

Background

Johnson Controls is a 125 year-old, Fortune 60 global manufacturer and provider of automotive interior systems, automotive batteries, building systems, HVAC equipment and facility services. It is recognized as an energy efficiency innovator in buildings and vehicles and as a leader in environmental sustainability and corporate social responsibility.

Position on Energy and Climate Policy

At Johnson Controls, we acknowledge the scientific consensus that the earth is warming and that it is at least partially caused by the actions of man. We believe that significant action is needed in the short-term to mitigate the causes and begin adapting to the negative impacts of global warming. We believe the highest priority actions should be improving energy efficiency in buildings and vehicles which represent the fastest, cleanest and most cost-effective way to reduce greenhouse gas emissions.

We believe that a comprehensive global climate policy is needed backed by strong national policies, goals and actions. We believe that the price of energy should reflect the environmental costs of consumption allowing market economics to lead the shift to cleaner alternatives and new technologies. We support a variety of market-based approaches to regulating carbon emissions that assure the integrity of the reductions and are efficient in their implementation.

We also believe that a complementary set of energy policies are needed to overcome market barriers to energy efficiency, accelerate emission reductions and reduce the overall cost of compliance to businesses and consumers. These policies include updated building codes, building performance labeling, financial incentives for energy efficiency retrofits and a national energy efficiency resource standard. In the vehicle sector, incentives are also required to build an effective supply-chain for large-scale manufacturing of next-generation advanced technology batteries and electric drive vehicles.

The Impact of Energy and Climate Policy

We believe that timely adoption of comprehensive energy and climate legislation will reduce economic and regulatory uncertainty and allow companies to better manage both risks and opportunities related to climate change. These uncertainties include emission reduction requirements, energy price volatility, energy-intensive materials pricing, carbon offset monetization opportunities and the impact of building efficiency codes, standards and incentives. Uncertainties related to the impact of climate change would also be reduced including the future cost of adaptation, availability of resources and the potential for climate-related business disruption.

Increased certainty in energy and climate policy will stimulate additional demand for energy efficient buildings, vehicles, products and services which, in turn, will require the training, education and employment of a greatly expanded workforce. Businesses and institutions will improve the efficiency of their facilities and fleets, their internal operations and their supply chains yielding both economic and environmental benefits. It will also stimulate greater investment in clean energy research and development providing competitive benefits for participating businesses on a global basis.

Commitment to Sustainability

Johnson Controls is committed to reducing its environmental footprint, improving the eco-efficiency of its supply chain and providing environmentally-responsible products and services. These objectives, in combination with our commitment to integrity and ethics, sound financial management, human rights, workforce diversity, supplier diversity, community involvement and providing a safe and healthy workplace provide the foundation for our corporate sustainability efforts around the world.