

Government Relations

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A. SUMMARY

Otis' global Government Relations team oversees the company's political activity and advocacy with Government bodies and officials in the U.S. (federal, state, and local) and outside the U.S., working with local and regional teams as needed.

B. APPLICABILITY

This Policy applies to Otis Worldwide Corporation and its subsidiaries, divisions, and other controlled business entities and operations ("**Operating Units**"), as well as all directors, officers, and employees worldwide (collectively, "**Otis**").

C. DEFINITIONS

"**CPM**" means Corporate Policy Manual. Other Bold terms are defined in Exhibit 1.

D. POLICY

1. The global Government Relations function ("Government Relations") provides guidance and oversight, as described in Exhibit 2, for advocacy conducted on Otis' behalf on legislative, regulatory, or policy matters involving any Government (U.S. federal, state, or local and non-U.S.) or international governmental organizations. This includes lobbying and visits by elected officials and political candidates to Otis' facilities. The Head of Government Relations oversees all contract lobbyists and any Otis employees who engage in lobbying.
2. All political activity, Political Contributions, and contributions supporting events sponsored by Government offices (for example, national holiday commemorative functions) must comply with Exhibit 2.
3. All activities described above must follow the standards in The Otis Absolutes, including the principle that Otis will comply with all national, state, and local laws regulating Otis' participation in political affairs, including limits on contributions to political parties, national political committees, and individual candidates.

E. RESPONSIBILITIES

The Head of Government Relations is responsible for interpreting this Policy and reviewing it biennially. The SVP, Chief Accounting Officer, will incorporate controls and testing procedures in applicable common controls matrices, and the VP, Internal Audit, will conduct periodic audits (including compliance audits), in each case to assess compliance at the Operating Unit level. Within the regular scope of its annual financial audits, Otis' independent auditor will also review such controls and transactions to ensure compliance.

EXHIBIT 1: DEFINITIONS

Government means any:

- national, regional, local, or other Government.
- Government-owned or Government-controlled companies or entities;
- political parties;
- public international organization (e.g. OECD, United Nations)
- quasi-Government agencies entrusted by a Government with a public mission or mandate (e.g., economic development agencies).

Government Official means any:

- employee, officer, or director (whether elected or appointed) of a Government or Government agency or any candidate for any position therein;
- candidate for political office and party officials; or
- person acting in an official capacity for or on behalf of a Government.

Affiliate means an Entity:

- that exercises Control over the referenced Entity; or
- over which the referenced Entity exercises Control; or
- that, together with the referenced Entity, is under common control of another Entity.

Business Gift is defined as an item of value (including meals, food and beverage, entertainment, and hospitality) that is:

- reasonable in value and frequency;
- related to a legitimate business purpose;
- offered and given openly and transparently;
- consistent with local business customs and given with no sense of obligation on either side;
- permitted under applicable law; and
- not a prohibited business gift.

Control means power, directly or indirectly, to:

- vote more than 50% of an Entity's securities, having voting power to appoint members of the Entity's governance body; or
- direct or cause the direction of an Entity's day-to-day business decisions and policies, whether through the ownership of voting securities, by contract, or otherwise.

Lobbying means any:

- contact or communication (written or verbal) by or on behalf of Otis with any Government or Government Official, or an Affiliate of or Related Party thereto, for the purpose of advocacy on legislative, regulatory, or policy matters or programs (including the negotiation, award, or administration of a U.S. federal Government contract, grant, loan, permit, or license), including, without limitation, contact or communication with any:
 - Members or staff of the U.S. Congress;
 - the President, Vice President, or any political appointees in the U.S. Executive branch;
 - general or flag officers in the U.S. military;
 - U.S. state and local Government legislatures or agencies regarding legislation, regulations, treaties, policies, or programs (including sales activity, or the negotiation, award, or administration of a contract, grant, loan, permit, or license);
- other activity that falls within the definition of Lobbying or a Lobbyist under any U.S. (federal, state, or local) or non-U.S. laws or regulations, and the individual or firm

undertaking such activities is expected to discharge obligations (e.g., registration, reporting, etc.) in accordance with such laws or regulations.

For clarity, the determining factor is the nature of the contacts, communications, and activities to be undertaken—not the status or affiliation of the individual or firm. Otis employees and Vendors other than Lobbyists may be deemed to have engaged in Lobbying if they undertake one or more of the foregoing activities.

Lobbyist means a current or prospective Vendor selected or retained by Otis to provide Lobbying services.

Political Contribution(s) means any financial or other support given by or on behalf of Otis (including through the Otis PAC) to: (i) any candidate for Government office (elected or appointed); or (ii) any political party or similar Entity formed to support political advocacy or candidates, in each case in or outside the U.S.

Related Party means:

- an individual, including that individual's immediate or extended family (including parents, siblings, spouses, uncles, aunts, nephews, and nieces);
- an Entity, including any Affiliate of that Entity.

Sponsored Travel means Otis pays travel-related expenses for a third party (for example, a customer, distributor, or other external partner) and the travel is:

- reasonable in value and frequency;
- directly related to legitimate company business activities;
- provided openly and transparently;
- permitted under the recipient's employer's policies; and
- given and accepted in compliance with local law.

Third Party means:

- an individual who is not an employee of Otis or any Affiliate of Otis;
- an Entity that is not Otis or an Affiliate of Otis (for clarity, for purposes of this Policy, Company joint venture partners and Vendors, and their respective Affiliates, are Third Parties).

Otis PAC means the Otis Federal Political Action Committee.

Vendor means any current or prospective Third-Party contractor or supplier of materials or services to Otis.

EXHIBIT 2: PROCEDURES AND REQUIREMENTS

A. REGIONAL REPRESENTATIVES

The Head of Government Relations oversees the activities of Otis representatives related to Otis' legislative, regulatory, and policy interests under this exhibit. Otis representatives with Government Relations responsibilities and/or who undertake lobbying report to their respective Otis supervisors, with a dotted-line reporting relationship to the Head of Government Relations.

B. STATEMENTS ON SIGNIFICANT PUBLIC POLICY ISSUES

All external statements that represent Otis' official position on significant domestic, foreign, or international public policy issues (e.g., environmental, energy, or tax policy, foreign relations, international disputes, Government subsidies) require advance approval by the Head of Government Relations (or designee) and the EVP, Chief General Counsel (or designee).

Sufficient advance notice must be provided to allow the Head of Government Relations to consider stakeholder interests that are, or could be, affected by the issue and the proposed statement. Examples include Otis' support for, or affiliation with, an industry association letter or study; remarks on a public policy issue in a speech or at an industry conference; and comments to the media.

If the Head of Government Relations identifies conflicting corporate interests within Otis on a public policy issue, they will collaborate with the relevant stakeholders to align a single Otis position. If alignment is not possible, the Head of Government Relations will brief the EVP, Chief General Counsel (or designee), who will decide—together with other relevant stakeholders—whether to issue the statement.

C. LOBBYING AND LOBBYISTS

1. All lobbying by Otis employees or lobbyists must be coordinated with the Head of Government Relations and approved in advance as follows:

1. Otis Operating Units are responsible for complying with applicable U.S. (federal, state, and local) and non-U.S. Government registration, disclosure, and reporting obligations and must coordinate with the Head of Government Relations as needed, including as follows: The Honest Leadership & Open Government Act of 2007, Public Law No. 110-81 ("HLOGA"), requires registration and reporting for persons (including Otis employees and lobbyists) who engage in lobbying with the U.S. federal Government. Individuals who spend less than 20% of their time on lobbying generally are not required to register or file reports. Additional information is available in Procedures on lobbying Registration and Reporting.

D. VISITS OF ELECTED OFFICIALS AND POLITICAL CANDIDATES TO OTIS FACILITIES

1. All visits to Otis facilities by Government Officials require coordination with the Head of Government Relations (or designee) and regional management. Such visits are prohibited within sixty (60) days of election day for any Government Official who is seeking election, re-election, or election to a different office (as an incumbent or non-incumbent). Exceptions are rare and require advance approval from the Global Head of Government Relations (or designee) and regional management.
2. Visits by Government Officials to Otis facilities for campaigning are generally prohibited because they are strictly regulated by U.S. and non-U.S. laws and may require equal access (i.e., if one candidate is permitted to campaign at an Otis facility, all candidates for the same office who request a campaign visit must be offered the same opportunity). In extenuating circumstances, a policy exception may be considered with advance approval from the Head of Government Relations (or designee. For clarity, "campaigning" includes distributing literature, soliciting financial support, or statements by the candidate or Otis's representatives advocating support in any election.
3. All visits permitted under Sections D(1) and D(2) require advance coordination with the Head of Government Relations and compliance with facility rules on access, security, photographs, etc.

E. POLITICAL ACTIVITY BY THE COMPANY

1. Otis and its employees have a legitimate interest in participating in public policy discussions. Otis' Government Relations initiatives are intended to educate officials and the public on issues important to Otis' businesses. These initiatives must reflect the interests of Otis' shareholders, not the personal agendas of individual directors, officers, or employees, and typically do not include Political Contributions.
2. U.S. law allows Otis to solicit its "restricted class" of employees to make voluntary Political Contributions to the Otis PAC. Otis defines its "restricted class" as directors, officers, and Level M/P7 (or higher) employees who are U.S. citizens or permanent resident aliens. All solicitations, and their content, require advance approval by the Head of Government Relations and the SVP, Human Resources Officer.
3. Otis PAC is non-partisan and participation is voluntary. Otis PAC contributes to federal candidates supportive of Otis' corporate business interests and public policy goals, regardless of political party. The bylaws of Otis PAC provide basic organizational material and incorporate Federal Election Commission (FEC) regulations. A Steering Committee meets two times per year or confers as necessary to review candidates and approve contributions. The Steering Committee considers, among other things, the following factors in deciding contributions to candidates:

Demonstrates words and actions that align with The Otis Absolutes and meets any one of the following criteria:

- Has an Otis facility in the candidate's district or state;
- Sits on a key committee of jurisdiction in the candidate's chamber that relates to Otis' business sectors or enterprise priorities;
- Is a member of a legislative caucus related to Otis' business sectors or enterprise priorities;
- Advances pro-innovation policies for the industry; or

- Holds a leadership role.

For clarity: decisions by Otis PAC to contribute are made independently under PAC governance; they are not intended to, and do not, represent an endorsement by Otis Worldwide Corporation of any candidate or political party.

3. Otis works with many organizations across the political spectrum on policy issues related to our industry. This means engaging with stakeholders, policy experts, and others to develop well-considered policies that reflect a variety of perspectives.

Otis is a member of trade associations that advocate solutions on behalf of its industry.

Otis may not align with or support every public position each of these broad-based groups takes. When Otis disagrees with a position, it employs a range of approaches to make its voice heard. Otis believes its dissenting voice has greater impact when it participates as a member of these organizations, offering a balance of perspective.

Government Relations may support organizations in furtherance of its policy objectives. The Company makes any such contributions only after determining an organization meets the Company's expectations for compliance with all applicable laws—including campaign finance, lobbying, and government ethics rules.

F. POLITICAL ACTIVITY & REPORTING BY DIRECTORS, OFFICERS, AND EMPLOYEES

1. Some jurisdictions and their political subdivisions regulate political activity by companies and their directors, officers, and employees that do business with the state or subdivision. So-called "pay to play" laws often prohibit or require reporting of political contributions by a state contractor or its directors, officers, and employees who are involved in performing one or more contracts with the state or subdivision. If you or a covered family member intends to make a private political contribution in your personal capacity in any jurisdiction that has a pay-to-play law, you are responsible to ensure that it will not affect the ability of Otis to contract with that jurisdiction. Because these regulations vary widely in scope and are difficult to apply, you are encouraged to consult the Otis Legal Department before making a private political contribution in your personal capacity to a candidate for U.S. state, local office.

G. POLITICAL CONTRIBUTIONS

1. Otis shall not make Political Contributions to candidates for U.S. federal Government office, as U.S. law prohibits corporations from offering or making such contributions. Subject to the exceptions and prior approval requirements described in this Policy, Otis shall not provide any financial support to a U.S. federal committee (e.g., Republican or Democratic National Committee) or to a political committee for the direct benefit of a U.S. federal candidate.

2. U.S. state, local laws may differ but frequently ban or restrict the amount of allowable Political Contributions to candidates for U.S. state, local office. Accordingly, as a matter of policy, Otis does not make such Political Contributions.

3. Otis shall not make Political Contributions to candidates for or incumbents of non-U.S. Government office, as these are subject to—and in many cases are prohibited by—the U.S. Foreign Corrupt Practices Act and local laws or regulations.

4. Otis is permitted to make administrative expenditures in support of its Otis Federal Political Action Committee ("**Otis PAC**").

5. Otis also may donate funds to U.S. tax-exempt (501(c)) organizations designated by eligible employees who contribute to Otis PAC. This "PAC Match" program is subject to revision or elimination at any time, at the sole discretion of the Corporation.

6. U.S. law regulates donations or contributions to support an event or organization in any way connected to a member of the U.S. Congress and may require reporting of such contributions in Otis' periodic lobbying reports to the U.S. Congress. Accordingly, such contributions require advance approval pursuant to Section G7 below. Philanthropic Donations to a charitable event or organization at the behest or on behalf of a member of the U.S. Congress, or where a member of the U.S. Congress is a chair or is honored, may be made only with prior approvals.

7. Because laws governing political activity are complex, Political Contributions must be reviewed carefully to assure compliance with laws and The Otis Absolutes. In all cases, the WHQ legal counsel shall be consulted in advance of making any Political Contribution (including, without limitation, any commitment for financial support to any candidate for U.S. state, local Government office or to any U.S. federal or state, local political parties, committees, or 527 organizations (or equivalent)), and no Political Contribution shall be offered or made on behalf of Otis or its Affiliates without the prior approval of the Head of Government Relations; provided that, advance approval need not be obtained for Otis' support for Otis PAC contributions, if administered by the Otis PAC in accordance with the PAC's bylaws and operating guidelines. Under no circumstances shall any Political Contribution be offered or made that would constitute or create the appearance of a Corrupt Payment.

8. HLOGA imposes reporting requirements for federal political contributions and other politically related payments, restricts Otis' ability to provide Business Gifts or Sponsored Travel to Members of the U.S. Congress, and requires Otis (and certain individuals within Otis) to certify that Otis employees have read and are familiar with the House and Senate rules and have not offered or provided Business Gifts or Sponsored Travel in violation of the rules. Specifically, HLOGA requires semi-annual disclosures of the following by Otis:

- Contributions by Otis of \$200 or more made within the prior 6-month period to any U.S. federal candidate, officeholder, leadership PAC, or political party committee;
- Contributions by Otis or Otis PAC of \$200 or more made within the prior 6-month period to a Presidential library foundation or Presidential inaugural committee;
- Payments of any amount (other than those required to be disclosed by the recipient to the Federal Election Commission ("**FEC**")) by Otis or the Otis PAC;
- For the cost of an event to honor or recognize any covered legislative or executive branch official;
- To any entity that is named for a covered legislative branch official;
- To any individuals or entity in recognition of a covered legislative branch official;

- To any entity established, financed, maintained, or controlled by a covered legislative or executive branch official;
- To any entity designated by a covered legislative or executive branch official; and
- To pay the costs of a meeting, retreat, conference, or other similar event, held by, or in the name of, one or more covered legislative or executive branch officials.

H. CONTRIBUTIONS TO SUPPORT EVENTS SPONSORED BY GOVERNMENT OFFICES

1. Otis may make contributions to support events sponsored by international posts of the U.S. State Department (e.g. U.S. embassies and consulates); provided that, the contributions are permitted by applicable law, modest in amount, intended to directly support events held by such international posts that are commemorative in nature (e.g., national holidays), and approved in advance by the Head of Government Relations/designee and EVP, Chief General Counsel/designee. Contributions to commemorative events other than U.S. Independence Day are discouraged and shall not exceed an annual aggregate contribution by Otis of USD 500. Duly approved contributions shall be paid directly to the registered bank account of the international post and shall be accompanied with the following statement: "Otis Worldwide Corporation serves customers around the world in the elevator and escalator industry. This donation is unconditional and not in exchange for any official action by the U.S. Department of State or its international posts. This donation is also provided with the understanding that the U.S. Department of State has authority to accept the donation and will use the donation only for authorized purposes."

2. Contributions to events sponsored by other U.S. federal Government offices, U.S. state, local Government offices, and non-U.S. Government offices are highly discouraged, and require advance approval on an exception basis by the Head of Government Relations and the EVP, Chief General Counsel/designee.

3. Under no circumstances shall any contribution be offered or made that would constitute or create the appearance of a Corrupt Payment.

I. COST ALLOWABILITY

Political activities described above impact Otis' tax and U.S. federal Government cost accounting, including employee salary expense. Tax reporting will be handled as required by the VP, Tax. All direct and indirect costs will be reviewed for U.S. federal Government cost allowability purposes in accordance with section 29.29.8 of Otis' Financial Manual.