SETTLEMENT AGREEMENT

This Settlement Agreement ("Agreement") is entered into among the United States of America, acting through the United States Department of Justice and on behalf of the United States Air Force, United States Army, United States Navy, the National Aeronautics and Space Administration ("NASA"), Department of Energy, and the Department of Justice (collectively the "United States"), Johnson Controls, Inc., Johnson Controls Fire Protection LP, and Johnson Controls Security Solutions LLC, (collectively, "JCI"), and Relators Kelly Vance and David Thomas (collectively the "Relators"), through their authorized representatives. Collectively, all of the above will be referred to as "the Parties."

RECITALS

A. Johnson Controls, Inc. is a corporation headquartered in Milwaukee and organized under the laws of the state of Wisconsin. Johnson Controls Fire Protection LP and Johnson Controls Security Solutions LLC are subsidiary corporations of Johnson Controls, Inc., also headquartered in Milwaukee, and organized under the laws of the state of Delaware. JCI, among other things, contracts with the United States to provide building products and services, including heating, ventilation, and air conditioning (HVAC) services, across various agencies and locations.

B. On June 7, 2024, Kelly Vance ("Vance") filed a qui tam action under seal in the United States District Court for the Northern District of Georgia captioned *United States ex rel. Kelly Vance v. Johnson Controls, Inc.*, 1:24-cv-2500, pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b) ("Vance Civil Action"). On March 19, 2025, Vance filed an amended complaint in the Vance Civil Action.

C. On February 11, 2026, David Thomas ("Thomas") filed a qui tam action under seal in the United States District Court for the District of Columbia captioned *United States ex rel. David Thomas v. Johnson Controls International PLC, et al*, 1:26-cv-448, pursuant to the qui tam provisions of the False Claims Act, 31 U.S.C. § 3730(b) ("Thomas Civil Action").

D. On September 14, 2026, Relators entered into an agreement to share a portion of the Relator's Share (defined in Paragraph 2 below) that Relator Vance will receive from the United States.

E. Defense Federal Acquisition Regulation Supplement ("DFARS") clauses 252.204-7008 and 252.204-7012 require Department of Defense contractors and subcontractors to provide adequate security on all covered contractor information systems by, at a minimum, implementing the security requirements specified by National Institute of Standards and Technology ("NIST") Special Publication ("SP") 800-171, "Protecting Controlled Unclassified Information in Nonfederal Information Systems and Organizations," by not later than December 31, 2017. The security requirements include protecting access to protected material, including Controlled Unclassified Information ("CUI").

F. NASA Federal Acquisition Regulation Supplement ("NFS") clause 1852.204-76 requires NASA contractors and subcontractors to provide security for unclassified information technology resources. The clause requires the contractor to protect the confidentiality, integrity, and availability of NASA electronic information from unauthorized disclosure. NASA electronic information includes any data or information that is processed, managed, accessed, or stored on an IT system in the performance of a NASA contract.

G. The Department of Energy specifies in individual contracts how Official Use Only ("OUO") Information is to be handled. For example, in Contract No. 24 on Exhibit A, the

contractor is required to protect all deliverables and working project papers and files as Official Use Only (OUO). OUO is unclassified information that could damage Department of Energy interests if disseminated to individuals who do not need the information, and the contractor's computer systems must prevent unauthorized access.

H. The Department of Justice specifies in individual contracts that DOJ contractors and subcontractors comply with certain information technology security policies, procedures, and requirements, which include limitations on unauthorized access and other improper storage.

I. The United States contends that it has certain civil claims against JCI arising from false claims submitted, or caused to be submitted, by JCI as a result of its alleged failure during the period from January 1, 2018, to August 1, 2025, to fully implement all of the security requirements specified in connection with the twenty-five (25) contracts or subcontracts listed in Exhibit A ("Contracts") because of the following conduct:

a. Each of the Contracts involved the collection, development, receipt, transmission, use, or storing of protected information, including CUI, OUO, and other categories. The Contracts all included language that required JCI to place security restrictions on access to protected information. Due to a lack of sufficient information regarding its systems, or sufficient control over its systems, JCI failed to control access to protected information as required.

b. Numerous of the Contracts listed in Exhibit A incorporate either DFARS 252.204-7008 or DFARS 252.204-7012, which require compliance with NIST SP 800-171. To be compliant, contractors must develop a System Security Plan" ("SSP") that describes how their system satisfies the security requirements. The SSP must contain sufficient information to enable assessment of the contractor's system, including by

describing system boundaries, system environments of operation, how security requirements are implemented, and the relationships or connections to other systems. JCI did not have an SSP that fully met the contractual requirements. With respect to any requirement a contractor does not meet, the contractor must establish a plan of action and milestones designed to correct that deficiency and reduce or eliminate vulnerabilities in its systems. JCI did not adequately document, fully develop, or fully implement such a plan of action for its systems.

The conduct in this Recital I is referred to below as the "Covered Conduct."

J. This Settlement Agreement is neither an admission of liability by JCI nor a concession by the United States that its claims are not well founded.

In consideration of the mutual promises and obligations of this Settlement Agreement, the Parties agree and covenant as follows:

TERMS AND CONDITIONS

1. JCI shall pay to the United States Five Million Dollars ($5,000,000), of which Two Million Four Hundred Twenty Eight Thousand Five Hundred Sixty-Five Dollars and Eighty Cents ($2,428,565.80) is restitution, plus interest accruing at a rate of five percent (5.0%) per annum from June 12, 2026, and continuing until and including the date of payment (collectively, "Settlement Amount"), by electronic funds transfer pursuant to written instructions to be provided by Civil Division of the United States Department of Justice no later than thirty (30) calendar days after the Effective Date.

2. Conditioned upon the United States receiving the Settlement Amount and as soon as feasible after receipt, the United States shall pay $850,000 to Relator Vance by electronic funds transfer ("Relator's Share").

3. No later than sixty (60) days after the Effective Date of this Agreement, JCI shall pay $135,000.00 to Relator Vance's counsel and $163,750.00 to Relator Thomas's counsel, by electronic funds transfer pursuant to written instructions to be provided by Relator Vance's counsel and Relator Thomas's counsel for expenses, attorneys' fees, and costs relating to the Civil Action.

4. Subject to the exceptions in Paragraph 6 (concerning reserved claims) below, and upon the United States' receipt of the Settlement Amount, the United States releases JCI together with its current and former parent corporations; direct and indirect subsidiaries; brother or sister corporations; divisions; current or former corporate owners; and the corporate successors and assigns of any of them (collectively, the "JCI Parties") from any civil or administrative monetary claim the United States has for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733; the Program Fraud Civil Remedies Act, 31 U.S.C. §§ 3801-3812, as amended; or the common law theories of breach of contract, payment by mistake, unjust enrichment, and fraud.

5. Subject to the exceptions in Paragraph 6 below, and upon the United States' receipt of the Settlement Amount, plus interest due under Paragraph 1, Relators, for themselves and for their heirs, successors, attorneys, agents, and assigns, release JCI Parties from any civil monetary claim the Relators have on behalf of the United States for the Covered Conduct under the False Claims Act, 31 U.S.C. §§ 3729-3733. Relators, for themselves and for their heirs, successors, attorneys, agents, and assigns, further release JCI Parties and their current and former officers, directors, agents, employees, representatives, attorneys, and servants (collectively with

JCI Parties, the "JCI Released Parties") from any liability or claims of any kind whatsoever (whether in law or equity, whether known or unknown, whether on Relators' own behalf or on behalf of another, including on behalf of any state or the United States, and including for attorneys' fees, costs, and expenses of every kind and however denominated) that Relators have asserted, could have asserted, or may assert in the future against the JCI Released Parties arising from acts or omissions occurring on or before the Effective Date; provided, however, that nothing in this Paragraph releases any obligation of the JCI Parties under this Agreement, including Paragraph 3.

6. Notwithstanding the releases given in Paragraph 4 of this Agreement, or any other term of this Agreement, the following claims and rights of the United States are specifically reserved and are not released:

a. Any liability arising under Title 26, U.S. Code (Internal Revenue Code);

b. Any criminal liability;

c. Except as explicitly stated in the Agreement, any administrative liability or enforcement right, or any administrative remedy, including the suspension and debarment rights of any federal agency;

d. Any liability to the United States (or its agencies) for any conduct other than the Covered Conduct;

e. Any liability based upon obligations created by this Agreement;

f. Any liability of individuals;

g. Any liability for express or implied warranty claims or other claims for defective or deficient products or services, including quality of goods and services;

h. Any liability for failure to deliver goods or services due; and

i. Any liability for personal injury or property damage or for other consequential damages arising from the Covered Conduct.

7. Relators and their heirs, successors, attorneys, agents, and assigns shall not object to this Agreement but agree and confirm that this Agreement is fair, adequate, and reasonable under all the circumstances, pursuant to 31 U.S.C. § 3730(c)(2)(B). Conditioned upon Relator Vance's receipt of the Relator's Share, Relators and their heirs, successors, attorneys, agents, and assigns fully and finally release, waive, and forever discharge the United States, its agencies, officers, agents, employees, and servants, from any claims arising from the filing of the Vance or Thomas Civil Action, or under 31 U.S.C. § 3730, and from any claims to a share of the proceeds of this Agreement and/or the Vance or Thomas Civil Action.

8. The JCI Parties waive and shall not assert any defenses the JCI Parties may have to any criminal prosecution or administrative action relating to the Covered Conduct that may be based in whole or in part on a contention that, under the Double Jeopardy Clause in the Fifth Amendment of the Constitution, or under the Excessive Fines Clause in the Eighth Amendment of the Constitution, this Agreement bars a remedy sought in such criminal prosecution or administrative action.

9. The JCI Parties fully and finally release the United States, its agencies, officers, agents, employees, and servants, from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that the JCI Parties have asserted, could have asserted, or may assert in the future against the United States, its agencies, officers, agents, employees, and servants, related to the Vance or Thomas Civil Action, the Covered Conduct, or the United States' investigation or prosecution thereof.

10. JCI Parties fully and finally release Relator Vance and Relator Thomas from any claims (including attorneys' fees, costs, and expenses of every kind and however denominated) that the JCI Parties have asserted, could have asserted, or may assert in the future against the Relators, related to the Vance or Thomas Civil Action, the Covered Conduct, or the Relators' investigation and prosecution thereof.

11. The Parties agree to the following:

a. Unallowable Costs Defined: All costs (as defined in the Federal Acquisition Regulation, 48 C.F.R. § 31.205-47) incurred by or on behalf of JCI, and its present or former officers, directors, employees, shareholders, and agents in connection with:

(1) the matters covered by this Agreement;

(2) the United States' audit(s) and civil investigation(s) of the matters covered by this Agreement;

(3) JCI's investigation, defense, and corrective actions undertaken in response to the United States' audit(s) and civil investigation(s) in connection with the matters covered by this Agreement (including attorneys' fees);

(4) the negotiation and performance of this Agreement; and

(5) the payment JCI makes to the United States pursuant to this Agreement and any payments JCI may make to Relator(s), including costs and attorneys fees,

are unallowable costs for government contracting purposes (hereinafter referred to as Unallowable Costs).

b. Future Treatment of Unallowable Costs: Unallowable Costs will be separately determined and accounted for by JCI, and JCI shall not charge such Unallowable Costs directly or indirectly to any contract with the United States.

c. Treatment of Unallowable Costs Previously Submitted for Payment: Within ninety (90) calendar days of the Effective Date, JCI shall identify and repay by adjustment to future claims for payment or otherwise any Unallowable Costs included in payments previously sought by JCI or any of their subsidiaries or affiliates from the United States. JCI agrees that the United States, at a minimum, shall be entitled to recoup from JCI any overpayment plus applicable interest and penalties as a result of the inclusion of such Unallowable Costs on previously-submitted requests for payment. The United States, including the Department of Justice and/or the affected agencies, reserves its rights to audit, examine, or re-examine JCI's books and records and to disagree with any calculations submitted by JCI or any of its subsidiaries or affiliates regarding any Unallowable Costs included in payments previously sought by JCI, or the effect of any such Unallowable Costs on the amount of such payments.

12. This Agreement is intended to be for the benefit of the Parties and JCI Released Parties only.

13. Upon receipt of the Settlement Amount, the United States and Relators shall promptly sign and file in the Vance and Thomas Civil Actions a Joint Stipulation of Dismissal of the Civil Action pursuant to Rule 41(a)(1). The Joint Stipulation of Dismissal shall be with prejudice as to the Relators; with prejudice as to the United States' claims in the Vance and Thomas Civil Actions against JCI as to the Covered Conduct and consistent with the terms and conditions of this Agreement; and otherwise without prejudice to the United States.

14. Except as provided in Paragraph 3, above, each Party shall bear its own legal and other costs incurred in connection with this matter, including the preparation and performance of this Agreement.

15. Each Party and signatory to this Agreement represents that it freely and voluntarily enters into this Agreement without any degree of duress or compulsion.

16. This Agreement is governed by the laws of the United States. The exclusive jurisdiction and venue for any dispute relating to this Agreement is the United States District Court for the Northern District of Georgia. For purposes of construing this Agreement, this Agreement shall be deemed to have been drafted by all Parties to this Agreement and shall not, therefore, be construed against any Party for that reason in any subsequent dispute.

17. This Agreement constitutes the complete agreement between the Parties. This Agreement may not be amended except by written consent of the Parties.

18. The undersigned counsel represent and warrant that they are fully authorized to execute this Agreement on behalf of the persons and entities indicated below.

19. This Agreement may be executed in counterparts, each of which constitutes an original and all of which constitute one and the same Agreement.

20. This Agreement is binding on JCI's successors, transferees, heirs, and assigns.

21. This Agreement is binding on Relators' successors, transferees, heirs, and assigns.

22. All parties consent to the United States' disclosure of this Agreement, and information about this Agreement, to the public.

23. This Agreement is effective on the date of signature of the last signatory to the Agreement (Effective Date). Facsimiles of signatures shall constitute acceptable, binding signatures for purposes of this Agreement.

[SIGNATURE PAGE(S) FOLLOW]

THE UNITED STATES OF AMERICA

DATED: October 19, 2026 BY: _____

Jennifer Cook
Trial Attorney
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: _____ BY: _____

Adam Nugent
Assistant United States Attorney
United States Attorney's Office
Northern District of Georgia

DATED: _____ BY: _____

Sean Tepe
Assistant United States Attorney
United States Attorney's Office
District Court for the District of Columbia

THE UNITED STATES OF AMERICA

DATED: _____ BY: _____

Jennifer Cook
Trial Attorney
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: 10/15/26 BY: _____

Adam Nugent
Assistant United States Attorney
United States Attorney's Office
Northern District of Georgia

DATED: _____ BY: _____

Sean Tepe
Assistant United States Attorney
United States Attorney's Office
District Court for the District of Columbia

THE UNITED STATES OF AMERICA

DATED: _____ BY: _____

Jennifer Cook
Trial Attorney
Commercial Litigation Branch
Civil Division
United States Department of Justice

DATED: _____ BY: _____

Adam Nugent
Assistant United States Attorney
United States Attorney's Office
Northern District of Georgia

DATED: 10/15/26 BY: Sean Tepe

Sean Tepe
Assistant United States Attorney
United States Attorney's Office
District Court for the District of Columbia

JOHNSON CONTROLS, INC., JOHNSON CONTROLS FIRE PROTECTION LP, AND JOHNSON CONTROLS SECURITY SOLUTIONS LLC

DATED: 10/14/26 BY: _____

Richard Dancy
Vice President & Secretary
Johnson Controls, Inc.

DATED: 10/14/26 BY: _____

Nate R. Clarke
Vice President
Johnson Controls Fire Protection LP

DATED: 10/14/26 BY: _____

Nate R. Clarke
Vice President
Johnson Controls Security Solutions LLC

DATED: 10/15/2026 BY: _____

G. Zachary Terwilliger
Partner, Vinson & Elkins
Counsel for Johnson Controls, Inc., Johnson Controls Fire Protection LP, and Johnson Controls Security Solutions LLC

RELATORS

DATED: 13 OCT 26 BY: _____
Kelly Vance

DATED: Oct 14, 2026 BY: _____
Julie Bracker
Partner, Bracker & Marcus
Counsel for Kelly Vance

DATED: October 13, 2026 BY: David Thomas
David Thomas (Oct 13, 2026 15:23:28 MDT)
David Thomas

DATED: October 13, 2026 BY: _____
Martin Bienstock
Partner, Bienstock PLLC
Counsel for David Thomas

Exhibit A

1. Subcontract 10466-601, associated with the Contract issued for solicitation W912QR20R0087.
2. Order Number FA486120F0205, to GSA Schedule GS-07F0-190CA.
3. Subcontract 219R022-2R to Contract FA8751-19-D-A003.
4. Contract N6247322C3802.
5. Contract N6426720Q0089.
6. Subcontract 1-102231151918 to Contract N40085-20-D-0040.
7. Subcontract 4N0P-0044.
8. Subcontract 5N1Q0038 to Contract N62742-23-D-1320 / N62742-24-F-9931.
9. Credit card purchase · Est. No. 1-7LX03ON.
10. Subcontract W981942008 to Contract W9127Q-15-F-0011.
11. Subcontracts 772212S002 and 772212S006 associated with Solicitation No. W912QR22R0011 and Contract No. W192QR17D0044.
12. Subcontract 742410S02 associated with Solicitation No. W912QR220028.
13. Purchase Order 722610E01, associated with Contract No. 47QSHA23D0018.
14. Subcontract 742411S01, associated with Solicitation No. W912QR23R0022.
15. Purchase Order No. 4910-220, associated with Contract No. W1928F23C0034 and Solicitation No. W1928F23R00018.
16. Subcontract KSCFL24008 to Contract 80KSC024FA049.
17. Subcontract CPQ-392354, associated with Project No. 22-GIA-102.
18. Subcontract SC-2412-008, associated with Project No. 24-GIA-18.
19. Subcontract 23-02-07-8-5 to Contract 80KSC023R0013.
20. Subcontract X608 VAB LCC to Contract No. 80KSC023R0012.
21. Subcontract 240106-0805 to Contract No. 80KSC024R0001.
22. Subcontract RF212311-S2 to Contract 80KSC019C0013.
23. Subcontract F2101-01, to Contract 80KSC021CA008.
24. Contract Purchase Agreement 1902991.
25. Order Number 15JCRM23F00000023, to GSA Schedule GS-07F-225CA.