permitted?

As the side work you describe involves products and services that are similar to those provided by Johnson Controls, that work would be considered competitive, and is therefore not allowed. If you are unsure about whether a business or side job would be considered a Johnson Controls competitor, please reach out to askcompliance@jci.com or simply use caution and complete a Conflict of Interest disclosure form via the [Compliance Portal](#).

How do I disclose?

If you think you may be involved in an actual, potential or perceived conflict of interest or prohibited activity, disclose the situation immediately in a conflict of interest form via the **Compliance Portal**. Your situation will be reviewed by Compliance or Human Resources and you will receive guidance on next steps.

What happens if I don't disclose?

Failure to disclose an actual, potential, or perceived conflict of interest is a violation of Johnson Controls policy and may lead to disciplinary action up to and including termination of employment.

Useful links

- [Johnson Controls Code of Ethics](#)
- [Compliance Portal](#)
- [Relative & Reporting Relationship Policy - for North America-based employees only](#)

Dates	Subject	Policy Number
Date originally issued: Nov 2016 Date last reviewed: Sept 2018 Date updated: Nov 2022	Conflict of Interest	15-00.103.GLBL_Rev.2

Department	Policy Owner	Approved
Legal, Compliance Department	VP & Chief Ethics and Compliance Officer	Neuman Leverett, VP & Chief Ethics and Compliance Officer

