

Anticipate. Innovate. Exceed.



E C O N O M I C P R O S P E R I T Y | S O C I A L R E S P O N S I B I L I T Y | E N V I R O N M E N T A L L E A D E R S H I P

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Letter to Stakeholders

Johnson Controls achieved a record \$42.7 billion in revenues and \$2.66 earnings per share in fiscal 2013. Our strong performance is testament to the commitment of our 170,000 employees, who daily exceed customers' increasing expectations with innovative products and solutions.

ALEX A. MOLINAROLI
President and Chief Executive Officer

STEPHEN A. ROELL
Chairman of the Board

In fiscal 2013, our Automotive Experience business grew as a result of increased North American automobile production, strong growth in China and signs of stabilization in Europe. With significant operating improvements and restructuring, we saw fourth-quarter sales increase 9 percent and income 47 percent over the same period in 2012.

Power Solutions increased market share in North America, Europe, the Middle East and particularly in China, where two new battery plants are operating and a third is planned. Our Absorbent Glass Mat (AGM) lead-acid batteries for Start-Stop and deep cycle applications continued to gain market share. Power Solutions 2013 sales rose 9 percent and segment income grew 24 percent over the prior year, supported by our vertical integration investments.

Building Efficiency saw record sales of \$14.7 billion and segment income of \$1 billion, fueled by stabilization in North America and Europe, ongoing cost reductions, continuous improvement and commercial discipline.

Long-term strategies and investments

As a global multi-industrial company, we are actively managing our business portfolio. We completed the sale of our HomeLink® product to Gentex in September 2013 and anticipate selling the rest of Automotive Electronics in 2014.

“Our plans for profitable growth and return on investment include continued emphasis on innovation and customer focus. Energized employees are driving results across the enterprise, providing real value to customers and ultimately delivering attractive, sustainable returns to shareholders.”

In July, we separated Global WorkPlace Solutions (GWS) from Building Efficiency, empowering each business to focus on its unique needs, opportunities and performance. Finally, as announced in late 2013, we are also exploring strategic options for our Automotive Interiors business.

We have a strong balance sheet and are allocating capital to ensure we create the greatest value for customers and shareholders while continuing to strategically invest in our businesses.

Leadership changes

I am pleased to welcome Raymond L. Conner, vice chairman of the Boeing Company and president of Boeing Commercial, to our board of directors. His background in global leadership, manufacturing and government affairs offers us new insight and expertise.

New appointments to our executive leadership team support our growth strategy. John Murphy was named president of Global WorkPlace Solutions. Bill Jackson was named executive vice president of the company's new Corporate Development function and continues as president of Automotive Electronics and Interiors.

Kim Metcalf-Kupres is our first chief marketing officer, leading enterprise marketing, sales and innovation capabilities.

Outlook for 2014 and beyond

We expect our core markets to be relatively stable in 2014, supporting continued revenue and earnings growth. The greatest potential for sustained growth lies in further expansion in emerging markets, especially China, where we already have a significant presence and strategic partnerships. In 2013, we broke ground for a new corporate headquarters in Shanghai, and we continue to invest in growing our businesses throughout Asia.

Our plans for profitable growth and return on investment include continued emphasis on innovation and customer focus. Energized employees are driving results across the enterprise, providing real value to customers and ultimately delivering attractive, sustainable returns to shareholders. We value our stakeholders' trust and thank you for your support.

Sincerely,



Alex Molinaroli
President and Chief Executive Officer

Steve Roell – An Appreciation

After 32 years with Johnson Controls, Steve Roell retired as chief executive officer on October 1 and as chairman of the board on December 31, 2013. In his seven years as CEO, our sales grew from \$34.6 billion in 2007 to \$42.7 billion in 2013 – even as Johnson Controls endured some of the most difficult market and economic conditions in its history. Steve embodied the wise, steady leadership critical to leading 170,000 employees through challenges and toward opportunity.

His legacy includes envisioning and fostering a culture of innovation across our organization. Steve's belief in innovation, commitment to understanding our markets and customers, and courage to invest for the long term have made Johnson Controls a stronger company – a market leader positioned for sustained, profitable growth. In his honor, we have named our innovation hubs around the world the Stephen A. Roell Innovation Centers.

Steve has been an incredible leader, mentor and friend. On behalf of all Johnson Controls employees, I thank Steve for building the foundation for our continued success.



Who We Are

Johnson Controls is a global multi-industrial company with core businesses in the automotive, building and energy storage industries. Our 170,000 employees serve customers in more than 150 countries. Our commitment to sustainability dates to our roots in 1885, with the invention of the first electric room thermostat. Through our profitable growth strategies we are committed to delivering increasing value to shareholders and making our customers successful.



\$42.7 billion

Johnson Controls achieved record full-year revenues in 2013.



170,000

EMPLOYEES SERVING CUSTOMERS IN

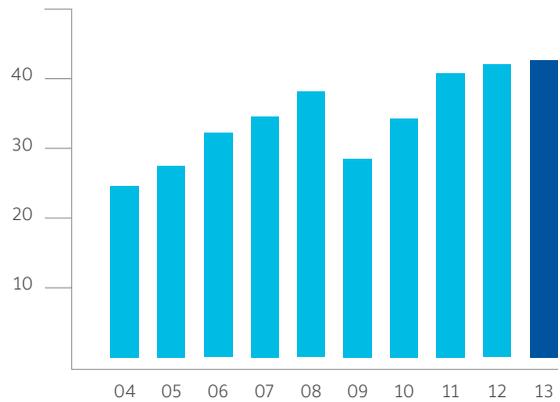


150+ COUNTRIES

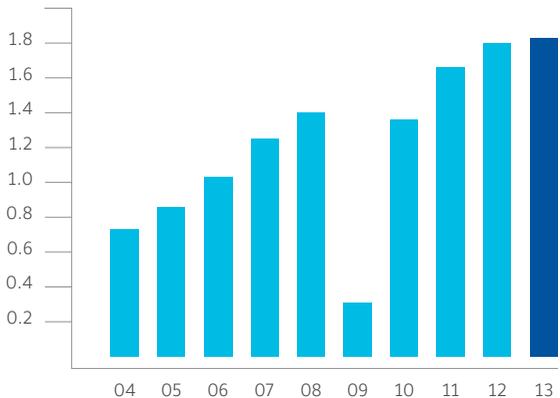
Financial highlights

In 2013, Johnson Controls achieved record full-year revenues of \$42.7 billion and adjusted earnings of \$2.66 per share, despite mixed global economic trends. We saw measurable improvements in our financial performance stemming from our cost control, pricing and productivity initiatives, and we continued to invest in sustainable, profitable long-term growth.

REVENUE - \$BILLIONS



NET INCOME - \$BILLIONS



Our Businesses at a Glance

Automotive Experience

Johnson Controls is a global leader in automotive seating, overhead systems, door and instrument panels, and interior electronics. We help major automakers differentiate their vehicles through our products, technologies and advanced manufacturing capabilities. With more than 240 plants worldwide, we have the global capabilities to supply more than 50 million cars a year.

2013 performance

Our Automotive Experience business increased net sales 2 percent while segment income declined 12 percent. We built momentum with the North America automotive recovery, strong growth in China and signs of stabilization in Europe. Ongoing benefits from cost discipline initiatives and improved production in North America and China led to significant profit improvements in the second half of the year. Automotive Experience accounted for 51 percent of Johnson Controls net sales in fiscal 2013.

Building Efficiency

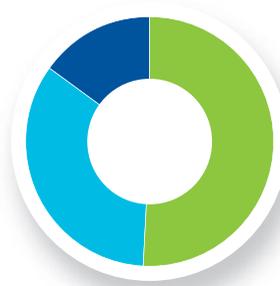
With nearly 700 branch offices in more than 150 countries, we are a leading provider of equipment, controls and services for heating, ventilating, air-conditioning, refrigeration and security systems for buildings. Johnson Controls delivers products, services and solutions that increase energy efficiency and lower operating costs for more than one million customers.

In mid-2013, Global WorkPlace Solutions, a leading provider of facilities, corporate real estate and energy management, became a standalone business. We create value for customers with solutions that optimize their real estate performance and employee productivity while reducing total occupancy costs. Johnson Controls manages real estate portfolios totaling more than 1.8 billion square feet – bigger than the area of Washington, D.C., or Paris, France.



2013 performance

Our Building Efficiency business saw net sales decrease 1 percent while segment income rose 11 percent. Commercial heating, ventilation and air-conditioning (HVAC) markets remained a challenge, particularly in key North America institutional vertical markets such as federal government and healthcare. Growth in residential HVAC as well as continuing cost discipline and pricing initiatives helped fuel strong performance. Building Efficiency accounted for 34 percent of Johnson Controls net sales in 2013.



GLOBAL SALES BY BUSINESS*

- 51% Automotive Experience
- 34% Building Efficiency
- 15% Power Solutions

**not including non-consolidated joint ventures*

Power Solutions

We are the global leader in lead-acid automotive batteries and advanced batteries for Start-Stop, hybrid and electric vehicles. Johnson Controls supplies more than one-third of the world’s starter batteries to major automakers, selling under customer brands as well as our own brand names. We have more than 50 manufacturing, recycling and distribution centers worldwide.

2013 performance

Our Power Solutions business increased sales 8 percent and income 24 percent. North America demand for aftermarket automotive batteries remained soft, but sales continued to grow in China as well as in Europe, where high-margin Absorbent Glass Mat (AGM) lead-acid battery sales increased 50 percent over last year. Increased vertical integration and cost reduction initiatives also contributed to favorable results. Power Solutions accounted for 15 percent of Johnson Controls net sales in 2013.





Economic Prosperity

When our customers prosper, so does Johnson Controls. In 2013 we again achieved record revenues, driven by our focus on anticipating customers' needs; innovating to deliver winning products, services and solutions; and exceeding customers' increasing expectations. We continue to share knowledge and best practices that are building consistent capabilities across our organization, making our businesses market leaders in the industries they serve.

Automotive Experience



▲
The Bespoke Interior showcases Johnson Controls' vision for integrating electronics, interiors and seating into a premium vehicle.

22+ million

SEAT SETS A YEAR

With more than 120 global seating plants, Johnson Controls is the world's largest complete seat supplier, offering original equipment manufacturers unmatched advantages of scale and consistency.



Superior automotive seats and interiors from Johnson Controls help manufacturers differentiate their vehicles. We work with virtually every original equipment manufacturer in the world, offering "concept-to-completion" solutions. Our smart, innovative seat systems and interiors deliver comfort, safety and style.

Spotlighting innovation leadership

New concepts and solutions for seating and interiors highlighted Johnson Controls' innovation and technology leadership at the 2013 North American International Auto Show in Detroit, Michigan; Auto Shanghai, in China; and the International Motor Show in Frankfurt, Germany.

The Inspiration Seat transforms the typical three-seat rear space into two lounge seats with massage, heating and ventilation; plush armrests with tablet pocket; heating/cooling cup holders; and wireless smartphone charging. Passengers can adjust the seat via tablet or other mobile device.

The Bespoke Interior, using the British term for custom tailoring, presents our vision for integrating electronics, interiors and seating in a premium vehicle. The resulting synergies give manufacturers new opportunities to enhance design and production and add the features consumers prefer.



“To make automotive interiors more pleasant, we can generate sounds with the seats. Every customer wants their seats to have a distinct sound – some soft and quiet, some crisper. My job is to develop the sound from the first drawing to final production.”

*Stefan Lingnau
Chief Engineer, Sound and Vibration, Automotive Seating
Solingen, Germany*

The Gen 3 Synergy Seat maximizes comfort and safety while reducing weight and complexity with innovations in seating systems, metals and mechanisms, foam, trim, fabrics and composites. Its design is influenced by current trends in architecture and fashion, while the slimline contour saves interior space.

The H7, designed for China’s historic Hongqi (“Red Flag”) brand, is our first complete interior for the China market, aimed at luxury vehicle buyers. We worked with Hongqi to optimize quality, craftsmanship, design, engineering and manufacturing.



Both the 2013 North American Car and Truck of the Year – the Cadillac ATS and the Ram 1500 – feature a variety of Johnson Controls products, including seating, interiors and batteries.

“Oscar” is the first hip-point mannequin to meet not only our own high standards but also all three sets of international standards for such mannequins, which are indispensable to automotive seating engineering and production.



Our proprietary Compression Hybrid Molding (CHyM) process combines the benefits of natural fiber components and thermoplastic injection molding to cut door panel weight 39 percent.

Building Efficiency

More than 1 million customers worldwide count on Johnson Controls to increase their building's performance and efficiency and reduce operating costs. We help create and sustain the best-performing buildings worldwide to deliver healthy and productive environments.

Optimizing productivity, increasing efficiency and driving sustainability

Here are just a few ways Johnson Controls solutions benefit customers around the globe.

Creating more productive environments for students

At South Carolina's Clemson University, we helped cut a dormitory's energy use 20 percent by eliminating unnecessary heating and cooling. We also tackled a three-campus heating, ventilation and air-conditioning (HVAC) project for Kuwait University – the first-ever use of district cooling technology in that country.



"The contractor starts on the air-conditioning plan, and that's where we jump in. I work with the contractor to determine the requirements by looking at chiller performance and other data, like kilowatt consumption. Based on all that information, I give contractors the best option to meet the customer's needs."

*Cristina Nunez Proulx
Senior Sales Engineer, Building Efficiency, Cancun, Mexico*

25 million

SQUARE FEET

of building space around the world achieved LEED® certification with guidance from Johnson Controls since the rating system was established in 2000. Johnson Controls has LEED certified 2.5 million square feet of its own facilities.

Increasing comfort and safety

In Bogota, Colombia, we installed YORK® water-cooled chillers and a Metasys® building management system at El Dorado International Airport to improve comfort. In Jeddah, Saudi Arabia, we provided security and surveillance to improve safety at King Abdulaziz International Airport.

Delivering high-efficiency technology

In China, we introduced the industry's most energy-efficient heat pump for commercial buildings. The new YORK® YSPA delivers the industry's highest efficiency level and widest temperature range to lower operating costs, cut carbon dioxide emissions and increase comfort in buildings.

Cutting greenhouse gas emissions

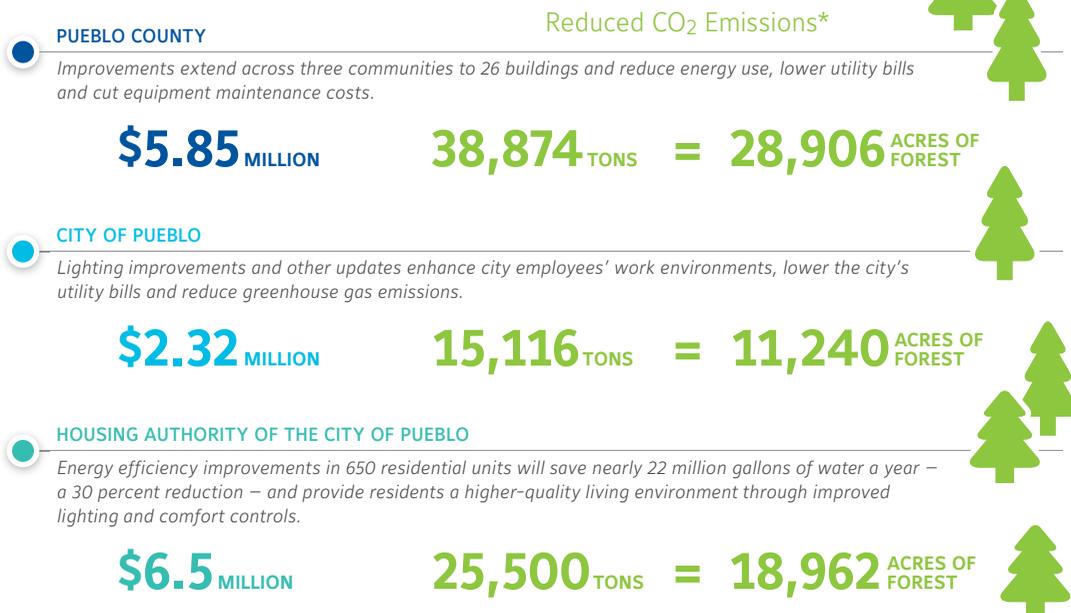
Amid post-earthquake concerns in Japan, we helped the country's largest electricity wholesaler, J-Power, develop the world's cleanest coal technology. Our innovative chiller technology supports high-efficiency use of coal with zero CO₂ emissions.



Helping a community flourish and save over \$14 million

In Pueblo County, Colorado, three entities – the county, the city of Pueblo, and the city’s housing authority – each independently chose Johnson Controls for a wide range of technical solutions and operational improvements to cut utility and operating costs. The relationship and the results exemplify our focus on exceeding customer expectations.

Customer savings over 15 years...



*computed with the United States Environmental Protection Agency Greenhouse Gas Equivalencies Calculator

Power Solutions

Johnson Controls is a global leader in lead-acid and advanced batteries to power passenger vehicles, heavy and light duty trucks, utility vehicles, motorcycles, golf carts, lawn and garden equipment and marine applications.

Bringing innovation to our markets

We're committed to bringing advanced energy storage solutions to transportation markets around the globe. A few examples from 2013:

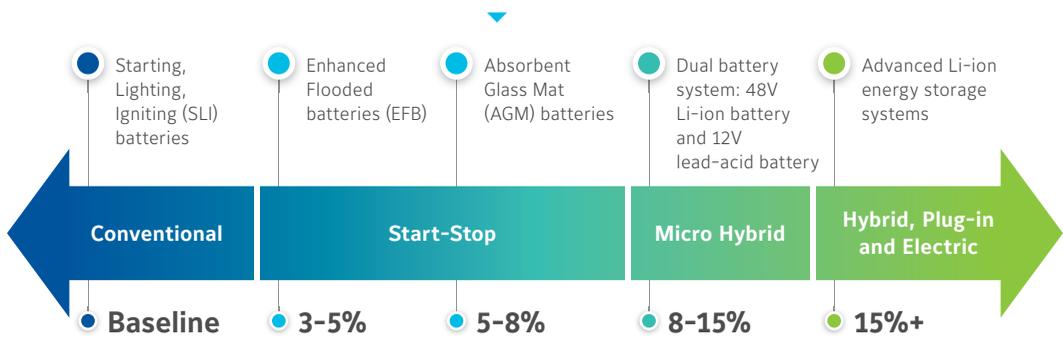
With increased consumer demand for Start-Stop vehicle technology, we expanded our Zwickau, Germany, Absorbent Glass Mat (AGM) battery plant, making it the world's largest AGM battery production facility.

As part of a U.S. Department of Energy (DOE) electrification initiative, Johnson Controls is supplying lithium-ion batteries for large plug-in hybrid trucks for use by public utilities.

In China, we're providing AGM battery technology to power the Chery Jaguar Land Rover Start-Stop and other vehicles made in and for that market. Our expanded manufacturing capacity includes state-of-the-art battery plants in Changxing and Chongqing.

This year we showcased our full spectrum of innovative energy storage solutions at the 2013 North American International Auto Show in Detroit, Michigan; Auto Shanghai in China; and the International Motor Show in Frankfurt, Germany.

Chevrolet's 2014 Malibu, featuring Start-Stop technology, will be powered by our Absorbent Glass Mat batteries, advancing our Start-Stop presence in the U.S. market.



APPROXIMATE FUEL SAVINGS ACROSS VEHICLE POWERTRAINS

Expertise throughout the battery spectrum

The newly remodeled Power Solutions European headquarters in Hannover, Germany, meets the standards for LEED® Gold certification. It now uses 34 percent less water and 37 percent less energy, reducing CO₂ emissions by a quarter.



Research and development: winning today, preparing for tomorrow

Our collaborative research lab at the University of Wisconsin–Milwaukee won a 2013 Gold Edison Award.

Along with our partnership with the University of Wisconsin system, strategic R&D partners include Argonne National Laboratory and the National Renewable Energy Laboratory. We're also a commercial partner in the DOE's Joint Center for Energy Storage Research hub, a \$120 million project to develop batteries that are five times more powerful and five times cheaper within five years.

ten billion 

In 2013 our Red Oak, Iowa, plant produced its ten billionth PowerFrame® grid, our patented technology that increases automotive battery durability and performance. What's more, the unique PowerFrame manufacturing process uses 20 percent less energy and releases 20 percent fewer greenhouse gas emissions than other manufacturing methods.

As part of "Schaufenster Elektromobilität," a German government project to promote electric mobility, Johnson Controls is piloting new techniques in battery production automation. Over the three-year project, our Hannover facility will lay the technological foundation for mass assembly of prismatic lithium-ion cells into battery modules for use in plug-in hybrid electric vehicles and electric vehicles.



Lead recycling: world-class results

Johnson Controls makes and recycles more lead-acid batteries than any other manufacturer, helping to protect the environment while ensuring a stable lead supply to meet customer demand for automotive batteries.





Social Responsibility

For the seventh consecutive year, Ethisphere Magazine named Johnson Controls one of the World's Most Ethical Companies. Such recognition reflects our global commitment to integrity. Through our leadership in philanthropy, diversity, employee development, health and safety, and ethical behavior, we carry out our commitment every day to our customers, employees, suppliers and communities. We are held to a high standard, and our response is to reach higher.

Philanthropic Support

Encouraging employee involvement

Our 170,000 employees generously contribute time, talent and resources to make a difference wherever Johnson Controls operates.

Blue Sky Involve helps employees worldwide develop leadership skills as they partner with nonprofit organizations. Another global initiative, the Community Involvement Program, encourages volunteering in the arts, education, health and social services, and the environment; more than 3,500 employees have collectively logged more than 134,000 hours with the program. Likewise, through the global Executive Involvement and Steering Program, more than 530 senior leaders have volunteered more than 74,000 hours in areas that match their interests and expertise.



Johnson Controls leaders work in the Plymouth, Michigan, Gleaners Food Bank community garden, which provides organic fruits and vegetables for needy families.

Blue Sky Involve provides \$1,000 grants for employee volunteer projects with nonprofit organizations and schools to promote environmental stewardship, social service and education. Since this global program began in 2006, employees have volunteered more than 822,600 hours.

2013

PROJECTS SUBMITTED BY EMPLOYEES



1,500 PROJECTS

PROJECTS APPROVED AND FUNDED BY CORPORATE GRANTS



1,000 PROJECTS
\$1 million

PROJECTS COMPLETED BY EMPLOYEE VOLUNTEERS TO BENEFIT THE COMMUNITY



16,000
EMPLOYEE PARTICIPANTS



142,000
TOTAL VOLUNTEER HOURS



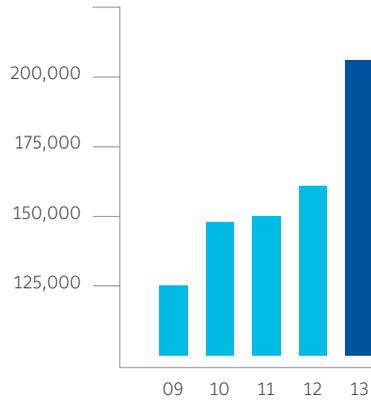
65 COUNTRIES REPRESENTED



GLOBAL GIVING

- 52% Social Services
- 14% Education
- 13% Arts
- 9% Environment
- 5% Health
- 7% Miscellaneous

VOLUNTEER HOURS



Providing financial support

In 2013, Johnson Controls gave \$14.3 million in donations and sponsorships to arts, education, environment, and health and social services organizations, bringing the total for the last five years to \$64 million. In 2013, the Johnson Controls Foundation gave more than \$8.3 million to U.S.-based nonprofit organizations that measurably improve our communities. We're also supporting global disaster relief with a five-year, \$2.5 million commitment to the Annual Disaster Giving Program of the American Red Cross. Our yearly \$500,000 donation puts us at the highest level of corporate support.



Conservation Leadership Corps teams in Detroit, Michigan, worked with a local nonprofit to improve three parks with outdoor classrooms, new trails, invasive species removal and native tree planting.



▲ *In the China SafeStart program, our employees teach at local schools to promote better health, nutrition and safety.*

Connecting youth to the environment

Every summer, the Conservation Leadership Corps (CLC) offers more than 1,800 high school and university students environmental stewardship experience and leadership development through programs in the United States, China, Mexico, Germany, the Czech Republic, Slovakia and the United Kingdom.

Diversity

To continually exceed customer expectations, Johnson Controls works to attract and retain a globally diverse workforce, and to support that workforce in collaborating across regions and businesses. Drawing on employees' varied backgrounds, cultures, characteristics, skills and experiences, we develop the innovative products and services that are crucial to continued business success.



Promoting a diverse workforce

We promote diversity through global mentoring, diversity training built into leadership development, diversity leadership summits, and regular review of diversity metrics by our executive team. Seventy-two percent of our 170,000 employees live and work outside the United States and Canada. In 2013, female executive representation was 14 percent globally and 17 percent in the United States. Minority executive representation was 13.4 percent in the United States.

We were honored in 2013 to be named one of 25 Noteworthy Companies by DiversityInc. This year Johnson Controls also became the first company in Mexico to achieve the European Institute of Social Capital’s Work & Life Balance Certification.

Working with diverse suppliers

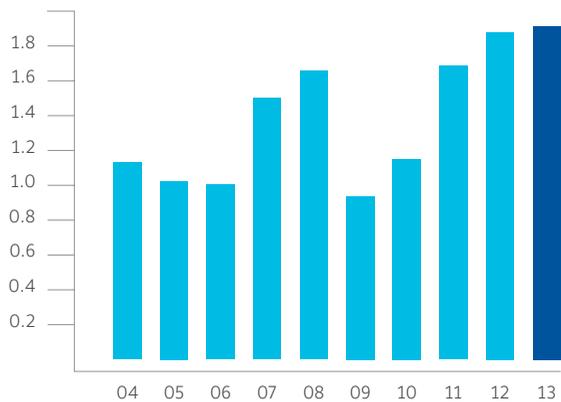
This year marked the 20th anniversary of the Johnson Controls supplier diversity program. We work with more than 700 businesses that are certified in the United States as owned by minorities or women, or designated by their countries as historically underutilized. More than 120 of our customers seek quarterly or monthly reports on how we use diverse suppliers on their projects. Our well-documented program produces measurable results and earns regional and national recognition.

For the 10th consecutive year, Johnson Controls earned a seat at the Billion Dollar Roundtable, a select group of 18 companies that spend more than \$1 billion annually with diverse suppliers.

22 chapters, 7 networks

The Johnson Controls affinity networks – African American, Asia Pacific, Hispanic, emerging leaders, veterans, women, and people affected by disabilities – bring together employees with similar backgrounds, experiences or characteristics to further our inclusive work environment, increase employee engagement and improve business results.

DIVERSE SPENDING – \$BILLIONS



In 2013, we purchased a record level of more than \$1.9 billion from diverse suppliers.

Engaging Employees

We support all employees in achieving their potential. In 2013, our employees participated in an estimated 1.2 million hours of training and development, building the skills to serve our customers with responsiveness, innovation, quality and productivity.

top employer

In 2013, China's Corporate Research Foundation Institute again named Johnson Controls a top employer.

Promoting innovation

This year's participants in Johnson Controls Leadership Edge (JCLE), a global program to accelerate leadership readiness, worked with our Stephen A. Roell Innovation Center in Milwaukee, Wisconsin, to study innovation methodology and transformative thinking. As a result, we have 162 innovation ambassadors worldwide driving advancements in employee engagement, customer service, product development and operations. The Innovation Center saw more than 60 projects completed in 2013, involving 1,000 employees and creating a pipeline of \$1.8 billion in innovation opportunities.



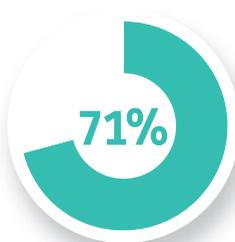
The Chairman's Award, our highest employee honor, is given each year to teams and individuals who demonstrate excellence in achieving our strategic objectives. Winners receive \$10,000 for the nonprofit of their choice. Eighteen winners in 2013 were chosen from a record 1,432 award nominations representing 22 countries.

Increasing leader effectiveness

Enterprise Leader Development reaches across the company to develop leaders with the capability to delight key stakeholders. In 2013 we continued rolling out our iLead program, integrating Johnson Controls leadership models and resources into one curriculum. Online and onsite classes guided 2,000 mid-level managers and 300 senior leaders in building a common knowledge base and skill set.



2013 EMPLOYEE ENGAGEMENT SCORE



2013 LEADER EFFECTIVENESS SCORE

98,341

ACTION PLANS COMPLETED

27,838

ACTION PLANS UNDERWAY

Eighty-eight percent of employees participated in our 2013 Global Employee Survey. We use survey results to create specific action plans that drive measurable improvement and encourage employees to engage.

Ethics and Human Rights

#14

Corporate Responsibility Magazine ranked Johnson Controls #14 among 2013's 100 Best Corporate Citizens.

Integrity is at the center of everything we do and drives our continued success. Our Ethics Policy gives employees clear guiding principles that govern behavior wherever Johnson Controls does business. Every year, thousands of employees and managers around the world complete online and in-person ethics training and certify that they understand and embrace the Ethics Policy. We regularly review the Ethics Policy and update it as needed to ensure it remains relevant and effective.

Our Human Rights & Sustainability Policy reaffirms our commitment to sustainability and good corporate citizenship. Johnson Controls was an early signatory of the United Nations Global Compact and is committed to its Ten Principles. The Human Rights & Sustainability Policy also drives global initiatives such as our anti-corruption and compliance programs,

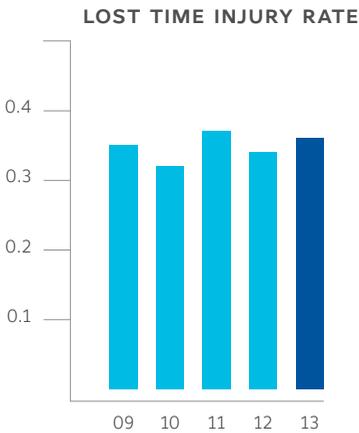
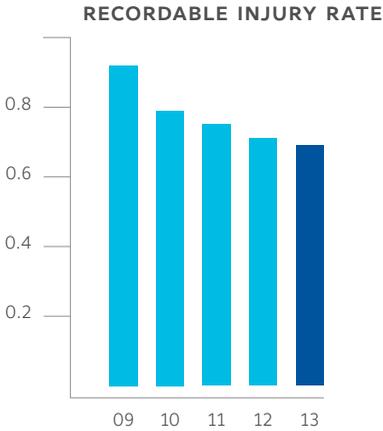


community involvement programs and our environmental stewardship focus.

Our independent, anonymous Integrity Helpline is available to anyone who suspects unethical behavior or has a question for the integrity team. Every Helpline call is responded to and monitored until resolution.



Health and Safety



U.S. Occupational Safety and Health Administration (OSHA) incidents per 200,000 hours worked.



Johnson Controls applies consistent health and safety standards worldwide; implements occupational health and safety management systems; shares best business practices across our company; provides behavior-based tools and training for our employees; and makes health and safety part of our everyday culture.

We continuously identify, record, investigate and look for improvement opportunities in all work-related incidents, including near-miss occurrences. Our businesses also track industry-specific leading indicators such as workplace inspections and safety observations, defining success in terms of proactive efforts rather than injuries alone. We select subcontractors and suppliers whose health and safety values and practices align with ours.



The new Automotive Experience Ergonomics Team, which includes degreed ergonomics engineers, works to make manufacturing lines safer, healthier and more productive.







Environmental Leadership

For 128 years, Johnson Controls has been committed to sustainable development and protecting the environment; we consider it our social and corporate responsibility. Sustainability is a core value and a competitive advantage for us, integrated into our daily activities and our long-term objectives. Through our products, services, operations and community involvement, we promote the efficient use of resources to benefit all people and the world.

Sustainability Scorecard

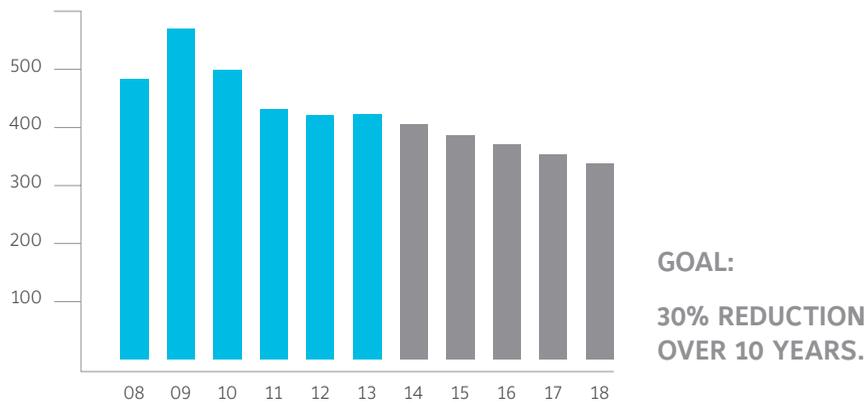
Making transparency a priority

Johnson Controls has reported sustainability data since 2002. Our detailed sustainability report follows the Global Reporting Initiative (GRI) G3 guidelines. Additional reporting includes the United Nations Global Compact Communication of Progress (COP) and the Carbon Disclosure Project (CDP). Bureau Veritas, an independent third party, audits and certifies our greenhouse gas emissions and water data.

You can find our GRI report at www.johnsoncontrols.com/sustainability.

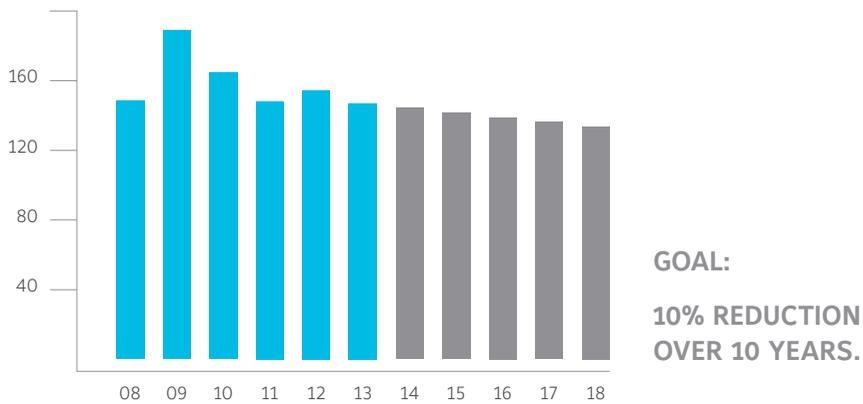
ENERGY INTENSITY

Gigajoules of electricity, gas, propane, steam and diesel per million U.S. dollars revenue.



WATER INTENSITY

Cubic meters of water consumed per million U.S. dollars revenue.

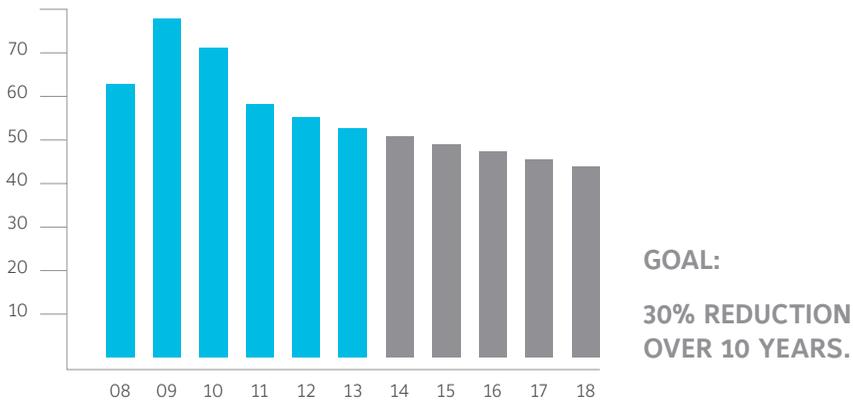


■ OUR PROGRESS ■ OUR GOALS

Johnson Controls generally remained on track to achieve our 10-year greenhouse gas, energy, water and waste intensity goals in 2013. We are committed to an annual 1 percent absolute reduction of greenhouse gas emissions across all our businesses.

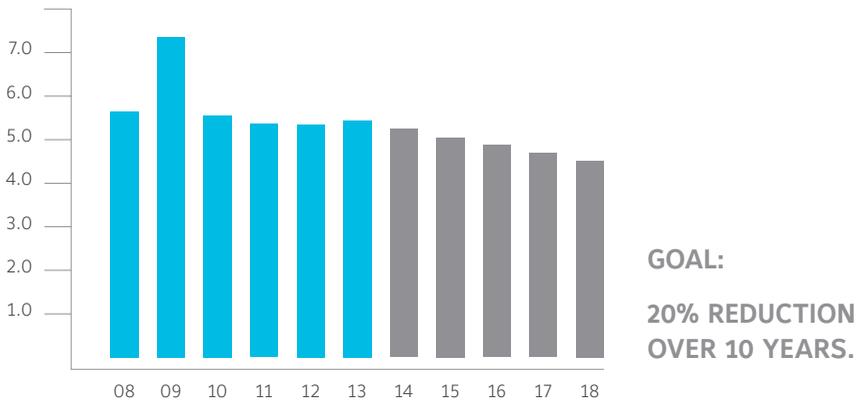
GREENHOUSE GAS (GHG) EMISSIONS INTENSITY

Metric tons of carbon dioxide equivalent emissions per million U.S. dollars revenue.



WASTE INTENSITY

Metric tons of waste sent to landfill or for incineration per million U.S. dollars revenue.



These graphs use the best data available at time of publication. Previously reported data and goals have been adjusted for acquisition, divestment and structural changes consistent with global environmental reporting protocols.



Recognized as a sustainability leader

As we continue to align environmental, social and governance responsibilities with economic priorities, Johnson Controls sees positive results for our business, our communities and our planet. We're proud to be included on prestigious sustainability indices.

- Dow Jones Sustainability World Index
- Dow Jones Sustainability North America Index
- FTSE4Good Index Series
- Calvert Social Index
- MSCI indices including MSCI Global Climate Index and MSCI KLD 400 Social Index, plus 27 other MSCI indices
- UN Global Compact's "Global Compact 100" Index
- Maplecroft Climate Innovation Indexes
 - Maplecroft CII Benchmark Index, #3 in 2012 – Includes 346 of the largest U.S. companies engaged in public climate-related programs
 - Maplecroft CII Leaders Index, #3 in 2012 – Includes 100 top-performing companies from the Maplecroft CII Benchmark Index
- STOXX® Global ESG Leaders indices
- NASDAQ OMX CRD Global Sustainability 50 Index

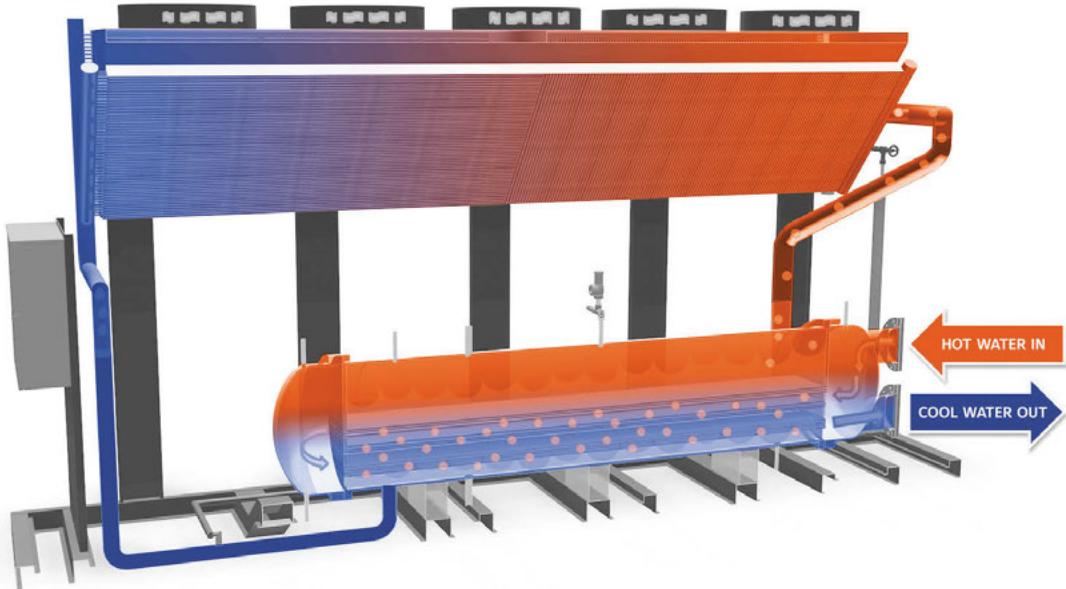
nine years

For the ninth consecutive year, Johnson Controls was named to both the World and North America Dow Jones Sustainability Indices (DJSI).

Working across businesses

Our enterprise Energy, Sustainability and Government Affairs function centralizes activities to further advance Johnson Controls' commitment to sustainable business practices and achieve global growth through innovative, energy-saving products, services and technologies.

Helping Power Plants Use Less Water



In a pilot program with the Water Research Center, a consortium of leading electric utilities and the Electric Power Research Institute, Johnson Controls is applying new industrial refrigeration technology to help power plant cooling towers use less water.

Thermosyphon cooler technology pre-cools the hot water exiting the power plant's steam condenser, so that it requires less evaporative cooling. Early results show potential annual water savings of up to 75 percent.

Improving our environmental footprint

As a Fortune 100 company, Johnson Controls has a large environmental footprint – and the global platform to lead by example in reducing resource use. The improvements we make also enhance our financial results. Over the past 10 years, revenue has increased 78 percent while our carbon footprint has increased only 10 percent. Annual energy costs for 2012 were \$59 million less than business-as-usual projections based on 2008 energy intensity levels.

18%

of power purchases across our U.S. businesses are certified green through the Green-e Energy program.



Our Global Environmental Sustainability Council (GESC), established in 2008, drives progress and updates our executive operating team through four subcommittees: environmental footprint, stakeholder engagement and communications, design for sustainability and supply chain sustainability.



All business units work aggressively to reduce environmental footprints and increase sustainability. A few examples:

Automotive Experience has implemented an energy management program, with 107 projects already approved for an estimated \$814,000 in savings.

Building Efficiency's San Antonio, Texas, chiller factory improved its leak testing process, eliminating 85,000 metric tons of greenhouse gas emissions and saving \$854,000 a year in refrigerant.

Power Solutions' battery recycling plant in Florence, South Carolina, won the grand prize in Industrial Treatment and the W. Wesley Eckenfelder, Jr. Industrial Waste Management Medal from the American Academy of Environmental Engineers (AAEE) for its integrated storm water and wastewater treatment facility.



▲ We continue to add plug-in electric, hybrid and other fuel-efficient vehicles to our fleet, reducing annual fuel costs by \$1.4 million and cutting vehicle carbon emissions a projected 12 percent.

Achievements in the Better Buildings, Better Plants Challenge

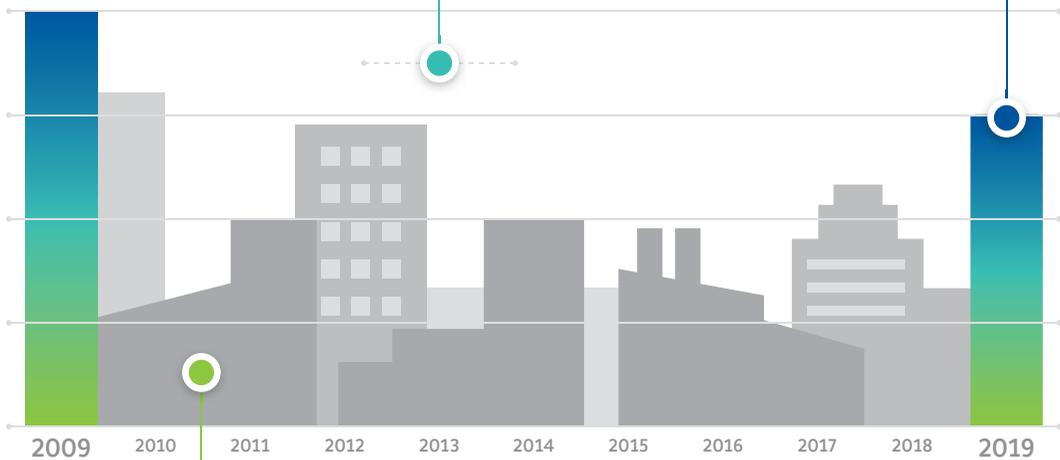
We're proud to partner in the Better Plants Program, a U.S. Department of Energy initiative that aims to drive a 25 percent reduction in industrial energy intensity over 10 years.

↓ 13%

OUR PROGRESS:
13 percent reduction in energy intensity – half of our 10-year commitment

↓ 25%

OUR GOAL:
reduce energy demand by 25 percent from 2009 through 2019



OUR CHALLENGE COMMITMENT:

71 facilities, including **61** manufacturing plants

Increasing supply chain sustainability

Our Global Purchasing Council (GPC) drives increased sustainability in our supply chain, with more than 300,000 direct and indirect suppliers, using tools such as the Supplier Sustainability Rating System.

Johnson Controls is also part of the Carbon Disclosure Project Supply Chain program, where more than 160 of our key suppliers report their goals and progress in reducing energy use and greenhouse gas emissions.

Helping customers and consumers improve sustainability

While we're committed to internal operational improvements, Johnson Controls makes an even bigger contribution to sustainability through products and services that improve energy, water and resource efficiency for customers and consumers.





▲
Johnson Controls promotes Property-Assessed Clean Energy (PACE) financing from government and private sources to finance energy efficiency retrofits. For example, we carried out the first energy efficiency upgrade funded through San Francisco, California's PACE program, reducing annual energy costs by \$98,000 at the Port of San Francisco's historic property at Pier 1, the corporate headquarters of Prologis Inc.

Increasing sustainable offerings

Automotive Experience has introduced a proprietary Compression Hybrid Molding (CHyM) automotive interiors material, which is 39 percent lighter than traditional plastic door panel substrates and produces 35 percent less waste than traditional natural fiber substrates. Building Efficiency performance contracts have helped customers reduce greenhouse gas emissions by 19 million metric tons since 2000. Power Solutions has achieved a 98 percent recycling rate for our lead-acid batteries in North America and continues to expand the ecosteps® battery recycling program in Europe and Latin America.

Providing thought leadership

New bipartisan efforts to promote U.S. government leadership in energy efficiency performance contracting were highlighted at the 24th annual Energy Efficiency Forum, co-hosted by Johnson Controls and the United States Energy Association in Washington, D.C. We also shared highlights of our seventh annual Energy Efficiency Indicator Survey, which gauges the clean energy investment practices and priorities of more than 3,000 building owners and operators around the world.

The Institute for Building Efficiency worked with a range of government and non-governmental organizations to create a policy toolkit for improving energy efficiency in commercial buildings. In addition, our "Driving Transformation to Energy Efficient Buildings" report was chosen for inclusion in the Clean Energy Solutions Center, an initiative of the Clean Energy Ministerial.

Governor Jack Markell of Delaware spoke at the 2013 Energy Efficiency Forum in Washington, D.C.



Directors

LEFT TO RIGHT

David P. Abney
Senior Vice President and
Chief Operating Officer,
United Parcel Service, Inc.
Director since 2009

Dennis W. Archer
Chairman and CEO,
Dennis W. Archer PLLC
Director since 2002

Richard Goodman
Retired Senior Executive,
PepsiCo, Inc.
Director since 2008

Natalie A. Black
Senior Vice President and
Chief Legal Officer, Kohler Co.
Director since 1998

**Eugenio Clariond
Reyes-Retana**
Non-Executive Chairman,
Grupo Cuprum S.A. de C.V.
Director since 2005

William H. Lacy
Retired Chairman and
Chief Executive Officer,
MGIC Investment Corporation
Director since 1997

Mark P. Vergnano
Executive Vice President,
E.I. du Pont de Nemours
and Company
Director since 2011

Alex A. Molinaroli
President and Chief Executive
Officer, Johnson Controls, Inc.
Director since 2013

Stephen A. Roell
Chairman, Johnson Controls, Inc.
Director since 2004

Julie L. Bushman
Executive Vice President,
3M Company
Director since 2012

Jeffrey A. Joerres
Chairman, Chief Executive
Officer and President,
Manpower, Inc.
Director since 2001





Executive Operating Team

Alex A. Molinaroli
President and
Chief Executive Officer

Beda Bolzenius
Vice President and President,
Automotive Seating

Susan F. Davis
Executive Vice President,
Human Resources

Charles A. Harvey
Chief Diversity Officer and
Vice President Community Affairs

William C. Jackson
Executive Vice President,
Corporate Development
and President, Automotive
Electronics and Interiors

Brian Kessler
Vice President and President,
Power Solutions

R. Bruce McDonald
Executive Vice President and
Chief Financial Officer

Kim Metcalf-Kupres
Vice President and
Chief Marketing Officer

John Murphy
Vice President and President,
Global WorkPlace Solutions

C. David Myers
Vice President and President,
Building Efficiency

Jerome D. Okarma
Vice President, Secretary
and General Counsel



We Are Honored

In 2013 Johnson Controls was honored to receive the following awards and recognitions.

- #14, Corporate Responsibility Magazine's 100 Best Corporate Citizens
- World's Most Ethical Companies, Ethisphere Institute
- China Top Employer, Corporate Research Foundation (CRF) Institute
- #2, Fortune magazine's Most Admired Companies, Motor Vehicle Parts
- #71, Forbes Magazine's World's Most Innovative Companies
- 2013 All-America Executive Team, Institutional Investor Magazine

For additional awards won by each business, visit www.johnsoncontrols.com.

DETAILED REPORTS

Further details on the company's 2013 performance, as well as historical information, can be downloaded from www.johnsoncontrols.com

- Financial (Annual Report on Form 10-K)
- Global Reporting Initiative (GRI) Sustainability Report



EXECUTIVE OFFICES

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Johnson Controls is committed to equal employment opportunity, diversity and inclusion in the workplace.

